

**COUNCIL ACTION FORM**

**SUBJECT:** INITIATION OF AMENDMENT TO AMES URBAN FRINGE LAND USE CLASS MAP TO DESIGNATE ADDITIONAL URBAN SERVICE AREA ALONG LINCOLN HIGHWAY AND 500<sup>th</sup> AVENUE

**BACKGROUND:**

At the March 23<sup>rd</sup> City Council meeting, City Council approved proceeding with an annexation request for property at the intersection of 500<sup>th</sup> Avenue and Lincoln Highway. City Council directed staff to proceed with an 80/20 annexation of approximately 40.75 acres (Attachment A).

At that meeting staff explained the consistency of initiating the annexation for this area based upon its corresponding land use designations of Highway-Oriented Commercial (HOC), Convenience Commercial Node, and Urban Residential in the Ames Urban Fringe Plan (AUFP). Staff additionally addressed the area's consistency with the growth area designations of the City's Land Use Policy Plan (LUPP) and the preliminary findings of Ames Plan 2040.

The north half of the site is already designated as an Urban Service Area on the Land Use Class Map (Attachment B). **However, upon further review and consultation with the County as part of the annexation process, staff has determined that per the terms of the AUFP 28E Agreement, the HOC-designated portion of the annexation area requires a Land Use Class Map amendment to Urban Service Area from Rural Urban Transitional.**

The Ames Urban Fringe Plan is a shared land use plan cooperatively developed by Story County, the City of Ames, and the City of Gilbert made possible through a 28E intergovernmental agreement. The 28E Agreement lays out processes for annexation, subdivision, plan review and amendments for lands within the Fringe Area. The Urban Fringe Plan has two important layers of policies that are depicted on a Land Use Class map and a Land Use Framework map.

The Land Use Class map designates property into one of three designations that then defines how subdivisions are reviewed and what type of land may be annexed into a City. The Land Use Framework Map identifies the types of acceptable uses in the Fringe area that match corresponding development policies of the Fringe Plan. **The 28E agreement requires that, before any land may be annexed into a city, the Land Use Class map for a property must have an Urban Service Area designation.**

**For the proposed annexation to move forward as initiated by City Council, a concurrent Fringe Plan amendment to the Land Use Class map is needed.** The amendment would affect approximately half of the land included within the annexation. The affected area of the amendment would include the 5.7 acres of non-consenting properties that are part of the 80/20 annexation process. The AUFPP amendment would be classified as a Minor Amendment and would follow the processes of the Fringe Plan and 28E agreement where concurrence by Story County would be necessary to begin the process and for its ultimate approval.

Initiating this process is consistent with staff's explanation of the applicable policies that were discussed at the March 23<sup>rd</sup> meeting. The attached addendum includes additional information regarding applicable policies related to the Land Use Class designations. If the amendment is initiated, it would include public hearings with both the County and the City.

### **ALTERNATIVES:**

1. Initiate an Ames Fringe Plan Land Use Class Map change to allow for the Highway Oriented Commercial area to be designated as Urban Service Area on the Land Use Class Map, concurrent with the review of the Crane Flummerfelt annexation application.
2. Defer action and request further information or analysis from City staff. **This alternative will delay the process of approving the prospective annexation.**
3. Decline to initiate the amendment and do not allow annexation to proceed at this time.

### **CITY MANAGER'S RECOMMENDED ACTION:**

City Council considered the land use policies of the City at the time of the initiating the annexation at its March 23<sup>rd</sup> meeting. Staff at that time identified the split designation of the site between Urban Service and Rural Urban Transitional along with the proximity of the site to the Convenience Commercial Node. However, staff did not identify the procedural requirement of the 28E Agreement that requires a change of designation to correspond to the intent of the policies of the AUFPP. If this step had been reviewed at that time, staff would have included the initiation as part of the Council Action Form for the annexation initiation.

Initiating the Land Use Class Map amendment concurrent with the annexation request does not modify the current policies of the City regarding the appropriateness of considering annexation of this area. To move forward with considering the annexation itself, City Council must initiate the change and have the Story County Board of Supervisors concur with initiating process for an amendment.

Therefore, it is the recommendation of the City Manager that the City Council approve Alternative No. 1, as described above.

## **ADDENDUM**

### **Ames Urban Fringe Plan (Excerpt of AUFPP Policies are included as Attachment E)**

#### ***Rural Urban Transition Area***

The land use class, Rural Urban Transition Area, is separate from the land use designation, Highway Oriented Commercial. Highway Oriented Commercial is categorized under the land use class, Rural Urban Transition Area. Note that the Rural Urban Transition also includes designations of Rural Residential, Priority Transitional Residential, Industrial, and others. The stated goals of the Fringe Plan for Rural Urban Transition Areas are “to be rural in character as it develops, but within an urban setting at some time in the future [page 19]. It also states that because of the proximity and/or juxtaposition in relation to city limits, development of these areas must be carefully orchestrated to be compatible with city development patterns

Rural Urban Transition Area Goal 3.1 states that strategically located development of the Urban Fringe that will not be served by the City of Ames or City of Gilbert in the time horizon of the Ames Urban Fringe Plan. Goal 3.4 discusses preserving the character of the rural countryside. Staff interprets that lands designated as Rural Urban Transition when abutting a city boundary should be viewed in context of being able to served by a City with the potential for urban transition over preservation of rural character. Not all of the designations abut a City. These particular HOC designated lands should be identified as being in line with the transition intent to urban over the rural intent given its strategic location abutting the City’s boundary.

Individual commercial development policies indicate that development should occur in an urban setting and would support the concept of annexation. Notably in November of 2016 the AUFPP was amended to add an HOC policy to allow for annexation of HOC designated land when adjacent to a Convenience Commercial Node, which is an Urban Service Area feature.

*HOC Policy 10: When Highway-Oriented Commercial property is within an Urban Service Area designation, a property may be annexed without a Land Use Framework Map Amendment. The intent of this option is to further the policies of the Convenience Commercial Node, specifically CVCN Policy 5.*

#### ***Urban Services Area***

The Urban Service Area of the Fringe Plan is described as lands into which Ames may expand its municipal boundaries as development occurs adjacent to city limits and are intended to be urban in character. Typically, lands within this area are annexed as they are developed. Lands on the north side of Lincoln Way adjacent to the west side of the City are located within identified Allowable Growth Areas in the Ames Land Use Policy Plan.

Based upon City planning efforts, this area along Lincoln Way can be classified as Urban Service Area and it is the more appropriate land use class at this location

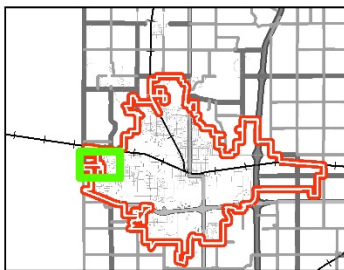
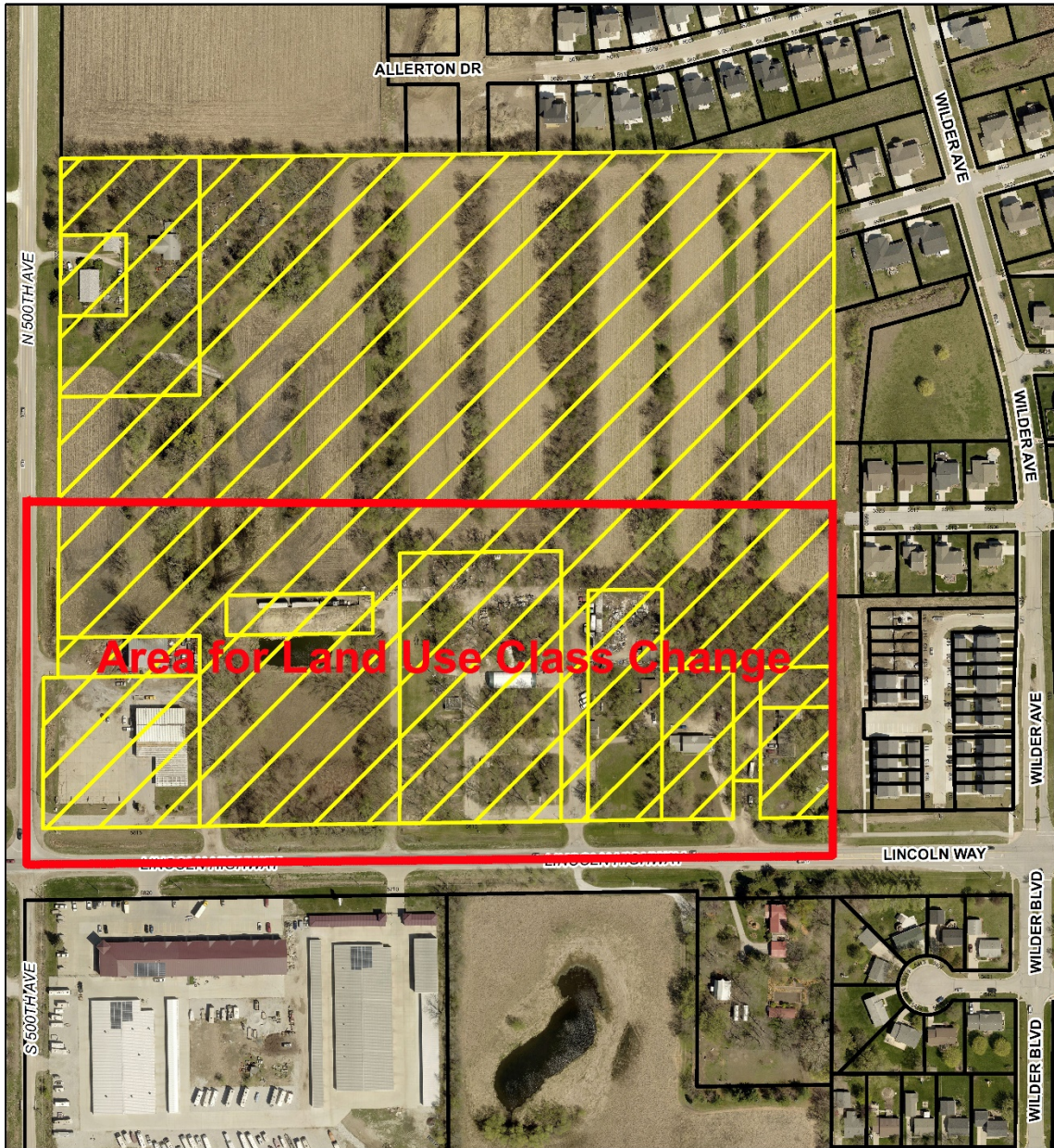
because of the stated Urban Service Area policies and the City's own land use planning. All of the policies require or encourage development in an Urban Service Area to provide improvements consistent with the requirements of the City of Ames, which can only be done adequately when adjacent to the city boundary.

### ***Convenience Commercial Node***

The Land Use Frame Work Map shows a Convenience Commercial Node located at the intersection of Lincoln Highway and 500<sup>th</sup> Avenue. Convenience Commercial Node is a designation that fall under the Urban Services Area classification. The intent of a commercial node is to provide nodes of commercial development at a neighborhood scale for conventional suburban residential development. Convenience Commercial Node policies encourage development that serves the immediate neighborhood, but in a manner and scale that would be compatible with the residential character of the surrounding neighborhood. A Convenience Commercial Node is defined to represent areas for "neighborhood scale commercial development for conventional suburban residential developments and support a population base of 2000-3000 persons within a one to two mile radius." [See page 39 of the Ames Urban Fringe Plan].

**There is a commercial node shown on the Ames Urban Fringe Map Policy 5 specifically states that annexations should be required by the City before development or further subdivision occurs.[Page 41] A change in land use class from Rural Urban Transition Areas to Urban Service Area would not change the intent of the Ames Urban Fringe Plan, given the location of the Convenience Commercial Node designation and its proximity to the proposed site. A Convenience Commercial Node does not have a defined boundary but is to serve an area; letting commercial development occur ad hoc as long as it is within the one – two mile radius of a node location.**



# Attachment A: Location Map



## LOCATION MAP Urban Service Area Change

0 150 300 600 Feet

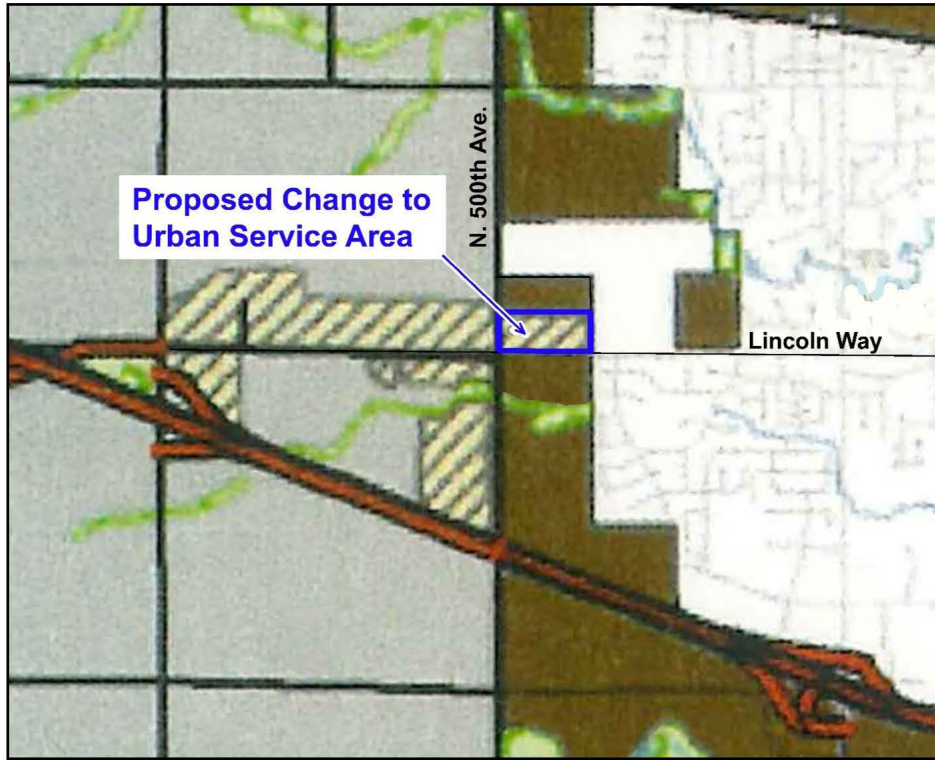
### Legend

-  Annexation Territory
-  Parcels






**Attachment B: Ames Urban Fringe Plan  
Land Use Classes Map**

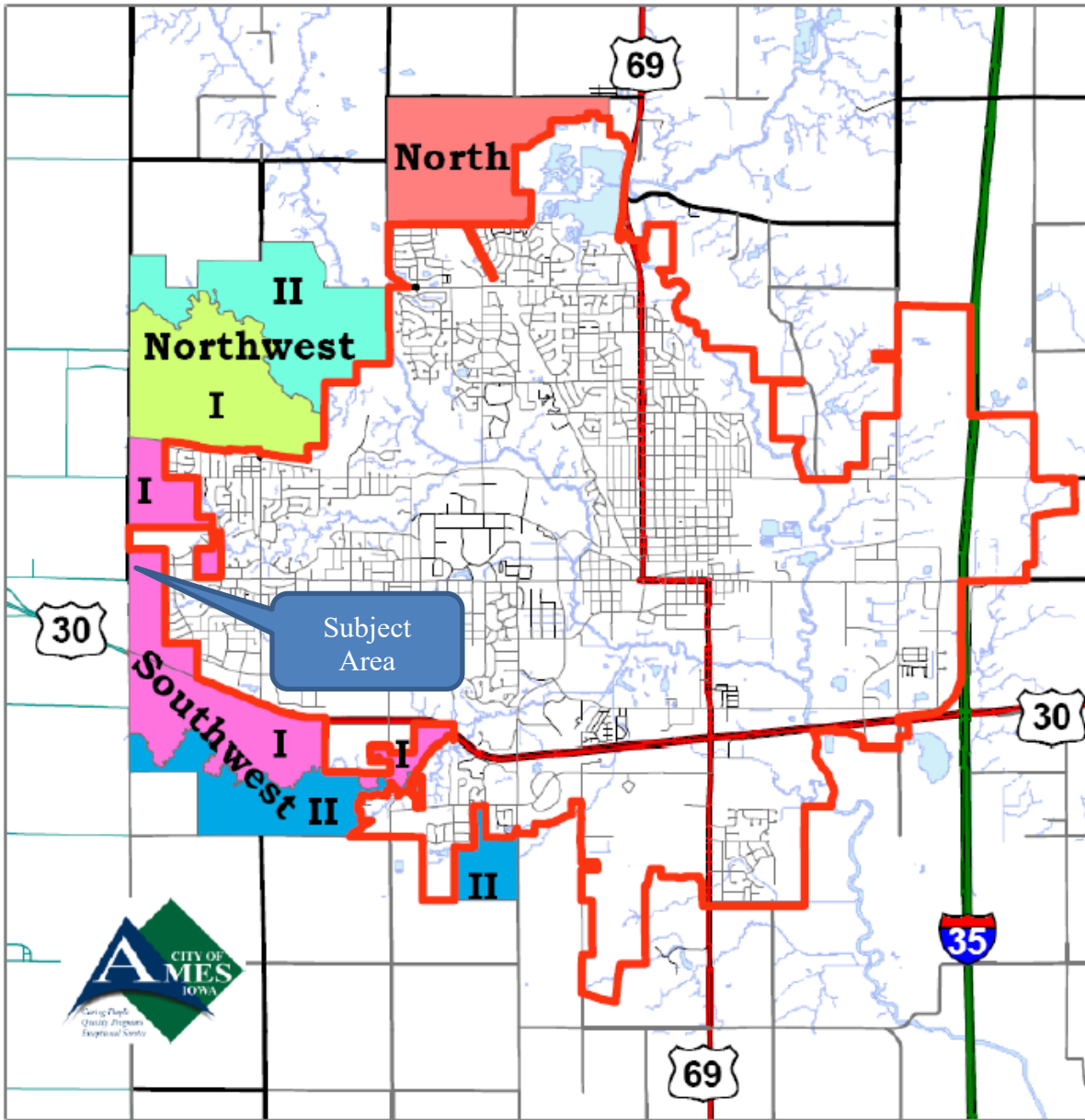
**Ames Urban Fringe Plan  
LAND USE CLASSES MAP (Excerpt)**



**LEGEND:**

-  - Rural Service and Agricultural Conservation Area;
-  - Rural/Urban Transition Area; and
-  - Urban Service Area.

**Attachment C: Allowable Growth Areas  
(Excerpt from Land Use Policy Plan)**



## **Attachment D: Land Use Policies (Excerpts from Ames Urban Fringe Plan)**

### **Rural/Urban Transition Area**

The Rural/Urban Transition Area is to accommodate rural development that can also be accommodated within municipal jurisdiction at some time, perhaps beyond the life of the Plan. This area coordinates public preferences for broad choices in rural development with orderly and efficient future transition between land uses within municipal limits and unincorporated areas. These areas are not necessarily expected to be developed under sole municipal jurisdiction during the life of the Plan, but because of their proximity and/or juxtaposition in relation to city limits, development of these areas must be carefully orchestrated to be compatible with city development patterns.

### **Key Issues and Goals for Rural/Urban Transition Area**

The Rural/Urban Transition Area represents a critical intersection of county and city land use policies. It is here that the greatest potential for conflict among cooperating communities exists, and also where the greatest potential for public frustration over a non-unified planning approach exists.

Lands in the Rural/Urban Transition Area, if developed appropriately, can contribute to efficiently meeting the needs of the City of Ames and City of Gilbert to grow, while also helping to meet the market demand for larger residential lots in a rural setting. Lands identified for future industrial or commercial use are also included in the Rural/Urban Transition Area, but not all of this land will be utilized this way in the near future. Until such time that conversion of these land resources is justified, land in the Rural/Urban Transition Area designated for industrial or commercial uses is best maintained for agricultural production.

Because of the dual role of land in the area, the Rural/Urban Transition Area becomes the center stage for cooperative planning among the City of Ames, City of Gilbert, Story County, and Boone County. All have strong interests in the land use of the area, and may therefore seek to apply differing policies at different times, depending on the location of proposed development. Therefore, a clear outline of split jurisdictional responsibilities, shared goals, and clear expectations are needed.

### *Land Use*

The Rural/Urban Transition Area is intended to create as smooth a transition as possible between rural and urban areas. Residential land uses occur, in some cases, at a density more typical of rural areas, while in other areas where city expansion is more likely in the near future, residential density is more typical of an urban area. Likewise, urban infrastructure standards may be applied in certain critical areas, while other areas are subject only to the minimum urban standards necessary to smooth potential transition into city limits in the distant future.

### *Water and Wastewater*

The provision of water and wastewater services in the Rural/Urban Transition Area will need to be carefully orchestrated to ensure that the needs of all cooperating communities are met, while unnecessary expenditures on urban-type services are eliminated where urban expansion is not



anticipated in the near future. In certain areas, the installation of dry sewer and water services may be necessary to ease the future rural-to-urban transition of development. Annexation and development agreements may also be necessary.

### Transportation

The existing county road systems that include dirt, gravel, and hard-surfaced roads, will continue to be utilized within the Rural/Urban Transition Area. Boone and Story County shall have a limited paving program and generally will not pave roads or add new roads in this area unless and until traffic volume increases indicate the need to improve the system in order to provide safe roads. However, developer-funded additions to the road system are probable in keeping with city and county subdivision improvement standards. System expansions must be done within the fiscal means of the county and should provide flexibility to evolve as needs and technology change. The location and design of new facilities should be compatible with the Cities of Ames and Gilbert street networks and transportation plans. Street systems shall protect the character of existing areas. Transportation system planning is an on-going process that should be flexible, but comprehensive, open to public participation, and long-term focused.

### Public Facilities and Services

Development within the Rural/Urban Transition Area should not expect the same level of public facilities and services as the urban growth areas of the City of Ames and City of Gilbert. New public facilities and services are likely to be built and provided in the urban growth areas as the cities develop. Services shall be provided as the density of population increases, making the provision for services efficient and cost-effective. In rural areas, the affected county will maintain its existing levels of law enforcement and emergency services.

In addition to the goals stated above for all areas, the following goals guide planning and management of land use in the Rural/Urban Transition Area.

#### *RUTA Goal 3.1*

Provide for strategically located development in portions of the Urban Fringe that will not be served by the City of Ames or City of Gilbert in the time horizon of the Ames Urban Fringe Plan.

#### *RUTA Goal 3.2*

To prepare non-agricultural development for efficient rural-to-urban transition.

#### *RUTA Goal 3.3*

To ensure that new development has safe and adequate water and wastewater service and other adequate facilities and that there is sufficient space for these facilities to be improved so that they may become public facilities.

#### *RUTA Goal 3.4*

To maintain the rural character of the surrounding countryside.

#### *RUTA Goal 3.5*

To maintain the county road system and effectively incorporate new subdivision roads

and other system expansions in the existing and planned road system.

### **Urban Service Area**

The Urban Service Area contains the lands into which Ames and Gilbert may expand its municipal boundaries as development occurs. This area is adjacent to city limits and should be planned for urban development, with urban development standards, such as centralized water and wastewater services. These areas should be protected from any form of development that would constrain the efficient growth of the communities. Inappropriate development includes low-density residential lots served by on-site wastewater treatment systems and other forms of rural development. This will enable Ames and Gilbert to grow in unison with the growth in the Ames Urban Fringe, in an orderly manner where there is coordination of annexation with the timely and efficient extension of public facilities and services.

### **Key Issues and Goals for Urban Service Area**

#### *Balanced, Smart Growth*

Rural and city residents are affected by large lot, scattered development in the Urban Fringe. Development that occurs in a disorderly, unplanned pattern can create barriers to planned expansion of infrastructure and city boundaries. Infrastructure is expensive and barriers add unnecessary costs to the expansion and extension of services. Expansion of infrastructure is critical to the physical and economic health of each county, Gilbert, and Ames. Unplanned, sporadic residential growth also consumes areas ideal for agricultural uses. There are areas within the Urban Fringe where high value agricultural land needs to be preserved. There are also natural areas that are negatively affected by residential development. Sprawling development increases the area of conflict between agricultural uses and residential development. It is critical that the Ames Urban Fringe Plan provide better guidance for the timing and intensity of land use and development decisions.

#### *Utility Capacity and Service Area Definition*

Ames and Gilbert expect to grow beyond their current boundaries. Both communities have identified areas where infrastructure can be efficiently extended in the next 30 years. Property owners in the Urban Fringe have reasonable expectations for the extension of centralized water and sewer service in the future. Developed rural water suppliers provide rural levels of service; however, limited capacity for adequate fire protection exists.

On-site wastewater treatment systems can be used successfully by certain levels of non-urban development. These systems, however, are not ideal for suburban and urban-intensity development and are very costly when they fail. When these areas are annexed, conversion to urban-type wastewater treatment system is also very costly, for property owners as well as taxpayers. Requiring up-front installation of infrastructure or agreements for the development of infrastructure in order to install municipal water and sewer service will be required for development within the identified growth areas. When on-site systems are requested for planned areas outside of the growth area, these areas will be reviewed by their proximity or affect on the municipalities. Additional requirements for water and sewer services, both on-site and off-site, may be required in some locations.

#### *Development in Identified Growth Areas*

Identified growth areas delineate locations where the communities expect to support growth over the next 30 years. Development within these growth corridors will be required to provide the necessary infrastructure to support the expanding urbanized population. If interim development is allowed, it should not create a barrier to future infrastructure expansion and growth. Such development should entail explicit development and annexation agreements and may require the installation of “dry” sanitary and sewer systems – meaning installing the necessary water and sewer infrastructure that will eventually connect to municipal services. Since the growth areas provide undeveloped areas for planned growth for City of Ames and City of Gilbert development, these unincorporated areas should be reserved for annexation. Involuntary annexation should not occur unless it is determined that the affected community has sufficient capacity to serve the location with municipal infrastructure and services, including but not limited to public safety services, water, sewer, and road maintenance. However, reasonable availability of adequate municipal water and wastewater service does not mean that infrastructure will be extended to each vacant parcel. It means that the affected community, in review of the annexation, will provide for the extension of utilities to existing developed parcels in a reasonable time frame as specified in State of Iowa law.

#### Peripheral Development

There has been a proliferation of new parcels created through the plat of survey process. Historically, there has been little political resistance to these incremental, small subdivisions of land. This practice has created more intensive development without the consideration of the cumulative impacts. These developments form an obstacle to rational urban growth. Irregular platting of land becomes a prime motivation for defensive actions by the City of Ames because it provides obstacles to orderly city growth.

#### Rural Planning and Development Regulations

Rural residential development may consume valuable farmland, generate public services demands usually exceeding revenues from the development, often interfere with normal farm practices, and increases pressure on the conversion of farmland. Designated areas for rural development avoid creating barriers to the long-term growth of the City of Ames and City of Gilbert and the preservation of valuable farmland and farm economy.

#### Fiscal Planning

Development patterns impact the ability of Boone County, Story County, the City of Gilbert, and the City of Ames to provide public facilities and services generated by new development. The establishment of impact fees or “pay-as-you-grow” programs for new growth may be necessary to promote development in designated areas. Service and infrastructure capacity should be in place to serve designated growth areas. Development outside of service areas is costly and should be avoided or should be required to pay the expense of inefficient growth.

#### Development Review Process

Development review is the key implementation mechanism for the Ames Urban Fringe Plan. Defining a common and straightforward development review process for land use decisions in the Ames Urban Fringe, building on shared plan that identifies growth goals and objectives with specific growth policies, results in a common understanding of each other’s jurisdictions, goals, and objectives, and provides more streamlined and effective development decisions.

In addition to the goals stated above for all areas, the following goals guide planning and management of land use in the Urban Service Area.

*USA Goal 4.1*

Ensure that development and improvements in the Urban Fringe are consistent with Ames Urban Fringe Plan.

*USA Goal 4.2*

Ensure that new development has adequate public facilities.

*USA Goal 4.3*

Require new development to fund the cost of new improvements and services required by new development.

*USA Goal 4.4*

Coordinate infrastructure development and provision of services with applicable entities.

## **Highway-Oriented Commercial (HOC)**

This designation applies to commercial land uses along arterial corridors that are primarily designed to accommodate the automobile. It is intended to provide for an orderly and efficient transition between existing or future urban areas and the rural, unincorporated areas.

HOC Policy 1: Highway-Oriented Commercial designation includes commercial uses that are more compatible with the characteristics of rural areas than with urban commercial corridors and centers.

HOC Policy 2: Strategically locate Highway-Oriented Commercial in targeted areas along high traffic transportation corridors. (Relates to RUTA Goal 3.2, 3.5)

HOC Policy 3: Give preference to clustering of uses in order to limit the short-term and long-term costs associated with infrastructure improvements and the distribution of public services. (Relates to RUTA Goal 3.2, 3.4)

HOC Policy 4: Require urban transportation infrastructure to meet the demands of high vehicular movement. (Relates to RUTA Goal 3.2, 3.3)

HOC Policy 5: Require full urban infrastructure standards under certain conditions such as location with respect to existing or planned urban infrastructure, intensity or size of development improvements, timing of development, development design, and commercial use, such as a restaurants, water intensive uses, or places designed for the gathering of people. Such urban infrastructure standards may include, but not be limited to, wastewater treatment and potable water distribution of sufficient size to support emergency services. If these improvements are not installed at the time of development, require infrastructure assessment agreements. (Relates to RUTA Goal 3.2, 3.3)

HOC Policy 6: Where the city does not require urban standards, require temporary common wastewater collection systems that meet IDNR and city specifications, and temporary common water distribution systems, such as wells or rural water services, that meet specifications of the City of Ames or City of Gilbert. Require agreements that if and when the property is annexed to a city, the land developer and/or landowner shall be responsible for the full cost of abandoning the rural systems and connecting to urban infrastructure. (Relates to RUTA Goal 3.2, 3.3)

HOC Policy 7: Make provisions to protect environmental resources, environmentally sensitive areas and adjacent Natural Areas. (Relates to RUTA Goal 3.4)

HOC Policy 8: Mitigate and manage stormwater run-off, soil erosion, and wastewater discharge according to IDNR, county and city standards. (Relates to RUTA Goal 3.4)

HOC Policy 9: Require annexation and development agreements to guide future transition of the subdivision/development into the City of Ames or City of Gilbert. (Relates to RUTA Goal 3.2)

HOC Policy 10: When Highway-Oriented Commercial property is within an Urban Service Area designation, a property may be annexed without a Land Use Framework Map Amendment. The intent of this option is to further the policies of the Convenience Commercial Node, specifically CVCN Policy 5.

## **Convenience Commercial Node (CVCN)**

Convenience Commercial Nodes represent areas for neighborhood scale commercial development for conventional suburban residential developments and support a population base of 2000 – 3000 persons within a one to two mile radius. Total land area of a Convenience Commercial Node is generally between one and ten acres. Land use and standards for building placement and materials, landscaping and screening, signage and lighting ensure compatibility between the commercial activity and adjacent residential land uses will be.

CVCN Policy 1: Require land uses that serve convenience and localized neighborhood needs and are functionally and aesthetically compatible with surrounding residential land uses.

CVCN Policy 2: Each commercial building can be no larger than 35,000 square feet, and is located within a cluster of other commercial land uses, which cannot exceed a total of 100,000 square feet.

CVCN Policy 3: Locate Convenience Commercial Nodes on streets of collector class or greater.

CVCN Policy 4: Require clustering of uses to limit the short-term and long-term costs associated with infrastructure improvements and the distribution of public services.

CVCN Policy 5: Require annexation by the city before land is developed or further subdivided. In some cases, depending on the initial square footage to be developed, type of commercial use, or timing of development, the City may determine that convenience commercial node is to be rural in character and may not be required to be annexed until some time after initial development.

CVCN Policy 6: Require urban infrastructure standards and subdivision standards, including urban right-of-way standards, urban street construction, urban sanitary and water systems and urban storm water management systems.

CVCN Policy 7: Where the city does not require annexation before development, require temporary common wastewater collection systems that meet IDNR and city specifications, and temporary common water distribution systems, such as wells or rural water services, that meet specifications of the City of Ames or City of Gilbert. Require agreements that if and when the property is annexed to a city, the land developer and/or landowner shall be responsible for the full cost of abandoning the rural systems and connecting to urban infrastructure.

CVCN Policy 8: Mitigate and manage stormwater run-off, soil erosion, and wastewater discharge according to IDNR, county and city standards.

CVCN Policy 9: Where the city does not require annexation, require annexation and development agreements to guide future transition of the subdivision/development into the City of Ames or City of Gilbert.