ITEM #: <u>51</u> DATE: <u>06-14-22</u>

COUNCIL ACTION FORM

<u>SUBJECT</u>: REZONE PARCELS ON WEST SIDE OF GROVE AVENUE "RH" (RESIDENTIAL HIGH DENSITY) TO "RM" (RESIDENTIAL MEDIUM DENSITY)

BACKGROUND:

City Council initiated a rezoning request on January 11, 2022, in response to a request from a Neighborhood Association and the City's designation of part of Grove Avenue as a Redirection Area. The Northwood/Overland Heights Neighborhood Association asked the City Council to initiate rezoning of the properties along the *west side* of Grove Avenue from "RH" Residential High-Density Zone to "RM" Residential Medium Density Zone (*Attachment "A*").

The existing "RH" zoning allows mixed use commercial uses as has occurred at the NE corner of Northwood and Grand Avenue. The Neighborhood Association believes rezoning to a less intensive zone would continue to allow compatible residential uses, such as those currently existing, while eliminating potential commercial uses.

City Council considered options at its January meeting in relation to the Ames Plan 2040 Redirection Area designation and the Neighborhood Association comments. Redirection Areas are designated areas that warranted further discussion about neighborhood transition and context before allowing for or changing development allowances. At the January 11 meeting, staff discussed the current conditions of the area, including conformity of uses and density. Staff also identified options for design and zoning regulations that could address future redevelopment in the area.

At the conclusion of the discussion, City Council determined that initiating a rezoning for the west side of Grove Avenue to RM (eight properties totaling approximately 3.2 acres) was the preferred option. As part of initiating the rezoning, City Council also directed staff to hold a public outreach meeting for property owners and the neighborhood.

Proposed Rezoning:

The west side of Grove Avenue is zoned RH and includes 25 dwelling units on eight properties. The types of uses consist of low to medium residential intensities, including single-family homes, duplexes, and apartment buildings of eight units or less. None of the buildings are over three stories. All of the current uses of property are permissible within "RM" zoning; therefore, none of the uses would become non-conforming. Residences on the east side of Grove are zoned "RL" and are predominantly single-family homes (see *Attachment C, Aerial & Location Map*.

At the time of development of the subject area (1955 – 1972), the zoning district was "R-3" Medium-Density Zoning, which appears to have been consistent with the land use designation of the time. The 1997 LUPP changed the area designation to "RH", with the area being rezoned to "RH" as part of the city-wide rezoning action in 2000, thus aligning with the 1997 LUPP. The former "R-3" Medium-Density Zoning was similar to what "RM" currently allows, with heights no greater than 50 feet or four stories.

Although the previous zoning was Medium Density Residential, the existing zoning has been in place for more than 20 years. Under current zoning some redevelopment potential exists for all the property owners. With consolidation of properties, more intense redevelopment could occur.

Conceivably a limited amount of mixed-use development is an option under the current zoning. "RH" allows for commercial uses within a mixed-use building design. This option has rarely been used, but as seen on the former Mary Kay site, it can be a desirable option on the right site. Neighborhood representatives have expressed concerns about commercial compatibility.

From the perspective of commercial mixed-use development, the most likely marketable scenario would be the redevelopment of the property at Northwood and Grand Avenue, across from the former Mary Kay location. However, unlike the Mary Kay parcel, that particular property has street frontage on three sides, severely limiting where access and parking can be located. Additionally, it has less acreage with only .37 acres. It may prove to be undesirable for redevelopment unless additional acreage is included.

Staff inventoried the properties to estimate each existing lot's development potential. The theoretical density for the "RH" zoned area when totaling up each existing lot's development potential is 88 units compared to a theoretical density of 56 units as "RM" zoning. The primary opportunities for gaining dwelling units would be the redevelopment of the single-family home properties to apartments. These calculations, however, do not account for actual site conditions affecting building setbacks and parking requirements. Actual site conditions would likely reduce actual yield. Additionally, the small size and number of lots severely limits redevelopment potential.

Notable differences between "RH" and "RM" zoning districts are:

- Use allowance for Commercial Mixed Use in "RH" (up to 5,000 square feet with staff approval, City Council approval if exceeding 5,000 square feet.)
- Height allowance for 100 feet or nine stories in "RH". "'RM" allows for 50 feet or four stories
- Density allowance for up 38.56 dwelling units per net acre in "RH". "RM" allows for up to 22.31 dwelling units per net acre.

Neither "RH" or "RM" zoning have any specific design requirements related to

architecture or relationship to streets beyond typical setback standards.

PUBLIC OUTREACH:

As follow-up, on January 19, 2022, Staff sent a letter to the eight property owners inviting dialog about the potential change. Staff received three responses: two supportive, one against the proposed rezoning concept.

On March 28, 2022, a Special Neighborhood Meeting was held at Homewood Golf Course. Postcard invitations were sent to 32 property owners including those on the west side of Grove Avenue, property owners within 200 feet of the proposed rezoning area, and the Neighborhood Association representatives. The meeting was attended by 12 people representing eight properties. The consensus of those attending was in support of the rezoning to "RM" with the exception being one property owner (3125 Grove Ave) against the rezoning.

This property owner stated that he purchased the property specifically with the intention of developing the property into mixed-use. Staff recently received a letter from him addressed to the Planning and Zoning Commission (see *Attachment B*). "RH" allows for office and commercial uses if residential is built above the first floor. Mixed use is currently permitted under "RH", but would not be permitted under "RM".

PLANNING AND ZONING COMMISSION:

The Planning and Zoning Commission held a public hearing on the rezoning as part of its May 4th meeting. Residents of the neighborhood spoke in favor of the change based upon their prior concerns of commercial development. The owner of 3125 Grove Avenue also spoke at the meeting describing his goals for creating commercial office space along with housing on his property. As part of the discussion with the Commission, there was a review of zoning standards and access for the potential use of the corner property. At the time of the P&Z meeting, the owner had not proceeded with developing a formal site development plan application or a conceptual plan.

The Commission ultimately voted 4-0-1 to recommend City Council approve the rezoning to RM.

ALTERNATIVES:

- 1. Approve on first reading rezoning all eight parcels totaling approximately 3.2 acres located on the west side of Grove Avenue from "RH" Residential High Density to "RM" Residential Medium Density.
- 2. Approve on first reading the rezoning of seven parcels on the west side of Grove from "RH" Residential High Density to "RM" Residential Medium Density, while retaining RH zoning for the parcel located at 3125 Grove Avenue.

- 3. Take no action on the request at this time, finding that the current zoning designations are in conformance with Ames Plan 2040.
- 4. Defer action on this request and refer it back to City staff for additional information.

CITY MANAGER'S RECOMMENDED ACTION:

The concern of the Neighborhood Association is the potential for commercial use and its associated traffic. The change of zoning to "RM" would eliminate the potential for any commercial use. "RM" zoning also has less extreme height and density allowances, which are more favorable as a transition from the "RL" Residential Low Density zoning on the east side of Grove Avenue.

Staff has reviewed more details regarding the development of the 3125 Grove Avenue property, and although retaining RH appears to be a viable infill intensification option, staff now believes adding commercial uses or completely redeveloping the site at much higher density has limited potential under the RH zoning standards and with current easement limitations on the property. Rezoning to RM would reduce future development intensification options as a more appropriate zoning district for this limited site along with the other properties on the west side of Grove Avenue.

The request for rezoning is consistent with the Ames Plan 2040 Future Land Use Map as described in the addendum. Primarily as a Redirection Area, a more precise delineation of redevelopment versus conservation priorities is needed. In this case, the rezoning to RM would prioritize transition of density over infill intensification options.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, as described above.

ADDENDUM

REZONING BACKGROUND:

The proposed rezoning area includes eight properties equaling approximately 3.2 acres.

Existing Uses of Land. Land uses that occupy the subject property and other surrounding properties are described in the following table:

Direction from Subject Property	Existing Land Uses & Zoning
Subject Property	Residential- Single-Family, Duplexes & Apartments (RH)
North	Mixed Use (RH)
East	Single-Family Residential (RL)
South	School (S-GA)
West	Commercial (PRC)

Existing/Proposed Zoning. The property is currently zoned "RH" Residential High Density (see Attachment D- Existing Zoning Map) along with the property to the north. Zoning to the east is "RL", to the west "PRC", and to the south "S-GA".

The proposed zoning is "RM" Residential Medium Density (see Attachment E- Proposed Zoning Map). The "RM" Residential Medium Density district allows residential uses that include single-family, duplexes, and apartments.

Public Infrastructure. All eight of the properties were developed into residential housing and is fully served by City infrastructure.

Applicant's Statement. The City Council initiated the application. City staff has prepared an explanation of the rezoning application as *Attachment G*.

Prevailing Character of the Area. Access to the properties from Grand Avenue is not available. Grand Avenue (US Hwy 69) is a restricted access arterial roadway and a state highway subject to IDOT jurisdiction. This means that side street access is required for these properties. CyRide service on the Brown Route is available with a stop at Northwood/Grand Avenue intersection at the north end of the subject area and a stop at Duff/Grand Avenue at the south end of the subject area.

The area to the east is defined by established single-family, one-story homes along tree-lined streets. Homes are generally owner-occupied.

The west side of Grove Avenue currently has a slightly higher intensity of use, than the neighborhood. This area includes a mix of low to medium residential intensities, including single-family homes, duplexes and apartment buildings of eight units or less, with buildings at heights no greater than 3-stories. Buildings line the street with similar setbacks. Parking for more intensive uses are located behind or to the side of buildings. The street frontage along Grove is a primary concern with any redevelopment.

Ames Plan 2040 Future Land Use Map. The Ames Plan 2040 Future Land Use Map designates this area as "Redirection" (see *Attachment F, Future Land Use Map (excerpt))*. The Redirection designation was assigned to the area based upon the existing conditions of the area as well as the recent redevelopment interest in the area (see *Attachment G, Redirection Area Designation*).

Ames Plan 2040 Growth and Land Use Element describes Redirection areas as those "areas anticipated to have a change in *use* or *development pattern* over the next 20 years to increase both the efficiency and quality of Ames' urban environment. Infill development may change the types and intensities of land use and introduce new building forms. In some cases, specific plans or zoning may be applied to provide direction for specific types of changes and to address issues of compatibility and transition."...

Redirection areas require an "assessment of community needs and character of the surrounding area to guide planning and policy decisions on specific changes." [Guiding Principle G-3. p.31] "Make smooth transitions in scale and intensity of use from preexisting context to higher intensity development. Support high-density redevelopment only in planned or targeted land use redirection areas. Use prevailing density as the guide for redevelopment but allow for building variations to meet infill objectives." [G3-3. p.33]

It should be noted that the Redirection Are designation as written within Plan 2040 has no direct effect on the current zoning of the property as the designation is designed for study purposes. Changes to land use or zoning is necessary to "redirect" a site from its current zoning.

The intent of the Future Land Use Map is to illustrate relationships among uses in order to create an efficient, compatible and viable development pattern for the community and to serve as a policy guide in decision making for zoning. Staff believes the rezoning request is consistent with the goals and policies of the Ames Plan 2040.

If prevailing density is the guide for redevelopment of this block, then "RM" could be considered appropriate. However, Action 3 of the Ames Plan 2040 Neighborhoods, Housing & Subareas Element states, "Create infill and development standards for compatibility in residential areas and transition areas focused on design over density."

The primary question is whether the existing higher infill density potential is the higher priority compared to a change for more moderate redevelopment options with the neighborhood's primary goal to limit commercial uses.

Findings of Fact. Based upon an analysis of the proposed rezoning and laws pertinent to the proposed map amendment, staff makes the following findings of fact:

1. Ames Municipal Code Section 29.1507(1) allows the City Council to initiate an amendment to the Official Zoning Map.

- 2. At the January 11, 2022, City Council meeting, City Council directed staff to initiate "RM" Residential Medium Density rezoning in response to the Northwood/Overland Heights Neighborhood Association's request.
- 3. The proposed rezoning is consistent with the designation of "Redirection" as identified on the Ames Plan 2040 Future Land Use Map excerpt (*Attachment F*) and Redirection Area Designation (*Attachment G*).
- 4. Rezoning to "RM" (a less intensive zone) would allow compatible residential uses to continue; mixed-use commercial development would no longer be an option.
- 5. The proposed rezoning to "RM" Residential Medium Density zoning is consistent with the existing residential character of Grove Avenue.
- 6. The subject property includes eight parcels ranging in size from .27 acres to .56 acres, owned by eight different property owners.
- 7. Rezoning will have no impacts on current infrastructure and City services for this area.

Attachment A

Neighborhood Association's Letter

18 Oct 2021

Northwood/Overland Heights Neighborhood Association Ames, IA

RE: Current zoning of Grove Ave

To: Mayor and City Council Ames, IA City Manager and Staff Ames, IA

We, the association, request that the Ames city manager, staff, mayor, and city council discuss the current zoning of Grove Ave.

The association met for our annual gathering on 10 Oct 2021. During open topics we heard from Robert Long (3124 Grove) regarding his concern about Grove Ave zoning. He explained his concerns with the High Density zoning currently in place on the west side of Grove. He informed us that he had reached out to the city regarding this issue and that it was dismissed. A motion was put forward to formally ask the city to re-zone the west side of Grove Ave from high density residential to medium density residential. The motion passed unanimously.

If we understand correctly, the High Density zoning on the west side of Grove Ave. allows for mixed use of commercial and residential. We now have an idea of what that means by the development going up at the former Mary Kay's Café and flower shop. Under this zoning there is no buffer in place between possible high traffic commercial and low density residential that the east side of Grove Ave is zoned.

Our request is to begin the process for the re-zoning of the west side of Grove Ave from high density residential to medium density residential. We believe this change would have NO impact on current property owners and would only prevent future conflicts with how the neighborhood has been built out.

Thank you

Northwood/Overland Heights Neighborhood AssociationLeo Millemanprimary contact 3112 Northwood Dr (515-232-2210)Judy Strandsecondary contact 3132 Northwood DrBob Longtertiary contact 3124 Grove Ave (515-232-2801)

Attachment B

Property Owner Letter to P&Z

April 29, 2022

Planning and Zoning Commission Members Ames City Hall 515 Clark Ave Ames, IA 50010

RE: Request for rezoning of property 3125 Grove Ave

Dear Chairman and Board Members:

We own the six-plex at 3125 Grove Ave and it is currently zoned as RH – Residential High Density. We purchased this property in July, 2021 with the plan of building a mixed used building as the current zoning does allow it.

We request that the property 3125 Grove Ave be excluded from rezoning to RM. One of the selling points of this property was that it was zoned as RH and it will allow us to have offices on first floor. We had paid the price based on an understanding that we will be able to use the first floor for our office and will not have to continue to rent. We request that our property be excluded from the rezoning to RM.

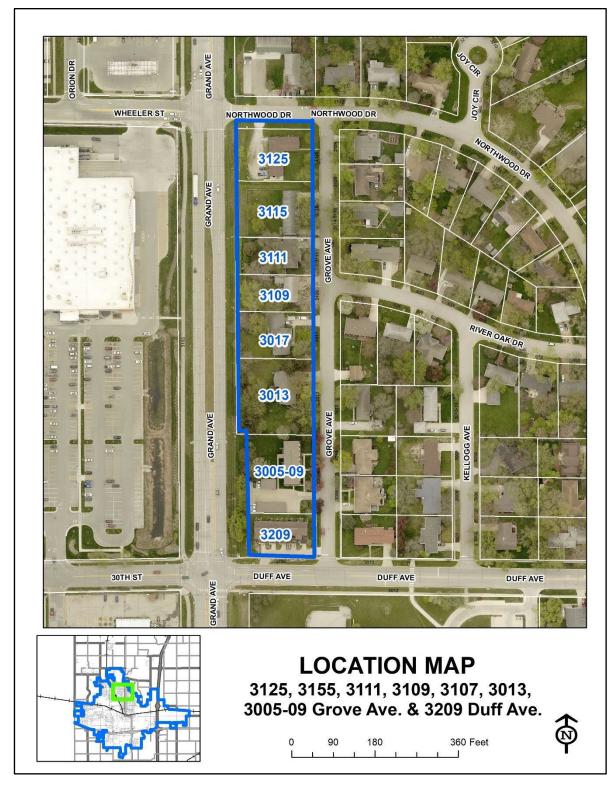
We would like to begin construction soon and hope the Planning and Zoning Commission can consider this request.

Thank you for your consideration on this matter,

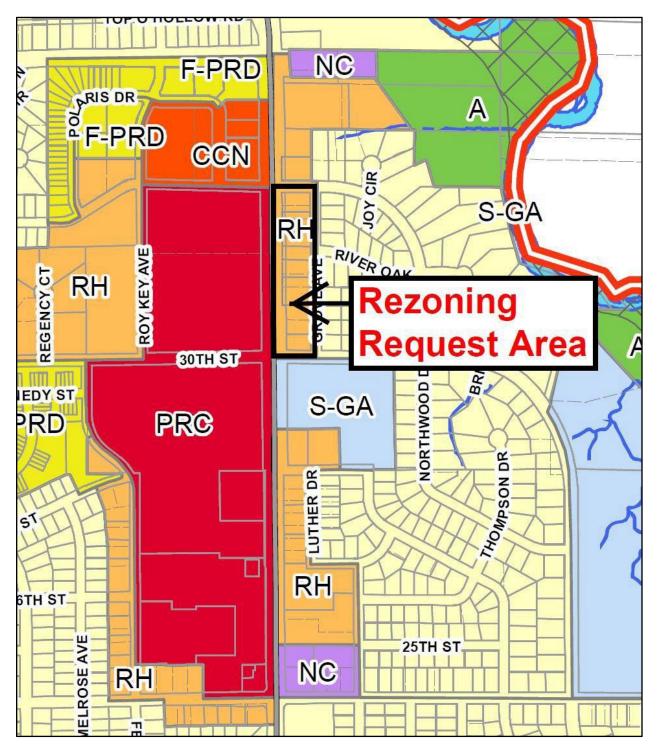
Ventles

Usman Haq Steinbeck Properties LLC/Octadyne Systems

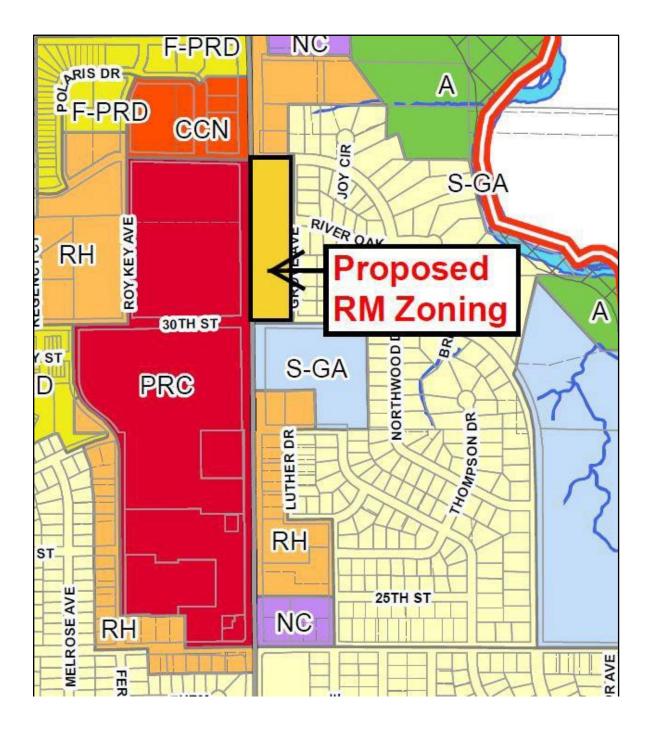
Attachment C Aerial & Location Map



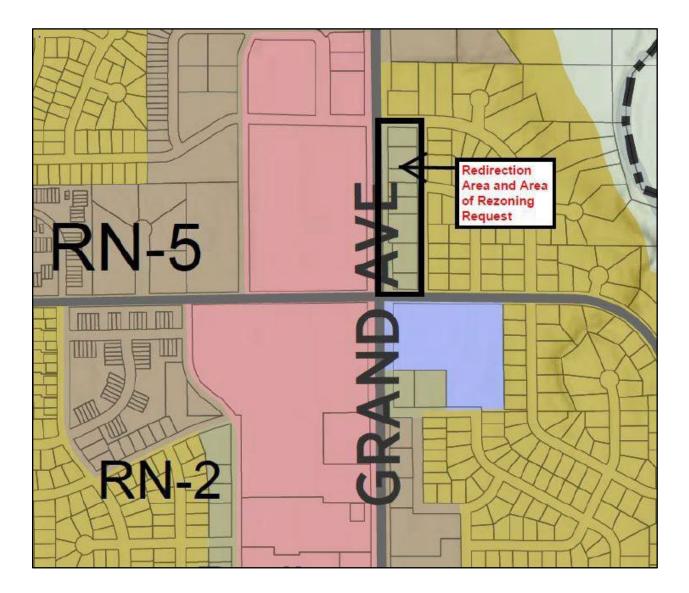
Attachment D Current Zoning Map (excerpt)

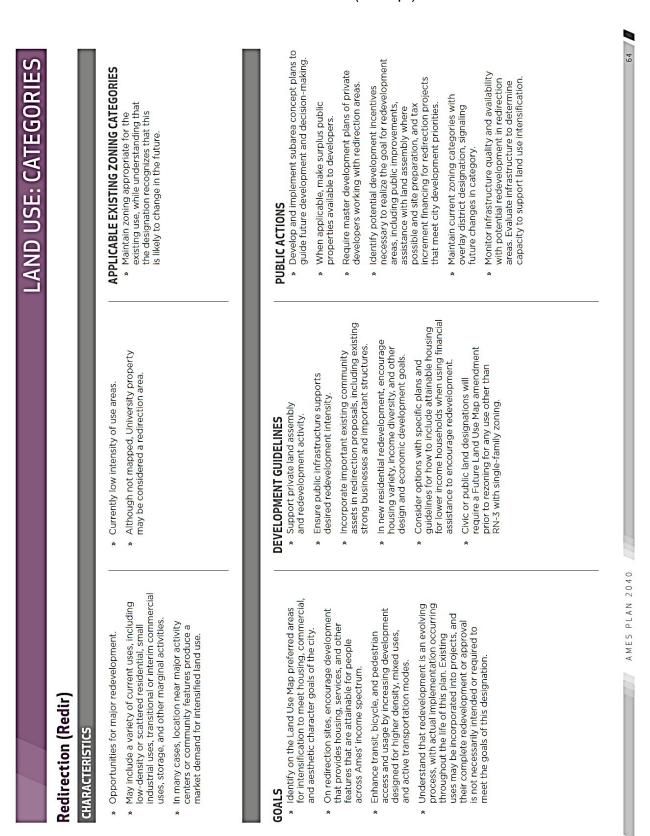


Attachment E Proposed Zoning Map (excerpt)



Attachment F Ames Plan 2040, Future Land Use Map (excerpt)





Attachment G Ames Plan 2040 (excerpt)

Attachment H

Applicant's Statement

Reasons for requesting rezoning:

At the January 11, 2022, City Council meeting, City Council directed staff to initiate "RM" Residential Medium Density rezoning in response to the Neighborhood Association's request and to respond to the City's designation of the area as a Redirection Area.

Consistency of this rezoning with Ames Plan 2040, the City's comprehensive plan:

The recently adopted Ames Plan 2040 Future Land Use Map indicates this block as "Redirection." The Redirection designation was assigned to the area based upon the existing conditions of the area as well as the recent redevelopment interest in the area. The designation is designed for study purposes to determine preferred zoning options. The designation is consistent with the proposed change of zoning to RM due to compatibility priorities.

Current zoning:

"RH" Residential High Density

Proposed zoning: "RM" Residential Medium Density

Proposed use: Residential

Complete Legal Description: OVERLAND HEIGHTS SUBDIVISION, EXCEPT WEST 20', LOTS 1-8 AND NORTHWOOD ESTATES 4TH ADD LOTS 1-3

Land area:

Eight properties totaling approximately 3.2 acres

List of Property Owners:

Address	Street	Owner	Address/Street	City	State	Zip	Use
3125	Grove Ave Grove	Steinbeck Properties LLC	3124 Maplewood Rd	Ames	IA	50014-4571	Apartments (6)
3115	Ave Grove	Sondrol124LC Larry A Wolters,	1704 Pierce Ct	Ames	IA	50010	Two-Family
3111	Ave Grove	Trustee	same	Ames	IA	50010-4721	Single-Family
3109	Ave Grove	Kenneth F Jacob Gary M & Betty R	same	Ames	IA	50010	Single-Family
3017	Ave Grove	Eckroad Coleen & Jerry D	same	Ames	IA	50010-4719	Single-Family
3013	Ave Grove	Gardner	3120 Grove Ave 2305 Northcrest	Ames	IA	50010-4722	Single-Family Apartments
3005-09	Ave	Buck Rentals LLC Richard L & Mary R	Pkwy Unit 108 2607 Northridge	Ames	IA	50010-5076	(8) Apartments
3209	Duff Ave	Fitch, Trustees	Pkwy	Ames	IA	50010-4059	(5)

DO NOT WRITE IN THE SPACE ABOVE THIS LINE, RESERVED FOR RECORDER Prepared by: City Clerk's Office, 515 Clark Avenue, Ames, IA 50010 Phone: 515-239-5105 Return to: Ames City Clerk, P.O. Box 811, Ames, IA 50010

ORDINANCE NO.

AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF AMES, IOWA, AS PROVIDED FOR IN SECTION 29.301 OF THE *MUNICIPAL CODE* OF THE CITY OF AMES, IOWA, BY CHANGING THE BOUNDARIES OF THE DISTRICTS ESTABLISHED AND SHOWN ON SAID MAP AS PROVIDED IN SECTION 29.1507 OF THE *MUNICIPAL CODE* OF THE CITY OF AMES, IOWA; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH AND ESTABLISHING AN EFFECTIVE DATE

BE IT HEREBY ORDAINED by the City Council of the City of Ames, Iowa;

<u>Section 1</u>: The Official Zoning Map of the City of Ames, Iowa, as provided for in Section 29.301 of the *Municipal Code* of the City of Ames, Iowa, is amended by changing the boundaries of the districts established and shown on said Map in the manner authorized by Section 29.1507 of the *Municipal Code* of the City of Ames, Iowa, as follows: That the real estate, generally located at 3005-3125 Grove Avenue and 3209 Duff Avenue, is rezoned from Residential High Density (RH) to Residential Medium Density (RM).

<u>Real Estate Description</u>: OVERLAND HEIGHTS SUBDIVISION, EXCEPT WEST 20', LOTS 1-8 AND NORTHWOOD ESTATES 4TH ADD LOTS 1-3

<u>Section 2</u>: All other ordinances and parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 3: This ordinance is in full force and effect from and after its adoption and publication as provided by law.

ADOPTED THIS _____ day of _____, ___.