

Staff Report

**STORY COUNTY RECOMMENDED CHANGES TO THE DRAFT
FRINGE PLAN UPDATE AND EXTENSION OF 28E AGREEMENT**

October 25, 2022

BACKGROUND:

Story County, Gilbert, and the City of Ames have been in process of updating the Ames Urban Fringe Plan since February 2022. City Council established its priorities for an update at the February 15th meeting. Since that time, staff of Story County and Ames worked to prepare a draft plan that was presented to the City Council on April 24, 2022 and finalized for public comment on May 16, 2022. The original draft can be found at this link on the [Story County website](#).

County staff collected the public comments on the draft from the three in-person meetings as well as other comments. Staff provided a short summary of the primary issues on June 23, 2022 when the City Council voted to extend the current Fringe Plan 28E agreement until November 7, 2022. This extension was intended to allow time for all parties to review the public comments and to then finalize an updated Fringe Plan.

The full catalog of public comments from May and June of 2022 are included as an Attachment to this report. The comments are categorized by how they were received. The Story County Board of Supervisors reviewed public comments on September 13, 2022 and provided proposed changes to the draft as part of a letter dated September 20, 2022. See Attachment A. **City Council must now determine how to proceed and address the suggested changes.**

The Ames Urban Fringe Plan with its implementing 28E agreement is a balance of policy and procedures related to land use planning, annexation, and subdivision review. The fundamental basis of the Plan and agreement is the City's extended subdivision authority for two miles outside of the City and the desire of the City and County to coordinate expectations and not have duplicative or contrary processes. The current Fringe Plan and Draft Fringe Plan also includes issues regarding rezoning limitations and annexation policies.

The City's primary benefits of Fringe Plan come from voluntary limitations the County places on rezoning and zoning standards. No extra subdivision or annexation benefits for the City are derived from the Fringe Plan and 28E agreement. City staff believes the County benefits with streamlined subdivision review in support of rural development options.

At this time City Council is being asked to consider the changes to the draft now being proposed by the Story County Board of Supervisors and City of Gilbert, and whether

to proceed with finalizing a new Fringe Plan and accompanying 28E agreement. Approving a new Fringe Plan would ultimately go through public hearings as a comprehensive plan amendment.

DRAFT PLAN CHANGES PROPOSED BY STORY COUNTY SUPERVISORS/GILBERT:

The draft Fringe Plan previously written and presented by the Story County and City of Ames planning staffs was based upon a combination of issues related to subdivision, zoning, and annexation policies for the Fringe Area. The draft Plan was written to be consistent with the City's Ames Plan 2040 Fringe Area policies related to planning for growth and annexation. The City Council's direction from February 15th was based upon Plan 2040.

City staff would characterize the Story County Board of Supervisors letter as focusing on three main topics that they want to address with specific changes. Staff has annotated the letter from the Supervisors' letter to help reference the issues topically.

Limit the Urban Reserve Overlay and Annexation

The City of Ames identifies its primary areas for growth as part of Ames Plan 2040. **Additionally, Plan 2040 and the draft Fringe Plan included area shown as Urban Reserve, which was intended to delineate areas that may be beneficial to annex in our city limits as the City continues to grow over the years, but were not envisioned as part of the initial primary growth areas. Annexation of Urban Reserve Overlay areas may or may not be needed during the life of the Plan depending on the growth trends of the City.**

The Draft Fringe Plan Update included a mapped Urban Reserve Overlay and policies that:

1. Included the underlying designation of Ag and Farm Services
2. Limited divisions of land, except for Ag purposes and one existing dwelling
3. Story County would consider future zoning amendments to limit conditional uses that would be generally incompatible with urban development
4. City of Ames may annex land within the Urban Reserve if City services were available or would be made available to develop the land.
5. City waives subdivision authority, *due to limited division options, no rural development allowed.*

Geographically the Urban Reserve applies in all directions around the City. The two most common areas of interest during public comment were to the Southwest, south of Highway 30, and the area north of 190th Street.

The County now proposes several related changes to the Urban Reserve Overlay:

Bullet 1. No future changes to zoning to limit conditional uses.

Bullet 2. Prohibit annexation of any land designated Urban Reserve.

Bullet 3. Map less areas as Urban Reserve, specially north of 190th Street and land south and southwest of Hwy 30.

Bullet 5. Contingency policy for Urban Reserve annexation, that if permitted to be annexed, other areas before approved annexation. Comments based upon Plan 2040 general guidance.

Bullet 8. Allow for divisions of existing homes from land in the same manner as Ag and Farms Services designation, which make it less restrictive.

Bullets 1, 2 and 3 are the most significant issues included within the letter affecting the City Council's growth priorities.

Bullet 1 responds to limiting conditional uses. The current Fringe Plan does not address conditional uses. In February, the City Council supported working to limit potentially impactful conditional uses as priority of the City. Staff believed if such limitation were approved by the County, it would be the most beneficial aspect of Fringe Plan for the City. If City Council desires to respond to the County's recommendation, the City could prioritize restricting specific uses, rather than all conditional uses.

The requested changes to annexation policies and UR Overlay areas are potentially the most problematic recommendations regarding Ames's priorities for timing and consideration of future annexations. If the County's proposals are incorporated into the Fringe Plan and a 28E, the process to annex would be similar to the current Fringe Plan where a concurring amendment would need to be approved before considering annexation of area that is Urban Reserve. If the amendment is not approved, it could not be annexed. This change could potentially negatively impact the growth goals envisioned in City's 2040 Plan for land north of 190th Street, east of I-35, southwest, and northwest.

The suggestion related to Bullet 8 to allow division of existing homes from ag land is likely not a significant issue to the City.

Separate from the Supervisors' letter regarding Urban Reserve issues, Gilbert initially commented in June that they desired to have the Draft Plan amended to show land north of 190th as reserve area for the growth of Gilbert only. At this time Gilbert has not offered any other feedback about the Draft Plan or the Supervisor's proposed changes. Staff does not believe a Plan that exclusively gives Gilbert annexation authority north of 190th Street is in the best interest of the City of Ames.

Map Designations

The mapping in the Draft Plan was designed to be consistent with Plan 2040 Growth and Land Use Chapter. The map includes three basic designations, Ag and Farm Services, Rural Residential-Existing, Urban Growth. A fourth designation of Rural Residential-Expansion is identified in the Plan, but not mapped for any new areas. The Plan also includes overlays, such as Natural Areas, Urban Reserve, & Mining.

Bullet 6. Change City's Growth Area designation of the Champlin property to Ag and Farm Services and Meadow Glen to Rural Residential-existing

Bullet 7. Extend Gilbert Growth Area north to 170th

Bullet 10. Remove Policy for Rural Residential Land Use limitation of 40 acres.

Bullet 11. Remove limitation on number of Framework Map Amendments in a year.

Bullet 12. Clarify process to designate new Rural Residential-Expansion areas.

Bullet 13. Remove parcels outside of 2-miles from the Framework Map (primarily southeast of I-35/Hwy 30).

Bullet 6 suggests the City should change the former Champlin property between Zumwalt Station Road and Dartmoor to Ag and Farm Services due to public comment about concern of impacts from urban development, primarily to the Worle Creek Area. These comments mirror the input Council received as part of Plan 2040. This area is part of the Growth Area of the City as part of Plan 2040 because there is existing water and sewer line abutting the site. **Staff believes that although it is a small amount of developable land after setting aside natural areas, it is readily serviceable by the City and should be allowed to be annexed.**

The Meadow Glen neighborhood has been a vocal participant in the Ames Plan 2040 process and the Fringe Plan reinforcing their desire to remain rural. The reason this area is shown as Growth Area is a result of the annexation policies of the Plan that limit annexation based upon particular designations. **Staff does not agree with the request to designate this neighborhood as Rural Residential-Existing if it would prevent future annexation to the south.**

Staff has no issues in regards to the north Gilbert changes or removing parcels outside of two miles from the Plan as suggested in Bullet 7 and 13. Bullet 11 addresses the policy to limit the amendments to the Framework Map in order to consider cumulative impacts is a good planning practice, but it likely is not critical to the implementation of the Plan. The

current Plan and 28E do not have such a limitation, but it does require concurrent by 2 of the 3 cooperators to initiate a change.

Bullets 10 and 12 are County driven policies in the draft Plan about future Rural Residential Expansion. **The County desires to allow for future proposals to add Rural Residential Expansion as map amendments, rather than significant changes to the Plan overall. The proposed changes would not directly impact the City as we would still have map amendment review authority.**

Other

Bullet 4. County desires a policy in the Plan stating it will review each annexation in the future to determine if they support the proposed annexation.

Bullet 9. County would like to include in the Plan acknowledgement of the County allowing for Accessory Dwelling Units or a Second Home in certain circumstances.

Bullet 14. Create policy to allow for non-residential uses to reconfigure property boundaries that do not create new developable lots, similar to allowance for houses.

The Fringe Plan and 28E cannot bind the County to support future annexations. Including Bullet 4 would not impact the Plan, but staff believes such a statement is superfluous and confusing when the Plan has stated growth policies. **If it was included anywhere, it would be best in the 28E agreement as an acknowledgement of independent authority.**

Bullet 9 is not a significant issue, but it does not facilitate annexation of land for development purposes. **Staff would likely only support the allowance for Ag and Farm Service areas that would not likely become part of the City. Allowing additional accessory dwelling units would be a zoning change by the County that the City could not directly control unless mutually agreed upon in the 28E.** The current 28E outlines some Story County agreed upon limits to zoning powers, i.e. A-2 uses, but reserves its authority in all other respects.

Bullet 14 is a potential issue of concern to City staff. It is unclear how this would be beneficial to urbanization goals of the City and exactly what type of “nonresidential uses” this would apply to as a policy. More review would be needed for staff to have a final position on this issue, but when taken with the Supervisor’s Bullet 1 to not limit conditional uses, this is a concern about facilitating these uses even more.

OPTIONS TO RESPOND TO BOARD OF SUPERVISOR’S LETTER:

Response Option 1: Update Plan with only subdivision policies for all areas within the Fringe

Staff believes that if City Council desires to continue to develop a mutually acceptable plan that it would be best to eliminate all annexation policies and focus solely on subdivision authority. Such an approach would streamline the plan and remove extra-territorial control from the agreement for any party to the agreement.

Implementing this option would be fairly straight forward using information in the draft Plan and delegate subdivision review to the County for Ag and Farm Services, joint review for Urban Reserve Overlay, and City control for Urban Growth areas. The issue of the County limiting specific conditional uses would not be addressed nor would annexation authority.

Response Option 2: Update Plan with City specific edits to the draft for City Council approval

Staff does not support limitation on Urban Reserve annexation as it hinders the City's ability to implement the flexibility built into Plan 2040. Additionally, it appears the County no longer has an interest in broad controls of conditional uses to support compatibility within either the Growth Areas or the Urban Reserve. **Staff believes significant changes to meet many City interests and to address County comments would take time to develop.**

With this option City Council would direct City staff to attempt to prepare a comprehensive set of amendments that include those recommended changes by the County that are compatible with the City's priorities. City Council would review staff drafted changes at a future meeting, and if approved, forward it for acceptance by the other parties included in the update process.

Staff notes that even with language supporting limitations of specific conditional uses that the Fringe Plan and 28E, these two documents cannot create such a limitation. The County would have to use their legislative authority after approving the Plan to modify their Zoning Ordinance. Such an action would be independent of approving a Fringe Plan.

Response Option 3. Discontinue the update process and let the Fringe Plan dissolve

If City Council does not believe that common interests and benefits are likely to be part of an updated Fringe Plan, the City Council could indicate it no longer desires to pursue an update. The current Fringe Plan and 28E would then continue until November 7th and expire. The City would retain its subdivision review authority upon expiration of the current 28E and apply our policies as they related to Plan 2040 to rural development issues.

Response Option 4. Hold a Joint Meeting

Should the City Council need further clarification from the Story County or Gilbert officials regarding their proposed changes, a joint meeting could be requested to discuss the specific

policies and authorities of the Plan that are at issue. With this option, City staff would coordinate a date for joint meeting before formulating any changes to the Draft Plan.

STAFF COMMENTS:

Fundamentally, the proposed changes by the Story County Board of Supervisors and the City of Gilbert to the Urban Reserve caused staff to revisit the priorities of the City and the benefits of a joint a Fringe Plan and 28E that consists of the recent proposed changes. Staff finds that the proposed changes do not have distinct benefits to the City compared to our default authorities for subdivision and annexation that are available without a Fringe Plan and, therefore, do not support many of the proposed changes described above.

Participants in Plan

Additionally, staff believes that if either Option 1 or 2 are supported, the City could pursue an agreement with Story County separately, or in combination with Gilbert. Staff does not believe it needs to be a new three-party agreement to be effective for management of the Fringe, even though the current agreement was a three-party agreement.

Extension

If City Council determines it wants to proceed with continuing to work on an updated Fringe Plan, Council may also desire to approve extending the current 28E which expires on November 7, 2022. As discussed in June, the current Fringe Plan does not match our current Growth Area plans of Ames Plan 2040. A long delay in updating the Fringe Plan could procedurally limit the City's ability to annex lands primarily to the south and east.

The City could continue to work on an update with or without an extension, but if City Council desires to extend the agreement for continuity in the planning process it appears that it would need to be extended until March to allow time to finalize a Plan and then go through public hearings for its adoption.

NEXT STEPS:

At this time City Staff needs direction regarding a response to the Board of Supervisors letter. The Staff has provided four possible options. The options described below offer a more focused plan on Subdivision (Option 1) or a comprehensive response back (Option 2). Alternatively, City Council could decide not to proceed (Option 3) with the update and let the Fringe Plan dissolve or hold a joint work session (Option 4) before determining how to proceed.

A separate action on whether to offer to extend the 28E is also needed depending on the option selected as a response to the Board of Supervisors. Work on an update could continue whether there is an extension or not.

The current Fringe Plan expires on November 7, 2022, and when it expires all subdivision authority reverts back to the City and there is no shared management of the Fringe Area. If

City Council believes an extension is valuable, it would need to be for several months to work through Option 1 or Option 2 and allow for a Plan to be approved, staff would suggest March 15th.

Attachment A

CITY OF AMES ANNOTATED COPY OF BOARD OF SUPERVISOR LETTER

September 20, 2022

Mayor John Haila and Members of the Ames City Council
City of Ames

515 Clark Avenue

Ames, IA 50010

Mayor Jon Popp and Members of the Gilbert City Council
City of Gilbert

105 SE 2nd Street

Gilbert, IA 50105

RE: Changes to the Draft Ames Urban Fringe Plan Based on Public Input

Dear Mayor Haila, Mayor Popp, and City Council Members,

As you are aware, a draft of the Ames Urban Fringe Plan was made available for public review and comment on May 17, 2022. The public comment period occurred through June 14, 2022. A general comment form, as well as an interactive map where comments could be made, were available on the Story County Planning and Development Department's website. Three public meetings were also held. A public presentation of the Plan was given on May 23, 2022, at the Ames Public Library and comments were received in a public hearing format at that meeting. Two open house meetings were also held where staff were available to answer questions. The open house meetings were held at Gilbert City Hall and Oakwood Church on May 26, 2022, and June 7, 2022, respectively. Over 150 participants attended the meetings. Almost 100 map comments and 25 form submissions during the month-long comment period were received along with phone calls and emails. All comments and a transcript of the May 23, 2022, meeting have been provided to city staff.

Story County greatly appreciates everyone who provided comments and has been engaged in this process. The Plan covers many complex issues that residents of the planning area passionately care about. The County has considered all comments received and looks forward to the cooperators doing the same. We also ask for your consideration of several changes to key areas of the Plan in response to public input. By taking these comments into account, the County believes the Ames Urban Fringe Plan will be mutually beneficial to the City of Gilbert, City of Ames, Story County, and the residents we serve.

The main issue areas identified by the County in review of the comments received include:

- Opposition to the annexation of existing rural residential developments and their inclusion in the Urban Growth designation. Most comments were specific to the Meadow Glen area, a residential development along Meadow Glen Road (east of State Avenue), south of Ames.
- Opposition to the annexation of certain Environmentally Sensitive Areas and their inclusion in Urban Growth areas. Specifically, a property commonly known as the Champlin Farms property, an approximately 137-acre property to the southwest of Meadow Glen along Dartmoor and Zumwalt Station Road, which contains a portion of Worle Creek and a tributary.
- Opposition to the Urban Reserve Overlay. Most comments identified that too large of an area was identified as Urban Reserve. They also identified that it is an area in which Ames does not have plans to grow during the life of the Plan but places additional land use restrictions on property owners. Specifically, concerns were raised about the Urban Reserve Overlay applied to the area between Ames and Gilbert and southwest of Ames, including Iowa State University- owned land. Comments identified that these areas should be preserved and were not areas where city growth should occur.
- Opposition to proposed limitations on conditional uses in the Urban Reserve Overlay and Urban Growth areas.
- Opposition to the limitations on the division of land to create new, buildable lots for dwellings in the Urban Reserve Overlay and Agriculture and Farm Service designation.
- Opposition to restrictions on new rural residential development.

Based on these issues, the County proposes the following changes:

- 1 • **Remove the strategy to limit certain conditional uses through an amendment to the County's Land Development Regulations.**
- 2 • **Supplant the Urban Reserve Overlay's annexation policies with a policy that annexation of areas in the Urban Reserve Overlay is not permitted during the life of the Ames Urban Fringe Plan.**

3 **Additionally, further discuss reducing the area mapped with the Urban Reserve Overlay.**

This policy change is requested in response to the comments regarding the area between Ames and Gilbert and southwest of Ames, including Iowa State University-owned land. However, generally regarding the Urban Reserve Overlay, the County has concerns that growth in these areas during the life of the Plan may detract from the viability of infill opportunities or the cooperators' Urban Growth areas. The County appreciates Ames Plan 2040's attention to infill development and focus on priority growth areas. We also appreciate Ames' work on its Climate Action Plan and efforts to reduce greenhouse gas emissions. Towards sustainability goals, we want to ensure that growth occurs in areas that are near city boundaries to reduce vehicle miles traveled and increase access to alternative transportation. We also want to ensure growth occurs in areas that have planned land use scenarios with a mix of uses and densities, such as the Urban Growth areas.

- 4
- Consider adding a policy that the County is not agreeing to support the annexation of Urban Growth or Urban Reserve Overlay areas through the adoption of the Plan and shall review all annexation requests at the time of a request to determine whether to support, or not support, an annexation. The County's review may also include recommendations on protections for environmentally sensitive areas.

While annexation in accordance with the Plan and the land Use Framework Map is required, by adopting the Plan and its policies that annexation is compatible with a given land use designation, the County is not agreeing to support any specific annexation request in these areas. The other cooperators may also wish to clarify that they are not committing to approve all annexation requests conforming to the Plan by adopting the Plan and its policies. This policy would also create a clear review procedure for annexation requests.

- 5
- Consider adding a policy that the annexation of properties in the Urban Reserve Overlay (if permitted) should be weighed against the Urban Growth areas' development, planned infrastructure investments in the areas, and their viability. This would be in addition to the policy that "annexation is coordinated with the timely and efficient provision of adequate public facilities and services.

Annexation shall be permitted when city infrastructure is available or planned to be available to serve the development. Infrastructure includes for streets, wastewater treatment, and potable water distribution of sufficient size to support emergency services. Infrastructure extensions should be logical and beneficial to overall goals for the growth of an area and not just for the convenience of one development project."

- 6
- Consider mapping the Champlin Farms property as Agriculture and Farm Service with the Urban Reserve Overlay, but not as annexable, and the areas to the east along State Avenue and Meadow Glen Road as Rural Residential - Existing.

The County is requesting the area's designation be changed from Urban Growth to reduce its priority for annexation. This is in response to public input and to ensure the area does not detract from Urban Growth areas that are the city's priority for growth. Annexation during the life of the Plan may be premature given the city's lower priority for growth to the southwest versus other areas designated as Urban Growth.

- 7
- Extend the Urban Growth area adjacent to Gilbert one-half mile north of 170th to match their Comprehensive Plan.

This would create uniform policies to follow when reviewing development requests in Gilbert's growth area.

- 8 • Simplify the policy for reducing lot sizes for dwellings in the Agriculture and Farm Service designation and adopting the same policy in the Urban Reserve Overlay as follows:

Divisions for the creation of new development lots are not permitted. Parcels with existing dwellings or parcels on which a dwelling may be constructed ~~35 acres or greater in size~~ may be divided once for the purpose of reducing their size ~~constructing a dwelling on a parcel between~~ to a minimum of one and a maximum five net acres, if permitted by County zoning requirements (e.g., through farmstead, LESA, or residential parcel subdivision exceptions). The remaining land shall not be considered buildable for a dwelling and be preserved as an outlot, through a deed, or by other restriction.

- 9 • Add an implementation strategy for the County to consider allowing Accessory Dwelling Units, or second dwellings.

The County will be considering this change to its code in the next year and wanted to make the other cooperators aware. This strategy may also address the public comments concerned with the restriction on the creation of new lots for single-family dwellings in the Agriculture and Farm Service and Urban Reserve Overlay designations.

- 10 • Remove the limitation on the amount of land (40 acres) that can be requested to be amended to Rural Residential–Expansion through an individual Land Use Framework Map Amendment request.

With the target of no more than 60 new rural subdivision lots, allowing a larger area to be requested to be amended could result in better site design and more open space preserved while not resulting in an oversupply of rural subdivision lots.

- 11 • Removing the restriction on the number of times per year the cooperators hear Land Use Framework Map amendment requests and clarify the process to request an amendment to the Rural Residential-Expansion designation for properties in the Urban Reserve Overlay.

12

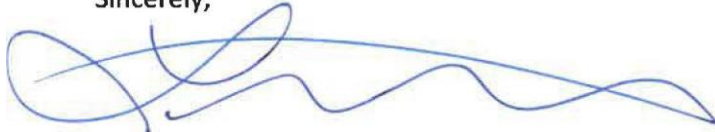
This restriction may make it prohibitive for a buyer to enter into an agreement to purchase land on the condition that it is first amended to a designation that allows a certain development prior to purchase. Additionally, the draft Plan does not make an amendment request to the Rural Residential-Expansion designation for properties in the Urban Reserve Overlay possible without first amending the text of the Plan. This process should be clarified in the Plan.

- 13 • Remove parcels inadvertently included in the planning area that are outside of Ames' two-mile review area.

- 14 • Consider allowing the reconfiguration or division of land in the Agriculture and Farm Service Designation and Urban Reserve Overlay for commercial or conditional uses, similar to the allowance to reduce the lot size for single-family dwellings. No new development lots could be created for additional commercial or conditional uses. The County may consider a policy to route these plats to the other cooperators for comment related to their subdivision standards.

The County would request the cooperators consider these issues and others raised by the public comments. County Planning and Development staff is available to work through these issue areas and changes with the cooperators and their staff. However, if an agreement between the cooperators cannot be reached on these issues, the County would propose a work session to seek mutually agreed upon solutions. The County understands that while the cooperators may have different goals, having a plan and policies for the fringe area is necessary to facilitate orderly, efficient growth in the interest of all those involved. Thank you and we look forward to continuing to work with you on this Plan.

Sincerely,

A handwritten signature in blue ink, appearing to be 'Lati ah Faisal', written in a cursive style.

Lati ah Faisal, Chair

Story County Board of Supervisors