ITEM #: <u>28</u> DATE: <u>10-25-22</u>

### **COUNCIL ACTION FORM**

SUBJECT: REZONE OF 609.27 ACRES AT 3700-5898 EAST LINCOLN WAY, 799 TELLER AVENUE AND 220 AND 240 SOUTH TELLER AVENUE FROM "A" (AGRICULTURAL) TO "II" (INTENSIVE INDUSTRIAL) ZONING

**DISTRICT** 

#### **BACKGROUND:**

lowa Land And Building Company, subsidiary of Alliant Energy Corporation, proposes to rezone multiple properties totaling 609.27 acres of land east of Interstate 35 along East Lincoln Way and Teller Avenue. The properties are addressed as 3700-5898 East Lincoln Way, 799 Teller Avenue and 220 and 240 South Teller Avenue, all within the area commonly referred to as the Prairie View Industrial Center. The properties were annexed into the City as part of the larger 2016 East Industrial Annexation. At the time of annexation, the subject properties were assigned an "A" Agricultural zoning classification. (See Attachment A) The properties have retained the "A" Agricultural zoning since that time. The proposal is to rezone the properties to "II" Intensive Industrial zoning classification. (See Attachment B)

The properties largely consists of undeveloped row-cropped land on 17 parcels ranging from 30 to 47 acres in size. One smaller parcel consists of 3.28 acres of land along Lincoln Way and contains a small farmstead. A second large parcel along Lincoln way contains a couple of outbuildings.

The Ames Plan 2040 Comprehensive Plan designates these properties with the "Employment" Land Use Category, which supports industrial zoning districts including the proposed II, Intensive Industrial zone. (See Attachment C) A small amount of area is shown as open space reflecting an existing stream corridor on the west side of the Prairie View area.

Water main and sanitary sewer main have recently been extended along East Lincoln Way to Teller Avenue and along Teller Avenue just south of East Lincoln Way to a new lift station. The properties included in this rezoning request can be served by these new mains. A second phase of water and sanitary sewer main is currently being constructed east of Teller Avenue to the east City limits along East Lincoln Way. Notably the subject properties are required to secure water service rights from Iowa Regional Utilities Association per a 2016 agreement and utilize City of Ames water upon development.

Currently all the parcels in the rezoning request can be accessed from East Lincoln Way or Teller Avenue either directly or via access easements. The Union Pacific Rail Road line is located along the northern boundary of four of the parcels. A more detailed analysis of the Comprehensive Plan, Transportation facilities and Utilities is found in the Addendum below. The applicant has included an explanation of the reasons for rezoning in Attachment D.

### **Planning & Zoning Commission Recommendation:**

At the October 5<sup>th</sup> Planning & Zoning Commission meeting the Commission considered the proposed rezoning to Intensive Industrial. One nearby resident spoke at the public hearing with concerns over future nearby operations of industrial uses and its impact on noise and traffic to residences in the general area.

The Commission asked questions about a small area of floodplain along the far western edge of the area proposed to be rezoned. Staff explained how all floodplain standards would apply to any future development. Commission members also asked about future transportation upgrades to serve buildout of the area. Staff explained buildout of the area was included in evaluation of Plan 2040 and the recent Forward 45 transportation plan. The primary improvement will be at the intersection of Lincoln Way and Teller with a future widening and signalization, but this would occur at some point in the future when needed. However, individual sites will be evaluated for frontage and access improvements and they will occur with development.

The Planning & Zoning Commission voted 5-0 to recommend the City Council approve the proposed rezoning to Intensive Industrial.

### **ALTERNATIVES:**

- 1. The City Council can approve on first reading the request to rezone the property located at 3700-5898 East Lincoln Way, 799 Teller Avenue and 220 and 240 South Teller Avenue from "A" Agricultural to "II" Intensive Industrial.
- 2. The City Council can deny the request to rezone the property located at 3700-5898 East Lincoln Way, 799 Teller Avenue and 220 and 240 South Teller Avenue from "A" Agricultural to "II" Intensive Industrial.
- 3. The City Council can defer action on this item and request further information from staff or the applicant.

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

The request for rezoning is consistent with the existing Future Land Use Map of Ames Plan 2040 Comprehensive Plan as described in the addendum. Impacts on infrastructure and City services for these parcels are consistent with what has been anticipated for development in this area. Staff believes the properties are able to be developed and allow for industrial uses based upon the recent completion of utility extensions. A broad range of intense industrial uses will be allowed in this area. At the time of site development, each property will be evaluated through the Minor Site Development Plan process for conformance to zoning and other development standards, including coordination of frontage improvements and utility connections.

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

### **ADDENDUM**

### **REZONING BACKGROUND:**

This property is located east of Interstate 35 on both sides of East Lincoln Way, south of the Union Pacific rail line and north of Highway 30 extending to near Nevada. The land was annexed in 2016. At the time of annexation, all of the annexed properties were assigned an "A" Agricultural zoning. The subject properties have remained as "A" Agricultural zoning since that time. Iowa Land And Building Company has acquired the land to develop as Industrial. The Prairie View Industrial Center is a "Certified Site" by the state for economic development purposes.

Ames 2040 Comprehensive Plan. Ames Plan 2040 designates the property with the "Employment" Land Use Category, which supports industrial zoning districts including this rezoning request to II, Intensive Industrial. See *Attachment B*. The characteristics of areas under the Employment Category include traditional manufacturing, warehouse, office and R&D activity on the east sides of the city as well as office and research activity in the ISU Research Park. The Employment designation can include high impact, heavy industrial uses as well. These areas will consist of large sites set aside for industrial activity. These areas will often have higher amounts of truck traffic with good access to regional transportation facilities. The II zoning designation allows for a wide range of intensive industrial uses which are supported in the Employment Land Use Category and this zoning district is design to meet the intent of supporting large industrial uses.

**Proposed Zoning.** The subject properties are currently undeveloped aside from a few scattered existing outbuildings and one home. A request to "II" (Intensive Industrial) is consistent with the proposed use of the properties in the Ames 2040 Comprehensive Plan. The II zoning district was specifically created in 2021 for the purpose of applying it to land east of I-35 related to the Prairie View Industrial area.

**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 Primary Land Uses
Subject Property	Undeveloped; Crop Production
North	Undeveloped; Crop Production, scattered homesteads
East	Undeveloped; Crop Production, scattered homesteads
South	Undeveloped; Crop Production, scattered small businesses & homesteads
West	Crop Production, scattered homes and small business, Barilla

### **INFRASTRUCTURE**

#### **Traffic, Streets & Pedestrian Facilities**

The Ames 2040 Comprehensive Plan Mobility Element shows East Lincoln Way being classified as an arterial street through the area. An arterial collects and distributes traffic from principal arterials and interstates to streets of lower classification or directly accesses destinations. An existing Bike facility is currently incorporated with the East Lincoln Way roadway as a paved shoulder. As this area develops the Bike and Pedestrian facilities will be upgraded accordingly to allow continued Bicycle and Pedestrian use. This will include dedicated shared use paths and bike lanes. Development of each site will follow the City's sidewalk improvements requirements.

The Ames Forward 45 Transportation Plan includes a future road grade separation project in the at 580<sup>th</sup> Street (Teller Avenue) and the Union Pacific Railroad Line to mitigate future traffic levels on 580th with freight rail traffic on the Union Pacific Rail line. The timing of this project is subject to funding and traffic needs based upon full buildout of the Prairie View area. This project would include the construction of a bridge to separate the respective grades of the railroad and street. A design of this improvement is not known at this time.

The intersection of Teller and East Lincoln Way will also need improvements as development occurs in this area. Turn lanes and signalization are anticipated to be needed over time as sites develop. Individual site access will likely require frontage improvements for turning lanes, these types of improvements will be the responsibility of the property owner/developer.

### **Water Service Territory**

A water service buyout agreement was completed between the City of Ames and Central lowa Water Association, now known as Iowa Regional Utilities Association (IRUA), prior to annexation of these properties in January of 2016. The agreement laid out terms for the purchase of the water rights to the City of Ames for the property owners included in this rezoning. The agreement restricts IRUA from providing new water service in the area, but existing customers can continue without changing. Prior to development, property owners must secure the transfer of water service territory from IRUA to be the City's territory.

#### Water Lines

A new water main has been installed along East Lincoln Way to Teller Avenue then turning south briefly along Teller to a new lift station being finished by the City of Ames. The main will have the capability of serving the proposed areas to be rezoned. A second phase of water main installation east of Teller Avenue has been bid and awarded and has begun. Long term the City has capacity to add a water tower along Teller to improve service to the area if needed. The City has overall water treatment capacity to serve industrial development consistent with our City goals of promoting economic development for non-resource intensive users. This means that large water users, such as food processing, may not be able to site a large facility in this area. Individual review of water usage and connections to the system are part of a Site Development Plan application.

### **Sanitary Sewer Lines**

A Sanitary sewer main has been installed along East Lincoln Way to Teller Avenue then turning south briefly along Teller to a new lift station being finished by the City of Ames. The main will have limited capability of serving the proposed areas to be rezoned. The new main will not have the capacity to serve large volume sanitary sewer users at this time. A future sanitary sewer trunk main extension to the south will be required to allow more capacity in the Prairie View Industrial Center. A second phase of sanitary sewer main installation east of Teller Avenue has been bid and awarded and has begun.

Sanitary sewer transmission capacity is a limiting factor on intense development in the area. Intensive sanitary sewer users may have capacity constraints downstream from the site that limits uses. If the Prairie View area develops intensely and needs additional capacity a new trunk line would need to extend south to the treatment plan.

#### **Electrical Service**

The properties are located in Alliant Energy territory and Alliant will provide electricity to the properties in this rezoning application.

### **Open Spaces**

A small stream is located along the far northwestern edge of a portion of the proposed rezone area. The stream is designated as General Floodplain on the Flood Insurance Rate Map (FIRM). The Ames Plan 2040 Comprehensive Plan Land Use Map shows a open space area along the creek. Areas designated as open space can be zoned broadly consistent with the overall property, or a separate zoning designation could be applied. The City could choose to place the Environmentally Sensitive Overlay (O-E) designation on this creek and open space with the II base zone. Due to the limited size and its location in the area, staff did not recommend adding additional zoning designations. The flood plain designation of the stream is independent of the overall zoning.

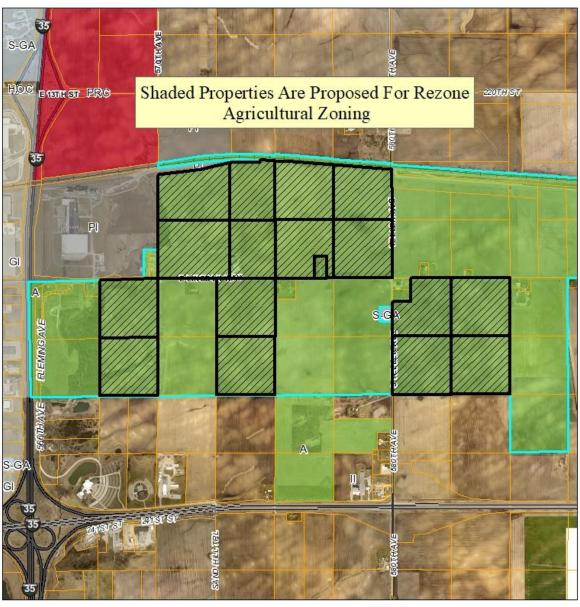
**Findings of Fact.** Based upon an analysis of the proposed rezoning and laws pertinent to the proposed map amendment, staff makes the following findings of fact:

- 1. The subject property is owned by Iowa Land And Building Company. The rezoning request and statement of justification is included as *Attachment D*.
- 2. Ames Municipal Code Section 29.1507(1) allows the property owner to initiate an amendment to the Official Zoning Map.
- 3. The subject properties are consistent with the land use category of "Employment" identified on the Ames Plan 2040 Comprehensive Plan Land Use Map.
- 4. Development in the II zoning district requires a site plan review process to assure that such development and intensity of use assures a safe, functional, efficient, and environmentally sound operation.

5. Impacts on infrastructure and City services for this parcel is consistent with what is already anticipated for the area in the Prairie View Industrial Center.

**Public Notice.** The City provided mailed notice to all property owners within 200 feet of the subject property prior to the Planning and Zoning Commission meeting in accordance with the notification requirements of Chapter 29.

# **Attachment A-Location & Current Zoning**



3700-5898 E. Lincoln Way 799 Teller Avenue 220 and 240 South Teller Avenue Location Map And Zoning (Shaded Properties)



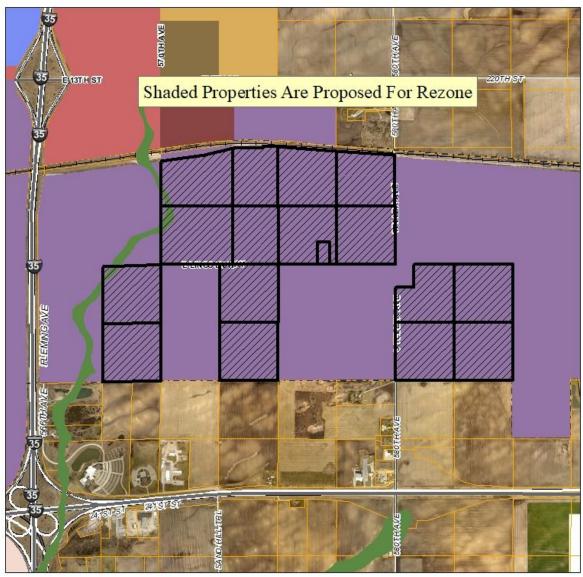
# **Attachment B- Proposed Zoning Designation**



3700-5898 E. Lincoln Way 799 Teller Avenue 220 and 240 South Teller Avenue Future II Zoning (Dark Gray Properties)



# **Attachment C- Land Use Designation**



3700-5898 E. Lincoln Way 799 Teller Avenue 220 and 240 South Teller Avenue Land Use Designation (Shaded Properties)



### **Attachment D- Applicants Request**



Alliant Energy 200 First Street SE P.O. Box 351 Cedar Rapids, IA 52406-0351

1-800-ALLIANT (800-255-4268) alliantenergy.com

# Reason for requesting rezoning:

· To develop the land for Industrial Use

# Consistency of this rezoning with Ames Plan 2040:

According to the plan, this area is designated as EMP for future use. Page 22 of said plan
indicates that an estimated 156 acres of industrial land is needed to provide appropriately located
space for a wide range of enterprises that provide employment for existing and prospective
residents. Therefore, this request is consistent with the projected growth of the community.

Employment: Our strategy is to further the masterplan and continue to market Prairie View Industrial Center (PVIC) to attract large, industrial customers from businesses that are within growth target industries: Animal Nutrition, Biotechnology & Biofuels, Food Processing & Ingredients, Indoor Agriculture, Plastics & Polymers, Packaging, and Original Equipment Manufacturers. All these industries are a good "fit" for the Ames region and typically provide significant economic impact with substantial jobs, higher wages, multi-million-dollar capital expenditures, important tax benefits and the ongoing purchases of local goods & services. This will include both general industrial and large-scale employment.

Growth/Land: PVIC is Ames' largest new concentration of industrial property that well positions the community to capture manufacturing investment and grow the local economy with primary jobs. This property is poised to become an economic engine for Ames. As one of the largest industrial sites in the state of Iowa, PVIC continues to receive top exposure and significant interest from large industrial prospects through the Iowa Economic Development Authority, professional site location consultants, and through Ames Economic Development Commission and Alliant Energy's business attraction marketing efforts. PVIC already has benefited from the City of Ames infrastructure investments and from Alliant Energy's electricity and natural gas capacity growth with much more yet to come. The property has been certified shovel-ready and is classified by the state as a Super Site. There will be large blocks and sizable parcels subdivided as determined by the end-users. High truck traffic is anticipated with excellent ingress/egress access to nearby Interstate 35 and U.S. Highway 30.

We intend to encourage industrial developments that embrace Environmental Social and Governance construction and operational practices. We envision the following:

 Use screening and landscaped buffering to address building scale and typical utilitarian appearance.

- Apply aesthetic enhancements to sites along major corridors and where appropriate wayfinding & business signage, high energy efficient lighting, and environmentally friendly landscaping.
- Plan for improved pedestrian connectivity and access for alternative modes of transportation. We plan to work closely with the City to ensure PVIC is well connected to existing bike trail system since many future workers will want the option to ride their bicycle to work.
- Large sites may allow for incorporating green infrastructure, renewable energy, or other
  greenhouse gas reduction and sustainable design techniques. We fully intend to explore
  and invest in renewable assets including solar, wind, battery and EV charging stations at
  locations to be determined.
- Ensure truck traffic and transportation capacity is adequately addressed.
- As PVIC develops out with large uses, we will evaluate options for smaller industrial sites and locally serving commercial uses particularly when those commercial serves are in demand by the industrial operators. Large format retail will not be permitted

# Current zoning: Agricultural

# Proposed zoning: Intensive Industrial

• PVIC is fully intended and planned to become the home for major manufacturing and industrial businesses who want to call Ames home. Beginning with the name Prairie View "Industrial Center", this property perfectly fits into the City's comprehensive plan to focus most new large industrial development east of I-35 and is well-positioned to serve the community due to its strategic geographic location served by industrial-level infrastructures including: Interstate 35 and federal/state/county highways, main line railroad, nearby airport, large electricity and natural gas capacities, and water and sewer services. It already is bookended by significant industrial operations of Barilla and Verbio/Lincolnway Energy. Thus, PVIC's location, existing and near future intensive infrastructure, and nearby existing industry concludes logical infill development of similar manufacturing opportunities that will require Intensive Industrial Zoning.

# Proposed use:

Providing land to attract large general industrial businesses, such as manufacturing, to the Ames
area to provide economic development opportunities it would otherwise miss out on. Industrial
uses on the site would include: Manufacturing/Processing, Resource Production/Extraction,
Warehousing/Freight Storage, Industrial Service, Waste-Processing & Transfer.

Available infrastructure: PVIC is a certified site that addresses in detail all the existing and future key infrastructure, soils conditions, wetlands, topography, archeology and many other important pre-development assessments to enable the property to develop quicker since the certification process has already addressed many issues that often requires substantial pre-development time. And since the City has already advanced its water and sewer main line extensions with more to come, we too at Alliant Energy are busy planning the necessary upgrades in both electrical and natural gas infrastructure to add service capacities to industrial standards.

Legal Descriptions: See attached.

# Land area:

Parcel Number	Area in acres	Previously owned by
10-09-100-120	33.15	Beck
10-09-100-200	38.49	Beck
10-09-100-300	38.64	Beck
10-09-100-400	40.00	Beck
10-05-300-405	29.04	Jensen
10-05-300-225	31.32	Jensen
10-08-100-200	38.49	Jensen
10-08-100-400	40.00	Jensen
10-05-300-120	43.10	Jensen
10-05-300-305	47.94	Jensen
10-05-400-375	2.69	Miller
10-07-200-200	37.38	Musser & Pfunder
10-07-200-400	40.00	Musser & Pfunder
10-05-400-205	35.47	Wellman
10-05-400-305	35.80	Wellman
10-05-400-400	37.18	Wellman
10-05-400-105	39.72	Wellman

