

ITEM #: 28  
DATE: 11-14-23  
DEPT: P&H

**COUNCIL ACTION FORM**

**SUBJECT: ZONING TEXT AMENDMENT FOR REDUCED AFFORDABLE HOUSING PARKING REQUIREMENTS**

**BACKGROUND:**

City Council reviewed a staff report on October 24, 2023, related to reducing the required minimum parking requirements for affordable housing developments. At that meeting, the City Council reviewed options for defining affordable housing, information regarding parking and car ownership, and parking utilization observations of developments within Ames. More background information can be found in the [October 24 Staff Report](#).

**The City Council directed staff at that time to proceed with amending Ames Municipal Code Section 29.406 (Off-Street Parking) to create standards and define a two-tiered approach for both staff and Council to approve parking reductions for affordable housing developments. Per the City Council's direction, staff has prepared an ordinance amendment (Attachment A).**

**TEXT AMENDMENT:**

**The proposed ordinance allows staff to approve a reduction to 1.0 space per unit for units with 2 or fewer bedrooms and a reduction to 1.5 spaces per unit for units with 3 to 4 bedrooms. This is a reduction in parking requirements for developments outside of a PUD, that require 1.0 parking space per bedroom for 2-, 3-, 4-, and 5-bedroom units and 1.5 spaces for a studio or 1-bedroom unit. This reduction would be permitted in developments where a minimum of 40% of the units are restricted to households with incomes below 60% of the AMI and meet other specific requirements in an agreement to provide affordable housing for a minimum of 30 years.**

**The proposed ordinance also allows the City Council to grant additional reductions as low as 1.0 space per unit for developments with access to public transit (within one-quarter mile). The Council may also grant greater parking rate reductions for developments that are permanently committed to serving households with incomes below 30% of the AMI. For these developments, the ordinance prescribes no minimum for parking.**

City staff would be the primary approval authority for any proposed affordable housing agreement for reduced parking. **In the event staff does not find the provided information to be satisfactory to ensure the project is a viable affordable housing project, the request can be forwarded to City Council for approval. Additionally, if the proposed affordable housing development is not subject to any compliance agreement with a state or federal agency, City Council approval would be required.**

The proposed ordinance requires an acceptable affordable housing agreement that dedicates the property to affordable housing for a minimum of 30 years. **At the end of 30 years, the development may be converted to market-rate units without providing additional parking.**

The current parking requirements, staff-approved reduction option, and Council-approved reduction options are summarized in the below table.

**Comparison of Current and Proposed Parking Requirements**

	<b>Current Parking Rates</b>	<b>Staff Approved Reduction</b>	<b>Council Approved Reduction for Transit Access</b>	<b>Council-Approved Reduction for Extremely Low-Income (30% AMI) Households</b>
<b>1-bedroom Units</b>	1.5	1	1	At Council’s Discretion
<b>2-bedroom Units</b>	2	1	1	At Council’s Discretion
<b>3-bedroom Units</b>	3	1.5	1	At Council’s Discretion
<b>4-bedroom Units</b>	4	1.5	1	At Council’s Discretion
<b>5-bedroom Units</b>	5	5	5	At Council’s Discretion

**PLANNING AND ZONING COMMISSION RECOMMENDATION:**

The Planning and Zoning Commission reviewed the proposed amendment at its October 4, 2023, meeting. The Commission’s discussion focused on two main issues: the 30-year affordability period prescribed by the ordinance (longer or shorter) and the parking requirement allowed with staff approval. The proposed rate was higher (1.5 spaces per unit for all unit types) when presented to the Commission.

The Commission voted (5-2) to recommend the City Council allow staff to reduce parking requirements for affordable housing developments to 1.0 space per unit for units with 2 or fewer bedrooms and 1.5 spaces per unit for units with 3 to 4 bedrooms. The Commission also supported the City Council-approved reduction options, and the terms of the affordability agreement, including the 30-year affordability period. **The proposed ordinance matches the Commission recommendation.**

**ALTERNATIVES:**

1. Approve on first reading a text amendment for a reduced affordable housing parking requirements, as shown in the attached ordinance.
2. Approve on first reading a text amendment with alternative language.
3. Do not approve the proposed text amendment.
4. Request additional information from staff.

**CITY MANAGER'S RECOMMENDED ACTION:**

The parking standards currently apply equally to market-rate and affordable housing developments. Based on staff's observations, the current parking requirements exceed the parking demand generated by income-restricted units. **Staff believes the draft regulations will result in a reasonable reduction in parking requirements which may reduce the cost of affordable housing developments as well as provide more flexibility in site design, and thus meet the City Council's goal to support the development of more affordable housing.** Therefore, it is the recommendation of the the City Manager that the City Council adopt Alternative #1, as described above.

[Draft Ordinance for Reducing Minimum Off-Street Parking Requirements.pdf](#)