

Staff Report

PROCESS TO REZONE 113 NORTH DAKOTA FROM RESIDENTIAL LOW DENSITY (RL) TO RESIDENTIAL MEDIUM DENSITY (RM) WITHIN URBAN CORRIDOR DESIGNATION

June 25, 2024

BACKGROUND:

The City Council initiated a referral for a staff memo on May 28 for a request from Luke Jensen of RES Development regarding the property at 113 North Dakota (See Attachment A). City Council reviewed a staff memo on June 18th and directed that this item be placed on an agenda for discussion.

The subject property is 1.69 acres and is located at the northwest corner of North Dakota and Lincoln Way. It currently is zoned RL (Residential Low Density). Ames Plan 2040 designates the site as part of an Urban Corridor (UC) designation (See Attachment B – Plan 2040 Future Land Use Map Excerpt).

The site is presently undeveloped—the single-family dwelling that occupied the property was demolished in 2023. The site was once the subject of a request to designate it as commercial for construction of an office building. This was one of the reasons the site, along with abutting properties, were designated UC within Ames Plan 2040.

RES Development recently acquired the property and desires to develop it as medium-density residential. The developer does not believe standalone commercial is viable at the site, as it lacks Lincoln Way frontage, its topography includes steep slopes, and its access is limited to right-in and right-out from North Dakota. RES Development has presented several concepts to staff, including an 18-unit townhome concept. Although the site is designated as UC, it is still zoned RL. The current RL zoning allows a maximum of 7.26 units per acre or 12 units on a 1.69-acre site (access and other requirements may decrease the actual development yield on the subject property). The RL District does not allow townhomes.

Luke Jensen, RES Development, requested that the City Council determine the process to rezone the property to Residential Medium Density (RM) within the UC Designation (see Attachment A - Request) to facilitate residential development. **While the developer desires a greater density and different residential type than allowed in the RL District, the UC designation also has goals for redevelopment and intensification related to enhancing the Lincoln Way corridor (See Attachment C - Plan 2040 Excerpt). The question before Council is whether these two goals can be compatible, and if so, the process to follow in rezoning the property.**

There are two main issues under the UC designation to developing the site as requested by RES:

1. As a new designation, UC does not have a direct implementing zoning district

This issue is similar to the Campus Garage rezoning request of 2023, where City Council determined that NC (neighborhood commercial) could be an implementing zone of UC for that site. However, while NC could be applied to current request, the applicant does not desire to develop commercial space

with residential uses, as allowed within NC.

2. While the UC District contemplates medium- and high-density housing as part of a mixed-use development, it does not directly address medium- and high-density housing development as a standalone development without a commercial component

The UC designation is focused on intensifying uses in relation to the multi-modal corridor along Lincoln Way. This includes primarily commercial uses and secondarily housing.

The developer believes the UC designation's intent supports not only mixed-use development, but in appropriate areas, higher density housing options. If City Council concurred, they could allow for a rezoning application. If they did not concur, the applicant would need a Plan 2040 land use designation amendment and a rezoning to do standalone residential.

OPTIONS:

In response to the developer's request for residential development within the UC designation, staff has prepared several options for Council's consideration.

Option 1 - Interpret that medium-density housing can be consistent with UC and initiate a rezoning to RM with a PUD Overlay. (Developer's Request)

To directly allow for the rezoning request to RM, City Council would need to interpret that it is an appropriate corresponding zoning district for Plan 2040's UC designation. Plan 2040 includes development guidelines for each designation that are meant to assist in consideration of zoning and development consistency with the Plan's goals. **The UC designation includes a development guideline to "incorporate medium- and high-density residential use on underused sites, unnecessary parking areas, and gaps along corridors, including Lincoln Way."** Based on this development guideline, it may be interpreted that RM is an implementing zoning district.

Staff believes Planned Unit Development (PUD) Overlay Zone would be necessary as part of a rezoning to RM to govern any future site plan layout for parking, circulation, landscaping, and other site design features to ensure there is appropriate interface with the street and the development meets the goals for the UC designation and for high-quality infill development.

Although the site is under the typical 2-acre minimum size threshold of a PUD Overlay, a PUD Overlay can be established for the site if initiated by the City Council in response to the presence of environmentally sensitive areas. Given the site's steep slopes and proximity to Clear Creek, Plan 2040 designates a portion of the site as Open Space. **Staff believes it would meet this acreage exception.** Once a formal rezoning application is submitted it would then be evaluated for consistency with the UC designation.

Option 2 - Initiate a land use designation change to RN-3 with a concurrent rezoning to RM and PUD Overlay to change from commercial/mixed use emphasis of the UC designation.

If standalone residential is not determined to be allowed in UC, the applicant desires to still pursue medium density development. If City Council supports residential through a land use change, RN-3 would be appropriate given the request and the existing conditions. A land use amendment could be initiated concurrently with the rezoning to RM. With this process, staff would recommend that

Council also initiate a rezoning to the PUD Overlay Zone to address the same issues identified under Option 1.

Option 3 - Direct staff to write an implementing zoning district for UC that addresses standards for mixed-use, commercial, and stand-alone housing development.

This is an implementation step of Plan 2040 and is necessary to support the goals of the UC designation long-term. **However, in order to proceed with this option it would need to be prioritized in the work plan.** If Council does not elect this option, the implementing zone will be addressed as part of the comprehensive Zoning Ordinance update staff will begin work on this fall. Completion would likely be no earlier than spring 2026.

Option 4 - Take no action with a preference for commercial or mixed-use on the site.

If Council takes no action to change the site to a higher-density residential zoning district, the site will likely need to be rezoned to a commercial zoning district to implement the priorities of the UC designation for commercial development with a residential as a mixed-use component. It would likely delay the development of the site until such time that adjacent properties are also developed, making commercial or mixed-use development a viable option.

STAFF COMMENTS:

The immediate desire and viability of the site to be developed with commercial uses appears to be quite limited. The original commercial request included consideration of multiple sites and development was, in part, to be tailored to a specific user for the North Dakota site. **Staff concurs with RES Development that the site has limited potential for general commercial use as a standalone site due to its frontage limitations.** The applicant indicated they spoke with the adjacent property owners to the west and there is no interest in developing at this time.

Provided Council believes that development of housing is desirable on the subject site, the first three options are all viable. In all versions of residential development, a PUD Overlay would be needed. Interpreting that medium-density housing within a PUD Overlay can be consistent with UC (Option 1) would be the most expedient option to facilitate the development.

ATTACHMENT(S):

[Attachments A - C.pdf](#)