

ITEM #:	<u>41</u>
DATE:	<u>05-26-26</u>
DEPT:	<u>P&H</u>

COUNCIL ACTION FORM

SUBJECT: PROPERTY REZONING AT 3299, 3312, 3699 EAST 13TH STREET & 1699 570TH AVENUE FROM PRC (PLANNED REGIONAL COMMERCIAL) WITH THE O-GNE NORTHEAST GATEWAY OVERLAY WITH A CONTRACT REZONING AGREEMENT TO PRC WITH THE O-GNE NORTHEAST GATEWAY OVERLAY, THEREBY REMOVING THE CONTRACT REZONING AGREEMENT

BACKGROUND:

R-Pact Holdings, LLC & Jordan Elwell Properties are requesting a rezoning of land located at 3299, 3312, 3699 East 13th Street and 1699 570th Avenue in order to remove a previously approved contract rezoning agreement from 2005 that was approved when the property was originally approved as “PRC” (Planned Regional Commercial) with the O-GNE (Northeast Gateway Overlay).

Approval of the request will maintain the base and overlay zones for commercial development. (See Attachment A- Location Map). (See Attachment B- Land Use Designation)

The subject site(s) were at one time approved for a large-scale development of a regional mall and power retail center. The mall project approval was a multi-year process of annexation, land use designation, and ultimately a rezoning for the project that culminated in its approval in 2005, including a Contract Rezoning Agreement that regulated certain elements of the project with a conceptual development plan. Since that time, the original developer did not undertake the project and all of the land is now under common ownership by a different entity. (See Attachment F- Contract Rezoning Agreement)

The current land owner has no plans to develop a regional mall and lifestyle shopping center on this site. The owner has previously addressed City Council with correspondence, most recently Fall 2025, seeking a change to the agreement. City Council concurred with proceeding with a proposed change.

The owner is requesting through the rezoning process to remove the contract rezoning agreement as the agreement pertains to development of a regional mall lifestyle center since the owner has no plans for that style of development. The applicant’s statement is provided in Attachment E.

The requirements of the current agreement included mandating concurrent development of both the north and south sites on either side of 13th street consistent with a concept development plan. The agreement also included requirements for minimum anchor store size in the mall, evidence of leases and financial conditions as well as certain obligations for extending water and sanitary sewer infrastructure to the site and street improvement

obligations, among other items. A more detailed breakdown of the items in the contract are included in an Addendum below.

The agreement originally referenced a concept development plan to be replaced with approval of a more specific Masterplan for the regional mall project. The former developer received a Masterplan approval in 2006 in connection with the agreement requirements. This Masterplan approval would also be nullified as a result of removing the Contract Rezoning Agreement. An excerpt of the Masterplan is included in Attachment D below.

Since the time of the original approval, the City adopted a new Comprehensive Plan, Ames Plan 2040. **The Plan designates the properties as the “Community Commercial Retail” (Com-CR) (See Attachment C) Land Use designation.** Adjacent to the site, land use designations include Employment for land to the east south of 13th and RN4 and RN5 for Residential development east and northeast of the site. Applicable zoning categories for Community Commercial Retail include the current PRC zoning that is the proposed base zoning of the application.

Removal of the contract rezoning agreement maintains the current PRC zoning and O-GNE overlay district standards, which is consistent with Ames Plan 2040.

Public Outreach

Staff mailed a Notice of this action to property owners within 400 feet of the boundaries of the zone. Rezoning Notice Signs have also been posted at the site.

Planning & Zoning

At the May 6th Planning & Zoning Commission meeting the Commission considered this rezoning request. Staff presented the issue. The owner introduced themselves but had no comments. The Commission did not have any further questions. No other discussion was had. The Planning & Zoning Commission voted 6-0 to recommend City Council approve the rezoning.

ALTERNATIVES:

1. The City Council can approve on first reading the request to rezone the properties located at 3299, 3312, 3699 East 13th Street and 1699 570th Avenue from “PRC” (Planned Regional Commercial) with the O-GNE (Northeast Gateway Overlay) and a Contract Rezoning Agreement to “PRC” (Planned Regional Commercial) with the O-GNE (Northeast Gateway Overlay), thereby removing the Contract Rezoning Agreement, and to approve a resolution rescinding the Masterplan approval.
2. The City Council can deny the request to rezone the properties located at 3299, 3312, 3699 East 13th Street and 1699 570th Avenue and maintain the current rezoning agreement.
3. The City Council can defer action on this item for 30 days and request more information from the applicant or staff.

CITY MANAGER'S RECOMMENDED ACTION:

The owner is requesting removal of the Contract Rezoning Agreement that was approved in 2005. The owner has no plans to ever construct a regional mall and lifestyle center as was envisioned in the Contract Rezoning.

Although there is no specific proposal for the site at this time, the developer desires to develop commercial on the site in the future. The current agreement based upon development of a mall is a hinderance to the process because of the uncertainty it creates about changing it and adds additional time to a future project approval process.

A Masterplan approved in 2006 will also be nullified with a Resolution as a separate action in conjunction with the elimination of the Contract rezoning requirement.

Staff agrees that the regional mall concept is not feasible and likely will never be feasible in the current economic development world based upon regional competition in Altoona and West Des Moines, as well as internet based retail. If a mall were to be become feasible, the owner could once again propose such a project under the PRC and O-GNE zoning.

Although the contract rezoning agreement addresses a number of improvement requirements for the developer, future development will still be subject to subdivision, master plan/site development plans to ensure property coordination of public improvements occurs. Therefore, eliminating the requirements established with the initial rezoning will not be a detriment to the general welfare of the community because of the remaining zoning standards and City development review processes that would still apply to a future project.

Development of commercial at this location is an important part of the City's Comprehensive Plan as a premier site for commercial development within the city due to access and visibility. However, a mall is not an essential development option to fulfill the City's desire for commercial development on these sites. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1.

It should be noted that a companion text amendment to the O-GNE standards that simplifies the review process and removes requirements that were originally based upon a mall design concept will be presented to City Council in June.

ATTACHMENT(S):

[Addendum.pdf](#)

[Attachments A-E.pdf](#)

[Attachment F- Rezoning Agreement.pdf](#)

[East 13th St and 570th Ave Rezoning ORD.pdf](#)