ITEM #: <u>6</u> DATE: <u>12-15-10</u>

COMMISSION ACTION FORM

DATE PREPARED: December 10, 2010

<u>REQUEST</u>: Land Use Policy Plan (LUPP) Land Use Framework Amendments Pertaining to Allowable Growth Areas and the Capital Investment Strategy

BACKGROUND INFORMATION:

At the April 13 City Council meeting, the Council approved an amendment to the Ames Urban Fringe Plan to designate a portion of the area lying north and west of Ada Hayden Heritage Park as "Urban Residential." This change established the area lying south of 190th Street and east of the Union Pacific railroad tracks as a "new lands" area, able to be annexed and developed for residential purposes. This change **did not** designate the North area as a growth priority area eligible for incentives to assist in development. **However**, **following that action, the City Council directed staff to come back with a proposal previously presented to the City Council as Scenario 4 (in July 2008) that proposed changes to the City's "growth priority areas" to include Southwest B, Northwest A, and North B, but with incentives for oversizing that apply only to Southwest B and Northwest A.**

At the July 13, 2010 meeting, staff returned with a modified Scenario 4, offering changes to the terminology of the "priority growth areas" as well as modifications to the capital investment strategy. These changes more specifically identified Northwest A and B, Southwest A, B, C, and D, and North B as allowable growth areas. The areas in which the City would offer incentives for development would be limited to Northwest A and Southwest A and B. Development could occur in Northwest B, Southwest C and D, and North B, but the City incentives for infrastructure would not be available. **The Council directed staff to begin the implementation of these language changes.**

The changes that are included with this report reflect the direction given to staff at these previous City Council meetings. These changes will be made in the text and maps of the Land Use Policy Plan, not the Ames Urban Fringe Plan. As such, they will not need the concurrence of our partners, Story County and the City of Gilbert. These changes will be confined entirely to Chapter 6—Implementation.

The proposed amendments are intended to accomplish four things. These are:

1. Identify and designate North B, Northwest A and B; and Southwest A, B, C, and D as "Allowable Growth Areas." This is a change from the current "Priority Growth Areas" that apply to the Northwest and Southwest areas but not to the North Area.

- Enlarge the North Allowable Growth Area to include all of North B, as identified in previous studies. North B would extend from George Washington Carver Avenue in the west to the west line of H. P. Jensen's Subdivision in the east. It extends north to 190th Street.
- 3. Through the Capital Investment Strategy, reduce the areas in which the City will provide infrastructure incentives to only the Northwest A and Southwest A and B areas. These areas will be named "Incentivized Growth Areas" and will be a subset of the "Allowable Growth Areas." Northwest B, North B, and Southwest C and D will be named "Non-incentivized Growth Areas."
- 4. The subareas referenced in the 2008 and 2009 studies were delineated for study purposes only. Some of the subareas are proposed to be consolidated into single growth areas since they will now be subject to common policies.

The following renaming of the growth areas reflect that consolidation. What the 2008 and 2009 studies identified as Northwest A will be Northwest I in the LUPP; Northwest B will be Northwest II; North B will be simply North; Southwest A and B will be Southwest I; and Southwest C and D will be Southwest II.

PROPOSED CHANGES

The proposed changes to the Land Use Policy Plan are summarized below. The actual text showing the insertions and deletions is attached to this report.

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Allowable Areas for Growth: These changes identify those areas in which Ames expects growth to occur and those areas where the City should apply incentives for growth.

A map will be inserted replacing the current maps of the Northwest and Southwest Growth Priorities by a map showing the three directions for growth and the various subareas that constitute the Allowable Growth Areas.

Southwest Allowable Growth Area: These changes designate Southwest I and II as Allowable Growth Areas.

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Northwest Allowable Growth Area: These changes designate Northwest I and II as Allowable Growth Areas. It also removes the language that the Northwest Growth Area would be initiated only after the Southwest was substantially completed or there are unforeseen constraints that limit the capacity of the Southwest for development. This change specifically removes the notion that growth in one area is "prioritized" over growth in another area.

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North Allowable Growth Area: This section establishes the North as an Allowable Growth Area, including establishing its development policies.

P. 110

Capital Investment Strategy: This section is amended to remove "priority" as a description for areas in which incentives may be available. Instead, these areas are identified as Incentivized Growth Areas. The areas in which the City will pay for oversize infrastructure improvements for a suburban residential development are Northwest I and Southwest I. The current policy provides this incentive to all of the Northwest and all of the Southwest.

The City may participate in a percentage of on-site infrastructure costs if a village residential development is built in the Southwest I. The percentage will be determined through negotiation between the City and the developer. The current policy provides this incentive to a village development in all of the Southwest.

Outside these Incentivized Growth Areas, all costs associated with the development will be borne by the developer. These areas are known as "Non-incentivized Growth Areas."

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Specifically deleted is language that prioritized development in the Southwest over that in the Northwest.

ALTERNATIVES:

1. The Planning & Zoning Commission can recommend amending the Land Use Policy Plan as recommended by staff and as shown on the attached mark-up copies.

This alternative would:

- A. Identify and designate North B, Northwest A and B; and Southwest A, B, C, and D as "Allowable Growth Areas." This is a change from the current "Priority Growth Areas" that apply to the Northwest and Southwest areas but not to the North Area.
- B. Enlarge the North Allowable Growth Area to include all of North B, as identified in previous studies. North B would extend from George Washington Carver Avenue in the west to the west line of H. P. Jensen's Subdivision in the east. It extends north to 190th Street.
- C. Through the Capital Investment Strategy, reduce the areas in which the City will provide infrastructure incentives to only the Northwest A and Southwest A and B areas. These areas will be named "Incentivized Growth Areas" and will be a subset of the "Allowable Growth Areas." Northwest B, North B, and Southwest C and D will be "Non-incentivized Growth Areas."

- D. Rename the subareas as follows: What the studies identified as Northwest A will be Northwest I in the LUPP; Northwest B will be Northwest II; North B will be simply North; Southwest A and B will be Southwest I; and Southwest C and D will be Southwest I.
- 2. The Planning and Zoning Commission can recommend not amending the Land Use Policy Plan as recommended by staff.

RECOMMENDED ACTION:

The discussion of where the City should grow has been the topic of several staff reports, Commission discussions, and presentations to City Council. Staff has conducted much research and preparation of options and scenarios. After several discussions, the City Council unanimously approved directing staff to prepare the attached amendments.

Therefore, it is the recommendation of the Department of Planning and Housing that the Planning and Zoning Commission recommend Alternative #1 to the City Council, to adopt the proposed changes to the Land Use Policy Plan as shown on the attached mark-up sheets.

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CHAPTER SIX IMPLEMENTATION

DEVELOPMENT PRIORITIES OPTIONS

Priority Allowable Areas for Growth. There is a need to identify new areas for growth and to establish <u>priorities_incentives</u> for their <u>availability_and</u>-development. The City has expanded eastward to the constraints formed by Interstate 35 and the Skunk River's floodplain; northward to the constraints formed by topographic change and accompanying environmental impact; westward to the constraints formed by the political boundary of Boone County and by large ISU holdings; and, southward to the constraints formed by Highway 30, large ISU holdings and the airport protection zone. Because of these development constraints and the resulting landlocked pattern for the City, Ames must seek a more targeted growth pattern. A more targeted pattern involves the establishment of <u>priority_allowable</u> areas for growth and the participation of major landholders, development interests and City decision-makers. In targeting areas for growth in a cooperative effort, Ames will resolve three of the major constraints in the current development process by: (1) Making more land available in preferred areas; (2) Making the process more predictable in terms of availability and infrastructure; and, (3) Accelerating development opportunities for all.

In establishing the City's Allowable Growth Areas, the City completed a number of studies. These studies recognized that in addition to three major areas for growth, certain sub-areas should be recognized and established. The subareas identified as Allowable Growth Areas are: Southwest I and II; Northwest I and II; and North. In the Capital Investment Strategy following, Southwest I and Northwest I are identified as Incentivized Growth Areas.

None of the identified Allowable Growth Areas are prioritized over any other. However, the City has established its Capital Investment Strategy in order to encourage development in areas lying immediately adjacent to its existing corporate limits.

[Insert map of sub areas here]

Southwest <u>Allowable</u> Growth <u>Priority</u> Area. Portions of the City and Planning Area near the western limit of Highway 30 are recommended for designation as <u>a priority an Allowable</u> area for growth <u>Growth Area</u>. The southwest area is recommended as the first priority area for new growth. To the extent that major landholders can make sites available, new development should be concentrated in the area. These areas are identified as Southwest I and II.



The concentration of new lands for development should be readily served by public infrastructure. Such a concentration can be found immediately north and south of Highway 30. If the presence of the limited-access highway is utilized as a spine for future development rather than a barrier, the potential for growth to the southwest increases. Although a new interceptor sewer is required, the location of the wastewater treatment plant further south and in the same watershed makes expanding the City's wastewater facilities in the southwest area more cost effective.

Access to the southwest area is provided by the Highway 30 and <u>Elwood-University</u> Drive interchange and by South Dakota Avenue. An additional interchange with Highway 30 serving the southwest area is recommended. Representatives of the Iowa Department of Transportation have voiced general support for using Highway 30 as access for the southwest growth area and for locating an interchange further west on Highway 30.

<u>Development Policies for a the Southwest Allowable Growth Priority Area.</u> Ames should establish the following policies to guide the development of <u>the Southwest Allowable Growth</u> <u>Areaits first priority growth area</u>.

- A. A new interchange further west along Highway 30 should be pursued. Location of the interchange should be coordinated with any major thoroughfare improvements in the northwest.
- B. In order to increase and accelerate growth opportunities in preferred but currently constricted locations, a major new development area should be targeted in the southwest associated with Highway 30. The southwest area should be the first growth priority area for the community's expansion.
- C. The City should encourage ISU's consolidation/relocation of its agricultural farms from north and south of Highway 30. Provided that ISU releases some holdings in this area, the City should coordinate its infrastructure improvements with the timing of development in the area.
- D. If, through the relocation of any ISU agricultural farms, a large undeveloped location is created in the southwest area, the location should be recommended for more intensive residential use and supporting commercial.
- E. Designation of a <u>southwest_Southwest Allowable gG</u>rowth <u>priority_aA</u>rea should not preclude growth from occurring in areas that are currently zoned for development and have adequate capacity in the infrastructure serving them.

Northwest <u>Allowable</u> Growth <u>Priority</u> Area. In addition to the <u>initial sS</u>outhwest <u>Allowable</u> <u>gG</u>rowth <u>priority aA</u>rea, an <u>alternativethe</u> <u>northwest Northwest Allowable gG</u>rowth <u>priority Area</u> is <u>recommended</u> <u>established</u>. <u>These areas are identified as Northwest I and II. The northwest growth</u> <u>priority area would be initiated in the event that one or both of the following conditions occurs:</u>

- The southwest growth priority area is substantially completed and additional residential expansion area is needed; and,
- Unforeseen constraints significantly limit the capacity for development of the southwest area.

In the event that the northwest <u>Northwest Allowable gG</u>rowth priority a<u>A</u>rea is <u>initiateddeveloped</u>, the need for additional major thoroughfare improvements is likely. Any major thoroughfare improvements should consider a northern route for cross-town connections. In addition, any major thoroughfare improvements should consider a western linkage with Highway 30 and the proposed interchange near the Highway's western end.

The northwest <u>Allowable gG</u>rowth priority a<u>A</u>rea is currently unserved by the City's water and wastewater systems. Development of the area will require a major trunk line extension in serving the area.



The northwest <u>Northwest Allowable gG</u>rowth priority a<u>A</u>rea is also the location of significant woodlands and some greenlands as identified by the Natural Resource Inventory. The provision of public infrastructure and major development should protect identified natural resources that may be impacted by suburban growth.

<u>Development Policies for a-the Northwest Allowable Growth Priority-Area.</u> Ames should establish the following policies to guide the development of its optional second priority<u>Northwest Allowable growth Growth areaArea</u>.

- A. The City should encourage ISU's consolidation/relocation of its agricultural farms from areas immediately west of North Dakota Ave.
- B. If through the relocation of any ISU agricultural farms a large undeveloped location is created in the northwest area, the location should be recommended for more intensive residential use and supporting commercial.
- C. Any major thoroughfare improvements, including final routing and design, should be determined through a more detailed traffic study. This study should determine the need for the major thoroughfare and also determine the major thoroughfare corridor location

that will minimize environmental impacts and provide mitigating actions when adverse impacts are unavoidable. The study should be initiated immediately.

D.Design characteristics of any major thoroughfare improvements should consider the following:

1)The number of residential curb-cuts should be collected and limited in order to permit an efficient traffic flow; and

2)The number of commercial curb-cuts should be collected and limited in order to permit an efficient traffic flow. Ideally, commercial uses should be restricted to major intersections.

- **E.D.** Residential zoning should encourage more intensive uses typically throughout the growth area.
- F.E. An interlocal agreement between the City of Ames and Story County should be sought in assuring the compatibility of land uses that may be located in any unincorporated area that is situated north and west of any major thoroughfare improvements.
- <u>G.F.</u> The City should enlist the assistance of the Iowa Department of Transportation in constructing a new western interchange at Highway 30.
- G. The City should alter its urban highway system designation to comply with the state and federal formulas for the mix of street classifications. An addition to the urban boundaries is necessary in order to maintain an acceptable ratio of area to major thoroughfares.

North Allowable Growth Area. In addition to the Southwest and Northwest Allowable Growth Areas, a North Allowable Growth Area is also established.

In the event that the North Allowable Growth Area is developed, special consideration should be given to the protection of the Ada Hayden Heritage Park and lake watershed. This body of water serves as an important component of the City's drinking water source and is also a popular recreational site for area residents.

Development Policies for the North Allowable Growth Area. Ames should establish the following policies for the North Allowable Growth Area.

A. Recognizing the unique role that Ada Hayden Park has in the City's drinking water system, a conservation subdivision ordinance has been developed and will be applied to subdivisions lying within this watershed.

Capital Investment Strategy. In an effort to stimulate development in <u>certain portions of</u> the <u>priority_Allowable_areas for gG</u>rowth_Areas, the Capital Investment Strategy contains incentive provisions, which are available to developers in the form of who must install major infrastructure improvements. Under this strategy, the City might consider paying the cost of some or all of the major infrastructure required to expand sanitary sewer mains, water mains, and paving four lanes of arterial streets. <u>The Allowable Grwoth Areas in which City incentives are available are called Incentivized Growth Areas. The primary focus of the Capital Investment Strategy incentive is the Southwest Growth Priority Area.</u>

The Capital Investment Strategy contains a disincentive provision for development that occurs outside of the <u>priority-Incentivized growth-Growth Aa</u>reas. Where development is permitted to occur outside of the identified <u>Ipriority-ncentivized growth-Growth areasAreas</u>, the developer is responsible for all costs associated with the development of the area. <u>These allowable growth areas that are not incentivized can be referred to as Non-incentivized Growth Areas</u>.

The Capital Investment Strategy adopted by the City Council is stated as follows:

Within Priority Southwest I Allowable Growth Areas - Village Residential.

For new development <u>within</u> the <u>Priority</u><u>Southwest I Allowable</u> Growth Areas (southwest) as defined in the Land Use Policy Plan that utilizes the <u>Village Development</u> option outlined in the Plan, including Commercial Land Uses that are integrated into the Village, the incentive of the Capital Investment Strategy will pay a percentage (determined by the City Council) of the cost of the major infrastructure (trunk water and sewer mains and arterial streets) within the proposed project.

<u>Within Priority Southwest I and Northwest I Allowable Growth Areas - Suburban</u> <u>Residential</u>.

For new Suburban Residential development that occurs <u>within</u> the Southwest <u>I Allowable</u> Growth <u>Priority AreaArea</u> or Northwest <u>I Allowable</u> Growth Area, an incentive provision of the Capital Investment Strategy will pay the costs associated with over-sizing infrastructure improvements if the improvements are determined necessary to meet future planning objectives within and outside the time frame of the Land Use Policy Plan, and deemed fiscally responsible and appropriate by the City of Ames.

OutsideNon- Priority Incentivized

Growth Areas.

For new development that is to occur <u>outside</u> of the <u>Priority-Incentivized</u> Growth Areas (southwest) as defined in the Land Use Policy Plan, total costs (on and off site) for **all** infrastructure (including but not limited to street, water, sanitary sewer, storm sewer, etc.) and community facilities shall be the responsibility of the developer. These costs include but are not limited to the following:

- costs associated with installation of the infrastructure improvements and community facilities that are designed to provide service to the areas being developed;
- costs associated with over-sizing and extension of the infrastructure improvements that are reasonably anticipated in future development beyond the time frame of the Land Use Policy Plan; and
- costs associated with an impact from development that exceeds the capacity of the infrastructure improvements and community facilities that have already been constructed.

As a major partner in the implementation of the Capital Investment Strategy, private developers should be responsible for directing <u>its-their</u> investment activities to the area in a prearranged manner (e.g., developer agreements). As a part of any pre- arrangements, private developers should also be responsible for the availability of suitable land and the construction, at the same time as the public infrastructure is installed.

<u>Development Policies for a Capital Investment Strategy.</u> Ames should establish the following policies to guide a capital investment strategy.

A.The Southwest growth priority area should be the first priority, followed by the northwest growth priority area subject to there being sufficient demand at the time.

- **B.**A. Adequacy of public facilities/services should be assured through concurrency requirements.
- <u>C.B.</u> Where there are inadequate public facilities/services involved in <u>a priorityan</u> <u>Allowable growth-Growth areaArea</u>, it should be the public priority to provide, in a predetermined arrangement for location, capacity and timing, the following: trunk

lines for water and wastewater; major transportation improvements; major drainage improvements; and, major parks and open space improvements.

D.C. In assuring that the capital investment strategy is coordinated with and supported by private and institutional development, representatives of each sector should assist the City in establishing the priorities and funding mechanisms.



[This map to be inserted in page 107.]