

COMMISSION ACTION FORM

SUBJECT: DISCUSSION OF A ZONING ORDINANCE TEXT AMENDMENT TO ALLOW FOR A LINCOLN WAY MIXED USE OVERLAY ZONE

BACKGROUND:

In February 2015 Hunziker Development Company LLC requested that Council initiate a text amendment to allow for the construction of a mixed-use development project along West Lincoln Way on property in the Highway Oriented Commercial (HOC) zoning district. (See Attachment A) The applicant has proposed a concept of the site which consists of a mixed commercial and residential development containing two separate three-story buildings, each containing first floor commercial space with residential units above.

City Council had previously directed as part of the Planning and Housing work plan to begin a review of the Land Use Policy Plan and specifically to look at a comprehensively at Lincoln Way as a corridor study. The Lincoln Way Corridor Study is intended to be a broad urban design plan recognizing Lincoln Way as signature element of the City's transportation network and its aesthetic character as ties multiple neighborhoods and districts of the City together. The Study will have an assessment of the surrounding environment and attributes of Lincoln Way based upon multi-modal travel opportunities, streetscape design, and potential for strategic infill opportunities supportive of the corridor. The study will focus on areas between Duff Avenue and South Dakota Avenue. The Planning Division work plan estimate for duration of the Corridor study is approximately 8 months and it is to begin in the fall of 2015. When responding to the Hunziker request, Council directed this text amendment to precede the Corridor study as a tool that could be refined once the study is completed in the Spring of 2016. Council and staff look to this referral as a first step in addressing a vacant area of the corridor that could accommodate a mixed use development based on use and site design principles.

The proposed text amendment is to create a new zoning overlay district in the Zoning Ordinance, Chapter 29 of the Ames Municipal Code. The intent is to allow for a case-by-case review of a major site plan with the rezoning to add mixed use to a site. Upon adoption of the ordinance, individual property owners would need to request a rezoning of property to add the mixed use overlay to the underlying base HOC zoning. Upon completion of the Corridor Study, mixed use may be permitted by right as it is in Campustown with defined standards and design guidelines.

The Hunziker request centers upon allowing for a multifamily residential dwellings within the HOC zoning district. HOC is an exclusive commercial district that does not allow for residential uses. Within the current HOC zone, permitted uses are focused on auto oriented office or retail trade uses, including restaurant, recreation, and entertainment. HOC zoning is the most common commercial zone in the City. With this wide diversity of allowed uses and locations in the City, HOC has a larger range of interactions with residential and commercial uses than other zoning types in the City. In general, a broad

allowance for housing would not further the City's general interests in commercial land use and developing residential neighborhoods because of this diversity. However, HOC zoning along Lincoln Way is a different context than many other areas because it is already an important part of areas with residential uses and has excellent transit access. Adding mixed use could be complementary to its surroundings and provide for strategic infill as supported by the LUPP. **The proposed overlay would add a dimension of use for household living in HOC exclusively along the central areas of the Lincoln Way Corridor.** It would not allow for mixed use in other HOC zoned areas of the City.

The City's LUPP supports commercial uses with complementary uses to increase economic activity in focused areas. The purpose of the Mixed Use Overlay should be to create a balance between permitted commercial uses of the HOC base zone and the inclusion of a well designed multi-family residential development. **Staff believes continuing to emphasize commercial use as a priority in the overlay is important along Lincoln Way.** Commercial uses must be designed appropriately for it to be successful in a mixed use project. For example, the West Towne mixed use apartments along Mortenson are mixed use but for a variety of reasons the commercial uses are not as successful as hoped due in part to their design and orientation. Poor design and orientation along Lincoln Way would be detrimental to the corridor.

The overlay district is intended to supplement the base zone regulations of the HOC in order to preserve the existing commercial use pattern established within the corridor. Typically, the commercial uses within HOC are compatible with mixed use. Some concerns about the mixed use living environment are the types of commercial activities on the site and the hours of operations, noise, and odors. This would not appeal to everyone, but some people seek out the variety of activities and potential interactions with people in this environment. Concerns about the arrangement of uses can be considered during a major site plan review.

Mixed Use Overlay Options:

Staff's approach to the drafting the ordinance is to look at the overlay as modest scale mixed use opportunity as compared to Campustown that allows for large scale intense mixed use. Without completing a precise study, the overlay will be broad in its design principles to guide development requests and will require individual site plan review to meet its overall purpose. The Overlay should express design interests in development intensity, building orientation, commercial use, size, and design character with a focus on promoting Lincoln Way and being sensitive to existing residential areas that may adjoin a development site.

Permitted Uses: The existing HOC zone currently permits a range of office, trade (retail, wholesale, and entertainment and recreational) and institutional uses, as well as some miscellaneous uses such as large event type facilities and utility and vehicle service facilities. While these uses work well as standalone commercial sites along auto oriented properties in the HOC, they are not all compatible with household living functions. It is the intent of the overlay to limit the uses to general office, retail trade, and restaurant uses that are compatible with a residential use.

Commercial Size/Location/Frontage: The overlay zone should also address the location of the commercial use on the property as well as a minimum area or frontage for the commercial use within the overlay. It is still the intent of an overlay zone to maintain the underlying commercial base zone of the site. The residential component, while potentially greater in gross area, is still intended to be an accessory function of the property. There are a couple ways to regulate the location of the commercial use on the property.

One approach is by requiring a minimum commercial area or percentage requirement based on site size or street frontage. Commercial use should be the primary use for the first floor of the buildings within the site. It is the intent that the residential use be generally located above the commercial use as is traditional in a vertical mixed use development. The commercial use is to be the predominate use visible from the street frontage. This could require that either a certain percentage of the lot frontage or the front facade of the building(s) meet a minimum commercial frontage percentage.

Additionally, staff believes that adequate commercial space requires an appropriate average depth between 50 feet and 80 feet. Shallower spaces are typically harder to fill due to limited configuration options and deep spaces are rarely successful for small retail businesses due to lack of visibility. Staff specifically notes that lodging and parking are two uses that would not meet the intent of active ground floor commercial uses that would allow residential uses above.

Example regulations in other Ames zoning districts are the Downtown Service Center (DSC) with 75% of residential uses must be located above the first floor and the front 50% of the first floor of the building shall be non-residential uses. In the Campus Service Center (CSC), Community Commercial Residential (CCR), and Somerset residential uses are permitted only above the first floor, requiring that the entire first floor of the building(s) be commercial uses.

Staff would recommend that at minimum the commercial use comprise at least 75% of the lineal length of the frontage of the buildings as visible from Lincoln Way, maintaining the visible commercial component of the HOC zone. Additionally, a regulation to address the amount of the first floor of a building that should be utilized by a commercial use, such as in the DSC zone where the front 50% of the first floor must be maintained as a commercial use. The amount of square footage of commercial development should be function of commercial street frontage. For example, take 50% of the street frontage and multiply by the expected commercial depth of 50 feet to set the minimum total square footage for a site.

Building Height/Intensity: The current maximum building height in the HOC zone is 7 stories or 85 feet. Staff suggests that with mixed use the height allowance be lowered to a maximum of a three-story building with a maximum of 42 feet. Staff believes that this will blend well with the existing general commercial uses within the current HOC areas as well as to be compatible with existing residential zones that abut the HOC zone behind and along Lincoln Way. It will allow for greater flexibility in overall design compared to areas that limit height to 35 feet, such as CCR and Neighborhood Commercial. The commercial design should also require a minimum floor to ceiling height of 12 to 16 feet, again to facilitate quality commercial space. This would still

allow for high ceilings within apartment buildings. Architectural projections may also exceed the height limit.

HOC currently allows .05 floor area ratio. With three story buildings allowed in the overlay, it is conceivable that the development would exceed with commercial 0.5 FAR limitation. Staff proposes that the overlay allows for a maximum FAR of 1.0 for a site. This would equate to approximately 1/3 of a site being developed on with three story buildings or ½ half of the site being developed with two story buildings. If there are concerns about the overall intensity with mixed use, the FAR could be reduced to 0.7 to follow the typical commercial building floor area ratio of .2 to .25 FAR plus two stories of housing above for a total of 0.7 FAR. Building coverage would be limited to 50% regardless of the FAR.

Orientation and Parking: The mixed use overlay should address the orientation of the site to the street (Lincoln Way). Staff views Lincoln Way as street with a large mix of customers arriving on site by both vehicles and by walking. Street orientation is beneficial to the pedestrian environment, but can at times be viewed as limitation on vehicular oriented access to commercial uses. Staff wants to have a balanced approach to support marketable commercial space, but also that the design reinforces the character of the corridor and convenient service to pedestrian customers.

Buildings oriented to the street, interesting storefronts, sidewalks or plazas with potential seating, and architectural detailing of the building facades are a means in which to add activity to the street frontage are would support the activity along Lincoln Way. Staff proposes a design principle to orient major tenant spaces to Lincoln Way, but does not propose a specific percentage of building facades to front along Lincoln Way. Staff would be willing to allow for front yard setback encroachments of up to ten feet for pedestrian oriented design features.

HOC zoning allows parking between the street and a building, but staff believes that approach would be against the general intent of a mixed use development in this area and recommends that all parking must be located behind the front façade of a building.

Surface parking for most uses becomes the predominant use of an overall site. For a mixed use development site, there is the opportunity for some shared use of parking based on the peak demand of the proposed uses. However, there is also a need to provide an adequate amount of parking for the function of the site and a need for a mix of vehicular and pedestrian access areas for the safety of the site. No specific parking reduction is proposed with the mixed use overlay zoning as it warrants case by case shared use evaluation. With three-story buildings proposed for a site, it is not likely that structured parking will be needed. If structured parking would be proposed, it would need to be set behind commercial space and not along Lincoln Way frontage.

The design and character of the buildings along Lincoln Way are significant component of allowing for mixed use. Staff desires to promote enhancement to the corridor and to refresh the look of development in these older areas of Lincoln Way. Staff believes mixed use design should be compatible with the Campustown buildings, but does not believe it is necessary for quality design to require full clay brick finishes as is common in Campustown with tax abatement criteria. Staff supports a commitment to design principles for quality materials that include a mix of clay brick/masonry and

contemporary use of wood and metal as materials to accentuate the interest of the building. Pitched roofs would not be prohibited, but flat roofs would likely be more in keeping with the design intent for the area.

Approval Process:

To establish the overlay in a specific area of the Lincoln Way corridor, a rezoning of the property would be considered to address the application of the overlay to the base HOC zone. In combination with the overlay designation the review of the Site Plan would need to be considered to determine if a mixed use type of development is appropriate for the site, and if the site meets the intended criteria of the overlay. As noted previously, the intent is for a site specific case-by-case review of the site for this type of development.

In existing zones where a mixed use development is allowed (CSC DSC, and CCR) the use can be allowed by right through administrative approval of a minor site development plan. This is the process also used for most commercial uses, including retail, office and entertainment, restaurant, and recreation uses within the base HOC zone. Another option would be to require City Council approval of the use and site plan with a Major Site Development Plan. This would be a means of considering a project on a case by case basis focusing on the site plan design and layout. The general criteria for a Major Site Development Plan are included as Attachment C. With the use, design and layout standards recommended for the creation of the Overlay zone, it is staff's recommendation that the mixed use overlay require the review and approval of City Council through a Major Site Development Plan.

RECOMMENDED ACTION:

Staff believes that the approach to create a framework of design principles with a case-by-case site review will reasonably address the Hunziker request and Council's interest to have a preliminary tool for mixed use development prior to the completion of the Lincoln Way Corridor Study. Staff also feels some additional input and refinement is needed in the design elements of a potential ordinance before a recommendation can be made for future City Council action.

It is the recommendation of the Department of Planning and Housing that the Planning Commission hold a discussion regarding the design interests of a Mixed Use Overlay District to provide feedback for staff to further refine and prepare a draft ordinance for future action.

Attachment A

Hunziker Development Letter

Date: Feb 27, 2015

To: Honorable Mayor and Ames city council

From: Chuck Winkleblack, Manager, Hunziker Development Company, LLC

RE: 3505 and 3515 West Lincoln Way

I have been working with Kelly Diekmann for some time on an exciting project for West Ames in the 3500 block. The land is currently zoned HOC (Highway oriented commercial). I am proposing a mixed use project for that area. Please see the attached rendering and preliminary site plan. West Ames could use a shot in the arm, this area was one of the most distressed areas in Ames prior to our company removing the old mobile home park.

The city is in the beginning stages of looking at the Lincoln Way corridor. I think this could be a great "pilot" project to help guide the actual future ordinance. There are two ways this can be accomplished.

The first way is to create an overlay district to allow the mixed use. Kelly and I have been talking about what that could potentially look like. Residential use is just not allowed in the HOC zoning without creating an overlay or text amendment.

The second option is to changing the zoning to RH which does allow up to 5,000 SF of commercial.

Although I don't care which method is used to achieve the goal, my preference would be to work within the commercial zoning. It could be used in other areas around town as a template for this kind of mixed use.

The two buildings that I am proposing are 7,500 SF on each floor. The main floor has to have one ADA accessible condo (it is required by code). The second and third floors will be two story condos. It is a new and different housing product that I believe will be well received in the community. The building will be high quality materials that will look good and stand the test of time. There is excess parking on site, hopefully this addresses some of the concerns about parking spilling out into the neighborhood. The buildings are in close proximity to Lincoln Way and as far away from the residential neighborhood. I am proposing 2 -3 story buildings, however standard HOC zoning allows for much higher buildings which potentially would have a much larger impact on the residential neighborhood to the North.

I respectfully request that you refer my request back to staff to work on a solution for my project and to create an overlay zone that can be used as a model for other parts of the community as well as the Lincoln Way corridor

Thanks in advance for your consideration

Chuck Winkleblack, Manager

Attachment B

Land Use Policy Plan

Related Goals and Objectives

Goal No. 4. It is the goal of Ames to create a greater sense of place and connectivity, physically and psychologically, in building a neighborhood and overall community identity and spirit. It is the further goal of the community to assure a more healthy, safe, and attractive environment.

Objectives. In achieving an integrated community and more desirable environment, Ames seeks the following objectives.

- 4.A. Ames seeks to establish more integrated and compact living/activity areas (i.e. neighborhoods, villages) wherein daily living requirements and amenities are provided in a readily identifiable and accessible area. Greater emphasis is placed on the pedestrian and related activities.
- 4.B. Ames seeks to physically connect existing and new residential and commercial areas through the association of related land uses and provision of an intermodal transportation system.
- 4.C. Ames seeks to psychologically connect the various living/activity areas through closer proximity of residential areas and supporting commercial uses, common design elements, and inclusion of community amenities such as parks and schools. The connections should promote community identity.

Goal No. 5. It is the goal of Ames to establish a cost-effective and efficient growth pattern for development in new areas and in a limited number of existing areas for intensification. It is a further goal of the community to link the timing of development with the installation of public infrastructure including utilities, multi-modal transportation system, parks and open space.

Objectives. In defining the growth pattern and timing of development, Ames seeks the following objectives.

- 5.C. Ames seeks the continuance of development in emerging and infill areas where there is existing public infrastructure and where capacity permits.

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Goal No. 6. It is the goal of Ames to increase the supply of housing and to provide a wider range of housing choices.

Objectives. In increasing housing opportunities, Ames seeks the following objectives.

- 6.C. Ames seeks to establish higher densities in existing areas where residential intensification is designated with the further objective that there shall be use and appearance compatibility among existing and new development.

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Attachment C

Major Site Plan Criteria 29.1502(4)

(vii) **City Council Decision.** After the transmittal of the recommendation from the Planning and Zoning Commission, the City Council shall consider the application at a public hearing conducted as part of a regularly scheduled meeting. Notification of the public hearing shall be made by mail and posting, in accordance with Sections 29.1500(2)(d)(i) and (iii) above. The City Council must approve, deny or modify the Major Site Development Plan approval application within 60 days of the public hearing.

(d) **Design Standards.** When acting upon an application for a major site plan approval, the City Council shall rely upon generally accepted site planning criteria and design standards. These criteria and standards are necessary to fulfill the intent of the Zoning Ordinance, the Land Use Policy Plan, and are the minimum necessary to safeguard the public health, safety, aesthetics, and general welfare. These criteria and standards include:

(i) The design of the proposed development shall make adequate provisions for surface and subsurface drainage to limit the rate of increased runoff of surface water to adjacent and down stream property;

(ii) The design of the proposed development shall make adequate provision for connection to water, sanitary sewer, electrical and other utility lines within the capacity limits of those utility lines;

(iii) The design of the proposed development shall make adequate provision for fire protection through building placement, acceptable location of flammable materials, and other measures to ensure fire safety;

(iv) The design of the proposed development shall not increase the danger of erosion, flooding, landslide, or other endangerment to adjoining and surrounding property;

(v) Natural topographic and landscape features of the site shall be incorporated into the development design;

(vi) The design of interior vehicle and pedestrian circulation shall provide for convenient flow of vehicles and movement of pedestrians and shall prevent hazards to adjacent streets or property;

(vii) The design of outdoor parking areas, storage yards, trash and dumpster areas, and other exterior features shall be adequately landscaped or screened to minimize potential nuisance and impairment to the use of adjoining property;

(viii) The proposed development shall limit entrances and exits upon adjacent streets in order to prevent congestion on adjacent and surrounding streets and in order to provide for safe and orderly vehicle movement;

(ix) Exterior lighting shall relate to the scale and location of the development in order to maintain adequate security, while preventing a nuisance or hardship to adjacent property or streets;

(x) The proposed development shall ensure that dust and other forms of air pollution, noise disturbances, odor, glare, and other nuisances will be limited to acceptable levels as prescribed in other applicable State and City regulations; and

(xi) Site coverage, building scale, setbacks, and open spaces shall be in proportion with the development property and with existing and planned development and structures, in adjacent and surrounding property.