

**MINUTES  
CITY OF AMES  
PLANNING AND ZONING COMMISSION**

Date: March 16, 2016	Debra Lee, Chairperson	2018
	*Rob Bowers, Vice Chairperson	2018
Call to Order: 7:00 PM	Yvonne Wannemuehler	2018
	Julie Gould	2016
Place: Ames City Hall Council Chambers	John Tillo	2016
	Carlton Basmajian	2017
Adjournment: 9:20 PM	*Matthew Converse	2017
	*Absent	

**MAJOR TOPICS DISCUSSED:**

1. Public Hearing for the Rezone with Master Plan for 896 South 500th Avenue (Crane Farm)
2. Land Use Policy Plan Major Map Amendment Workshop Review for 3115, 3413, and 3409 South Duff Avenue

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CALL TO ORDER: Debra Lee, Chairperson, called the meeting to order at 7:00 PM

APPROVAL OF AGENDA:

MOTION: (Tillo/Wannemuehler) to approve the March 16, 2016 meeting agenda

*MOTION PASSED: (5-0)*

APPROVAL OF THE FEBRUARY 17, 2016 MEETING MINUTES:

MOTION: (Gould/Tillo) to approve the February 17, 2016 meeting minutes

*MOTION PASSED: (5-0)*

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PUBLIC FORUM: There were no public comments.

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**PUBLIC HEARING FOR THE REZONE WITH MASTER PLAN FOR 896 SOUTH 500TH AVENUE (CRANE FARM)**

Case Planner Karen Marren reported that property owner GW Land Holdings LLC requested a rezoning of the 52.36-acre property from Agriculture to Suburban Residential Low Density (FS-RL) and Suburban Residential Medium Density (FS-RM). Ms. Marren reviewed the site on a location map and noted the City Council approved annexation in December 2015. The property owner intends to develop the site as a residential subdivision, with single-family housing in the northern portion of the site and apartments in the southern portion. Ms. Marren reviewed maps of the current and proposed zoning, the Master Plan, and the Rezoning Plat. The Master Plan indicates three phases of development as well as a range of housing and unit types. Staff expressed concern about the total number of bedrooms (801) proposed for the apartment portion of the development because there may be a question of need for that many apartments by the end of the phased three- to five-year build out of the development. Ms. Marren indicated that a preliminary plat would follow rezoning, and a Major Site Development plan would be

required for each phase of the proposed development. Other elements included in future review processes will include a shared use path extension along Mortensen Road and north/south street connections. Staff recommended approval of the rezoning request along with stipulations related to components of the Master Plan, as outlined in Alternative #1 in the staff report.

Yvonne Wannemuehler asked if all of the subject property is located within the city limits. Ms. Marren reviewed the property on a location map and reiterated annexation occurred in 2015.

Kelly Diekmann, Planning and Housing Director, indicated it is important to consider housing type and variety when evaluating the apartment market in Ames. In this case, the applicant is committed to developing housing that is marketable to a wide audience in the first phase of the apartment development. The second phase is more likely to be student-focused, he said. This additional detail in the proposed Master Plan is helpful, but not binding, and the City would likely seek a contract rezoning to solidify those details.

Debra Lee asked for clarification of condition (f) in the staff report. Ms. Marren explained that it refers to expansion of Mortensen Road and public improvements to the west to coincide with each progressive phase of the proposed development. Ms. Lee said she interpreted it as meaning single-family home construction would also occur progressively on the northern portion of the site at the same time as high-density uses to the south. Ms. Marren confirmed that the applicant intends to develop the northern and southern portions in phases. Mr. Diekmann said staff would want a requirement for simultaneous development of multiple housing types.

Julie Gould asked what would happen if the developer could not or would not comply with the conditions for approval. Mr. Diekmann replied that changing a Master Plan is the same as a rezoning request, i.e., once a Master Plan or contract rezoning agreement exists, the developer would have to seek rezoning to undo the conditions agreed upon in the Master Plan.

Ms. Wannemuehler recalled previous discussion forecasting development of 5,000 apartment beds. She asked if that total included the figures for the proposed development. Mr. Diekmann said staff calculated developable land for a City Council workshop in September 2015, including 5- to 10-year projections for single- and multi-family housing and commercial development. The applicant's site was included in that apartment inventory because it was in the annexation process at that time and the developer had this intent for a while. Mr. Diekmann also referenced a table on page 7 of the staff report outlining major apartment project construction estimates. Carlton Basmajian pointed out the table in the staff report notes units, not beds. Mr. Diekmann agreed and explained that not all projects identify bedroom counts.

Ms. Lee asked why the Wilder Avenue extension was not included in the plan at this stage. Mr. Diekmann explained that Master Plans are not required to show local street detail. He indicated Wilder Avenue will connect with Mortensen Road in the preliminary plat.

Applicant, Keith Arneson, Pinnacle Properties, 4114 Cochrane Parkway, stated the proposed plan provides a fair amount of detail about the intentions for each development component. He agreed with staff's assessment of the proposed development, including staff's concern about Phase 3 of the apartment build out. Mr. Arneson indicated each apartment phase would take time to build out, and that a Mortensen Road extension would accommodate access and future traffic patterns for each phase. He discussed the philosophy he shares with the partnering companies for building and investing in quality properties to hold long-term. They see rapid absorption of quality rental properties in Ames and believe there is significant interest in nice apartments with better, more interesting designs and layouts. He displayed several photos of recent Pinnacle Properties projects.

According to Mr. Arneson, the project would include three distinct housing types with separate appearance and audience, and would respect natural attributes of the site. Phase 1 proposes 12-plex buildings, with 10 units being 1-2 bedroom. Amenities will likely include a clubhouse; bike shop and storage; dog wash, dog path, and dog park; and walking trails. Phase 2 will be a loft design with 3-4 bedroom units that would likely attract students. Given the 3-5 year build-out, variety is important because market conditions can change, and mixed clientele for diverse neighborhood make-up is healthy for the area. The plan for the northern portion of the development calls for 55 single-family homes (49 detached, 6 attached). The developer met with the neighborhood and found it to be generally supportive. Major developers and homebuilders have expressed significant interest in the project. In Mr. Arneson's view, the site has a natural separation of single- and multi-family homes defined by City infrastructure. The developer would build high quality, distinct multi-family housing in the southern portion of the development that would be consistent with long-standing development along Mortensen Road.

There were no public comments.

Ms. Lee was pleased the developer is comfortable with staff's condition requiring allowance for variation in Phase 3 of the build out. She also appreciated the effort to discuss and develop apartments designed without attributes she associated with designs purely for student use.

John Tillo agreed and thought staff's conditions take changing circumstances into account. He appreciated having additional assurance from seeing extra detail from the developer as well as examples of other projects. The site appears to be an appropriate area where there has been similar growth. He understood possible objections to the number of proposed apartments, but these seem to be measured and more diverse apartment types. He supported recommending approval of the request along with the conditions staff and the developer have agreed upon.

Ms. Wannemuehler agreed with Mr. Tillo's points but voiced concern about the number of apartments coming through Commission. She was glad to hear the proposed apartments were already included in projections outlined by staff.

Mr. Basmajian expressed doubts about the proposed development. He cited the existing large concentration of multi-family housing on the City fringe, as well as bus capacity issues in the area. He said the proposed housing may or may not be occupied by students—it is premature to project that—and asked at what moment is the City becomes overbuilt with multi-family housing. Affordable units is the real need for apartments in the City, he argued, not units for young professionals. He thought the proposal would not solve the issues the community is confronting.

Ms. Gould shared Mr. Basmajian's concerns about the amount of multi-family housing on the City fringe and Cy-Ride service; however, she is more comfortable in this case given staff's conditions and the developer's acceptance of them. The projected build-out schedule provides time for the market and demand to change, and for the developer to respond.

The development may be attractive to professionals projected to come into the area to work at the ISU Research Park, Ms. Wannemuehler noted. Mr. Basmajian said those projections are based on R&D—highly educated people, at different ages and stages of life, who will presumably make a good wage, and who may not want to live in apartments on the fringe. He stated national housing market changes suggest millennials want to live in town or in cities, not on the fringe in an apartment complex. He cautioned against presuming that somehow Ames is different. Ms. Wannemuehler pointed out single-family housing is planned as well.

Ms. Gould and Ms. Wannemuehler agreed with Mr. Basmajian about affordability being the greatest housing need in Ames. Ms. Wannemuehler said she knows people who cannot find a house. Mr. Basmajian said it is easy to find expensive homes but hard to get an affordable one.

For Mr. Tillo, the proposed project was appealing because more information is available at an early stage, and because the project seems appropriate for the area. He considered it a well-done, well-considered development that would improve upon other apartments in area.

Mr. Basmajian added that his comments are less about the subject project and more about the general direction incremental steps lead toward. He was concerned about what is set in motion collectively from multiple decisions across time, not one case.

Ms. Lee thought the conditional approval developed by staff showed learning from past issues.

MOTION: (Gould/Wannemuehler) to **accept Alternative #1**, which states: that the Planning and Zoning Commission can recommend that the City Council approve the request for rezoning from Agriculture to Suburban Residential Low Density (FS-RL) and Suburban Residential Medium Density (FS-RM) with the attached Master Plan, and the following stipulations:

- a. Evaluate future development within the FS-RM zoned component as meeting overall minimum density with development of a minimum of 223 dwelling units, rather than each phase of development required to meet minimum density requirements; and
- b. Modify the FS-RM description of apartments to be a range or as a maximum number of dwelling units described per phase; and
- c. Accept the proposed mix of apartments in the Phase 1 and Phase 2 development areas of the Master Plan to the unit types and bedrooms mixes as depicted in the table on the Master Plan; and
- d. Modify the description of Phase 3 development area of the Master Plan to allow for a full range of housing types allowed with FS-RM to include Single Family Detached, Single Family Attached, and Multi-Family Apartment housing types with a maximum density of 11 units per acre; and
- e. Modify the description of the Single Family Detached area north of the proposed Mortensen Road to be a range of units based upon minimum density of 3.75 units per net acre and add a 10% margin to the proposed 55 units to account for variability in final subdivision design. This would be stated as a range of density for single-family homes between 50 and 60 dwelling units.
- f. Phasing of development noted to occur with a contemporaneous extension of Mortensen Road and for development of single-family homes with the multi-family development.

*MOTION PASSED: (4-1) Opposed: Basmajian*

Mr. Diekmann indicated this item would appear on the April 12, 2016 City Council agenda.

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## **LAND USE POLICY PLAN MAJOR MAP AMENDMENT WORKSHOP REVIEW FOR 3115, 3413, AND 3409 SOUTH DUFF AVENUE**

Julie Gould recused herself from the case.

Case Planner Charlie Kuester reported that in January 2015 the City Council initiated a Land Use Policy Plan (LUPP) amendment at the request of Dickson Jensen, who proposed a high-density residential development of varied multi-family housing types to be constructed on a 44-acre site on South Duff Avenue. The developer would target workforce members employed at the ISU Research Park and commuters taking Highway 69 to employment opportunities south of Ames. As part of the Major LUPP Amendment process, staff held an open house with residents and property owners whose concerns centered on storm water and traffic. At that time, the City was processing a study to identify storm water improvements. If the proposed project moves forward, the City and the developer will likely coordinate efforts to resolve existing issues and accommodate the development. In addition, traffic along South Duff Avenue was examined from intersections from South 16th Street to Garden Road to identify needed improvements. Staff shared this information with neighborhood interests in mid-March 2016. Staff believes storm water and traffic issues can be addressed through the City and developer's combined budgets.

Kelly Diekmann, Planning and Housing Director, described this item as an introductory staff report, with limited analysis, meant to help the Commission identify options or issues to forward to the City Council. Mr. Kuester said the City Council would select an option and then the case would go through the public hearing process to provide notification and feedback opportunities.

Mr. Kuester indicated the applicant initially requested high-density residential designation due to the proposed size of the buildings, not because of the total number of units. Staff recommended Alternative #1, whereby Highway Oriented Commercial would be retained for the frontage along South Duff Avenue north of the cemetery and the remaining land would be designated as High Density Residential. This option matches the developer's request and allows for the best commercial area to be retained for neighborhood services near the Crystal Street intersection, while allowing the remaining land to be developed as multi-family housing.

Carlton Basmajian asked how the HOC zoning area was determined. Mr. Diekmann stated Crystal Street would have a signal-controlled intersection and it was more likely that commercial uses would be successful there.

Yvonne Wannemuehler was surprised by the proposed development's proximity to the airport. According to Mr. Kuester, staff spoke with the airport manager and identified the flight path protection zone. Mr. Diekmann said the development would be very near the runway. While it would not be in the 'unbuildable' area, he acknowledged legitimate question exists about the site's suitability for residential development.

Debra Lee inquired about the site's original HOC designation, given that it does not seem to be especially attractive for that use, in her view. She wondered if height limitations related to the airport would impact potential commercial uses. Mr. Diekmann replied that there would be no height restrictions that would prevent having a usable residential or commercial building. When the zoning district was written in 2000, HOC designation was placed on any existing highway or arterial street in the City. He did not believe a great deal of thought was given to combination uses along Highway 69. HOC was likely a default designation that gave some protection to the airport and gave a wide variety of uses an option for being located along South Duff Avenue.

Mr. Basmajian expressed concern about potentially 700 additional units spilling onto an already difficult roadway and wondered if this location would be appropriate for RH development.

Ms. Lee assumed the developer must think occupants can be found; however, she said there are plenty of communities where people occupy residences near an airport and then complain about airport traffic even though it is obvious an airport is there. She asked what could be done to forestall those kinds of complaints. Mr. Diekmann suggested a higher level of construction to insulate noise, and a notice on a deed saying be aware of where you are. He indicated that complaints tend to come from homeowners because renters have fewer barriers to leaving an environment they deem unsuitable. He added that adjacency itself, while not necessarily recommended, would not affect airport operations. Mr. Kuester added that the airport, with an average of 90 flights per day, does not resemble a commercial airport.

Ms. Lee asked if later steps would provide opportunities for development control. Mr. Diekmann indicated a development agreement would not necessarily go with a LUPP amendment. Staff would advocate for specific buildings, road improvements, etc. with a contract rezoning. Ms. Lee said it seemed this part of the process is about the philosophy of using this land for residential development. Mr. Diekmann agreed that the discussion was about suitability and need. Mr. Basmajian added that a LUPP amendment recommendation creates an expected future land use, and that it becomes trickier to argue against it later. He favored a comprehensive look at future land use with a bigger community conversation, rather than making change on the fly.

Ms. Lee stated the two biggest resident concerns were storm water management and traffic. She asked how the DOT would influence road improvements on Highway 69. Mr. Diekmann indicated the City would be obligated to do the improvements, while the DOT would control configuration and how it would be done. He expected the DOT would be receptive to ideas for widening a road and improving safety and access. For Ms. Lee, guaranteed traffic mitigation factors would be a major condition for approving additional residential development. Ms. Lee then asked for a description of the storm water issues neighborhood residents experience. Mr. Kuester reported problems from rare, heavy rain storms, such as flood water inundation in 2010 across the Highway 69 surface. Overgrowth also affects drainage on private property. Drainage basins would accommodate City and developer needs; however, due to the location near the airport, captured water would need to be released quickly enough to not become a water fowl nuisance. Mr. Kuester indicated Public Works could solve these drainage problems, and the City is waiting to see if there can be beneficial coordinated efforts with the developer. Mr. Diekmann reported the City has budgeted funds but has not secured easement rights to build facilities. Easements will be pursued regardless of this development's outcome, he said.

According to Mr. Kuester, staff explained options for the LUPP amendment at neighborhood meetings and tried to get feedback. Residents focused on storm water and traffic, not rezoning, and staff believes solutions can be found for the identified storm water and traffic problems. Ms. Wannemuehler commented that more development would add to traffic problems on South Duff Avenue. Mr. Diekmann replied that traffic studies indicate the proposed development would not lead to a substantial exacerbation of existing traffic problems. In Mr. Basmajian's view, it is the accumulation of these projects that creates the problem.

Public comment opened at 8:27 PM.

Luke Jensen, Jensen Development Group, 4611 Mortensen Road, welcomed opportunities for input and programming the proposed development as work progresses to bring it to fruition. He said his team looks forward to engaging area stakeholders to work toward a common goal of a high-quality development that could also be a catalyst for cooperative traffic and storm water improvements with the City. This project would accelerate those improvements and bring certainty to south Ames. Mr. Jensen cited 10 years of experience in the apartment business and

said he does not believe overbuilding is a concern. In his view, the community's ability to absorb apartment development is a testament to community leadership and stakeholders who promote growth in the private sector as well as the university. Mr. Jensen expressed a commitment to addressing a known need for affordable workforce housing and identified the proposed project as geared toward 1-2 bedroom apartment units for the workforce.

Ms. Wannemuehler asked how the developer would address being so close to the airport. Mr. Jensen thought residents may view it as a unique amenity. Ms. Wannemuehler recalled living in the area and said there were times when she could not hear the television due to noise. Mr. Jensen replied that would be part of the experience, like living near railroad tracks. He said they would want clients to be aware of the airport but do not see it as a negative. Ms. Wannemuehler asked if noise levels would impact decisions on building materials. Mr. Jensen said they would work to develop noise abatement and calming materials for the development.

John Tillo asked if the developer has thought about types of housing for the development. Mr. Jensen said they envision commercial frontage along South Duff Avenue at the Crystal Street intersection. Attached townhomes would be built to the west. South of the cemetery would have two- and three-story apartment buildings, with 1-2 bedroom units for a wide variety of users.

Mr. Basmajian appreciated Mr. Jensen's interest in affordable housing, but expressed caution about locating affordable housing on the fringe, as that could create a difficulty for households that need affordable housing, especially in an area that is not well-served by Cy-Ride. He encouraged thinking broadly about where affordable housing needs to be in the community.

Ms. Lee asked Mr. Jensen if his company generally owns and manages assets for the long-term, or tends to sell. Mr. Jensen reported the historical model for the company is long-term holding of investments, along with management/operation. Selling of properties has occurred, he noted, but selling is not a priority or a model used frequently. Ms. Lee expressed uncertainty about long-term ISU enrollment levels and related demand for rental housing. She asked what models Jensen Development uses to forecast rental housing demand. Mr. Jensen indicated that most of the company's apartments run at near capacity, which is a sign of a healthy market and may also point to opportunities for growth. His sense is that demand will continue.

Public comment closed at 8:41 PM.

Mr. Tillo acknowledged concern about the large number of units proposed, but was not as troubled about residential development located close to the airport. He thought people would have different experiences and willingness to live there. He supported staff's recommendation for this preliminary step and recognized the developer is taking a risk and believes there will be demand. Given these factors, Mr. Tillo believed RH rezoning would be appropriate.

Ms. Wannemuehler reiterated concerns about building close to the airport in an area that floods.

Mr. Diekmann clarified the issue before the Commission was the scope of information sought as the matter comes to a public hearing process, not trying to judge the merits of potential development on the site. He encouraged the Commission to select an alternative from the staff report or to identify issues it would like more information about.

Ms. Lee asked what other land uses would be beneficial for the community, if not the applicant's request. Mr. Diekmann responded that besides RH, HOC or general industrial would be the only viable choices around an airport. Ms. Lee asked if there are better potential RH locations, if demand exists for it. The subject site is not as on the edge of town as others, she noted.

For Mr. Basmajian, there was not enough information to recommend this change. He said this amendment should be part of a larger community conversation. In his view, the implications of a change are significant because it will trigger other decisions fairly quickly. He thought too many unknowns existed for him to feel comfortable, even setting aside any conversation about where density should be in the community. Ms. Lee asked what information Mr. Basmajian would need. He replied that the LUPP needs a major rewrite, and this area would be a part of it. Once development is done, he cautioned, you cannot undo it for generations.

Mr. Diekmann explained that the City Council authorized this to be pursued as an independent project. He advised the Commission that the choice has been made and there is no option for not considering the matter now in the middle of an amendment process. The matter before the Commission is about scope of the amendment, not whether it should be initiated, he explained.

Public comment reopened at 8:53 PM.

Duane Jensen, 4795 Timber Creek Lane, shared his understanding that a recommendation to move an LUPP amendment forward begins the community input process. Mr. Diekmann replied the amendment would move forward because the Commission is making a recommendation on the scope of review—no decisions were being made—and the City Council would have the same opportunity to define site uses. Mr. Jensen said having the opportunity to change the land use generates an opportunity for public input. Mr. Diekmann stated staff would not have initiated any analysis of Duff Avenue if the site had not been brought forward by a private interest.

Public comment closed at 8:55 PM.

MOTION: (Basmajian/Wannemuehler) to **accept Alternative #2**, *as amended*, which states: that the Planning and Zoning Commission recommend that the City Council decline to continue with the Amendment process and maintain commercial land use for the site, *with the recommendation that the area be evaluated in terms of broader community land use*.

*MOTION FAILED: (2-2) Opposed: Lee, Tillo; Recused: Gould*

Mr. Diekmann asked if there was an alternative motion. Mr. Kuester added that in the LUPP amendment process, the Commission could forward all three options to the City Council or develop additional options for City Council consideration.

MOTION: (Tillo/Wannemuehler) to **accept Alternative #1**, which states: that the Planning and Zoning Commission recommend to the City Council that Highway Oriented Commercial be retained for the frontage along South Duff Avenue north of the cemetery and designate the remainder as High Density Residential.

*MOTION FAILED: (2-2) Opposed: Lee, Basmajian; Recused: Gould*

Mr. Diekmann indicated this item will be scheduled for April 12, 2016 for the City Council to consider further direction on the scope of the major LUPP amendment.

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COMMISSION COMMENTS: Mr. Diekmann suggested the Commission might find it interesting to review the current inventory of land as outlined in staff's September 2015 assessment to the City Council on buildable areas for different types of uses. The table on page 7 of the Crane



Farm staff report outlining major apartment project construction estimates is more current than the September 2015 report, he noted. Ms. Wannemuehler thought it would have been helpful to have that information earlier since two apartment-related cases were on the meeting agenda. Ms. Lee pointed out that the Commission meeting is not the only opportunity to contribute to community discussions, as commissioners can attend City Council meetings as individuals. Mr. Diekmann indicated the Commission has the ability to ask for informational items on future agendas. Ms. Lee thought that would be useful in light of upcoming apartment proposals and the arrival of a new Commission member at the following meeting. Mr. Basmajian asked to see a broader picture of all pending residential development, not just multi-family, and asked if staff could update the numbers from its fall 2015 report. Mr. Diekmann indicated there has been little change in single-family housing, and the figures in the Crane report are up to date, minus one small site. Several commissioners requested that staff add an informational item, including a map, about pending apartment development requests to the next meeting agenda.

Mr. Basmajian asked for a Lincoln Way corridor update. Mr. Diekmann reported approximately 100 attendees at three workshop meetings, and over 300 online survey entries after two weeks. Focus areas for the study will be discussed at a City Council workshop on April 19, 2016.

John Tillo stated this was his final meeting as a Commission member. He expressed thanks and appreciation to the commissioners and staff for their community service.

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STAFF COMMENTS: Mr. Diekmann reviewed the tentative April 6, 2016 meeting agenda, a landscape ordinance update that includes input from developers and design professionals, and a current recruitment for a Planner staff position.

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MOTION TO ADJOURN:

MOTION: (Wannemuehler/Tillo) to adjourn the meeting.

*MOTION PASSED: (5-0)*

The meeting adjourned at 9:20 PM.

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Debra Lee, Chairperson  
Planning & Zoning Commission

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Joseph C. Newman, Recording Secretary  
Department of Planning & Housing