

Staff Report

**REQUEST FOR ZONING ORDINANCE CHANGES TO STANDARDS RELATED TO
PROPERTY ZONED RESIDENTIAL HIGH DENSITY WITH THE WEST UNIVERSITY
IMPACTED OVERLAY AT OAKLAND STREET AND HYLAND AVENUE**

March 11, 2025

BACKGROUND:

The City Council initiated a referral for a staff memo on February 11th for a request from Chuck Winkleblack of Hunziker Companies regarding zoning changes to facilitate the redevelopment of the properties at 259 and 263 Hyland (see attached letter and Location Map). A memo was provided to City Council on February 25th, and Council directed that the item be placed on an agenda for discussion.

The subject properties are currently developed with a single-family home and a 15-unit apartment complex at the southwest corner of the intersection of Oakland and Hyland. Together, they total approximately .74 acres in size. The redevelopment involves the demolition of the existing structures and desired construction of a 56-unit apartment complex with 33 one-bedroom units and 23 two-bedroom units.

Ames Plan 2040 designates the properties as RN-4 “Walkable Urban Neighborhood,” reflecting a mix of higher density housing and commercial uses (see Plan Excerpt). This designation applies to the larger area generally west of Campus, extending to Hyland, bounded by Lincoln Way and Oakland (see Future Land Use Map).

This designation does not address significant redevelopment plans for the area, but it does indicate a potential need for an area plan to guide redevelopment. It also notes the need for streetscape improvements and district identification.

The RN-4 area that applies to this request does not immediately abut traditional residential neighborhoods. The single-family homes to the west are separated by about a one- to two-block buffer. Note that to the west of the RN-4 designation is a Redirection Area planned for future study and neighborhood planning to consider its redevelopment potential; this area would include Campus Avenue, Woodland Street, and Howard Avenue.

The subject properties and adjacent properties to the south and east are zoned Residential High Density (see Zoning Map). The general RN-4 designated area is zoned the same with an area zoned Neighborhood Commercial along West Street to the south. **These zoning districts accommodate the current uses in the area but are not designed to facilitate redevelopment as desired by the developer.**

Historically, the area has had RH zoning, but in 2006 the East and West University Impacted Overlay was added to the area to establish minimum design standards and--more significantly--a requirement for 25% more parking than is otherwise required for most apartment types outside

of the Overlay. The parking requirement was a result of concerns from neighborhoods to the south of campus and west of campus that there would be an overflow of parking with larger student apartments and over-occupancy of units, thereby justifying a need for more on-site parking.

There are two significant policy issues embedded in the developer's request that are applicable to the broader area and its redevelopment under the RN-4 Designation:

Issue #1 Reduced Parking Requirements **Not only does the developer desire to eliminate the 25% additional parking required by the Overlay, but they are also requesting Council lower the parking rate to a one space per unit standard for one- and two-bedroom apartments.** This rate is similar to the Campustown CSC Zoning standard, except that in Campustown, apartment sizes of up to five bedrooms are allowed compared to this proposal. In other zoning districts, currently 1.5 spaces per unit is required for one-bedroom units and one space per bedroom for units of two bedrooms or more. **As the City's Rental Code also has adopted these parking rates, including the increased rate in West University Impacted Overlay, any amendment to the rates in the Zoning Ordinance will require to be mirrored in the Rental Code.**

The justification for this request is the proximity of the site to campus two blocks away, and the walkable nature of the area. This type of requested change should be thought of applying to the whole of the area within two blocks of campus as the justification would apply to more properties than just this site.

Staff would be generally supportive of the concept of reduced parking in highly walkable areas, which in this case is reflective of the Plan 2040 designation of RN-4. Staff believes that targeting new construction of smaller units, as proposed by the developer, with lower parking compared to the five-bedroom apartment allowances of Campustown would also be appropriate to mitigate overall intensity of use and related parking concerns.

Ideally, as student housing, resident parking can be lower on a development site due to lower car ownership and the option of parking remotely as an ISU student (ISU officials have indicated to staff that students who live in residence halls are given first priority for on-campus parking and off-campus could have access to remote parking). **The only obvious parking impediment to lowering the rate in this area is a low availability of street parking, meaning that on-site parking is the primary means of meeting demand with little secondary parking available along Oakland and none on Hyland.**

Issue #2 Increased Density The second issue relates to the permitted dwelling units per acre density standard. All RH zoned properties are limited a maximum density of approximately 38.5 dwelling units per acre. Bedroom counts within the dwelling unit are not part of the density calculation but are traditionally part of the parking requirement for a site. **The combination of density and parking standards are the primary controls of intensity of use with RH zoning, along with building height limits.**

The developer, as they desire a mix of one- and two-bedroom units, in tandem with the requested reduced parking rate, could construct more smaller units on the site than a typical RH development where units have higher bedroom counts. As a result, the proposed density would exceed the current RH limitation, approaching a maximum of 74 units per acre where 38.5 per acre is allowed.

The reason for the higher density calculation with this proposal is the preponderance of one-bedroom units with the project rather than larger three- or four-bedroom units. For example, the developer's initial concept would have 56 units and 79 bedrooms. A density-compliant project of

28 units as three-bedroom units totaling 84 bedrooms would be similar in intensity and not require a zoning change to RH standards for density.

From staff's review of the initial concept, the project can fit within the current West Impacted Overlay height limit of four stories and 50 feet regardless of unit density. Such a building would be similar in scale to many buildings along Hyland, including across Hyland at the corner of Oakland. Because a large high rise building like those in Campustown would not be needed to accommodate the proposed density, changes focused on smaller unit densities could be compatible with the intent of the RN-4.

OPTIONS:

From the issues discussed above, it is evident how zoning standards for density, parking, and height tie together to manage building and development intensity based upon different priorities for areas of the City and applicable zoning districts. The developer's request would require Zoning Ordinance changes that would be applicable to other sites. **If Council is interested in the request to increase infill intensities, below are four options to respond to the developer's request.**

1. Neighborhood Plan and Rezoning for Sheldon and Hyland corridors with lower parking standards and higher densities.

The issues identified by the developer and justification of proximity to the University apply to a broad area along Sheldon and Hyland. It would be appropriate to evaluate existing conditions and overall redevelopment potential and assess appropriate options for opportunity sites in the area. This approach would look at the intent of the RN-4 designation for compatible densities, walkability, and preserving or adding small commercial options. To do this, public consultation would be needed and drafting of standards for public review before finalizing a plan, new zoning, and amendments to the parking rate in the Rental Code.

This option may meet the developer's overall interests, but not on the proposed timeline of developing the site in August 2025. A neighborhood plan would include broader involvement and not start until the summer of 2025 based upon the Department Workplan. A subsequent rezoning would require an additional two to three months after the completion of a plan.

2. Create New Overlay for individual property rezonings that allow lower parking and higher densities on a project-specific basis (Developer Preferred Option).

This approach would not assess overall conditions of the area or formulate a general plan as described in Option 1 but instead focus on creating a new Urban Walkable Area Overlay zoning district that focuses on reducing parking and compatible design standards for medium to high-density apartments. This process would establish a new overlay that then could be applied to specific project sites as needed, rather than rezone the whole area at one time. Subsequent amendments to the parking rate in the Rental Code would also be made.

This option would likely meet the developer's overall interests and could be accomplished with approval of a text amendment and property rezoning within the next five months. This option would be focused on specific changes and not involve broader outreach to shorten the overall timeline. **The text amendment process could be prioritized by Council to begin at the end of March 2025 and may allow for all steps to be completed by August 2025 due to limited public outreach expectations.**

3. **Direct staff to include lower parking and modified density standards for the West University Impact Area with Zoning Ordinance Update.**

This option would be similar to Option 2, but instead of being prioritized for immediate response, it would be included as part of the Zoning Ordinance update planned to occur this year and next. This would be one of many zoning standards changes that would occur within the update. **This option may meet the developer's overall interests, but not on the proposed timeline of developing the site in August 2025.**

4. **Take no action at this time and consider it with a future Workplan update in May 2025.**

The request has significant policy implications for the general area and could be weighed against other Council interests with the next workplan update to determine if it is a high-ranking priority. A decision regarding the timing and process would then occur with the next workplan review.

STAFF COMMENTS:

The concepts of the developer are worthy of policy consideration based upon the Goals and Policies of Plan 2040. This RN-4 area and associated zoning changes were not designated as a priority for implementation of the Plan and were assumed be a component of a broader ordinance update. **However, if Council wishes to consider these changes prior to the Zoning Ordinance update, they should consider Options 1 or 2.**

Option 2 would be the most expedient option to facilitate the development. However, as the RN-4 designation contemplates the need for a plan to inform zoning changes in the area and as the changes could apply more broadly to this or other areas, Option 1 may be more appropriate.

If Council does not see this request as an immediate priority, Options 3 or 4 as a referral to the Workplan for future consideration would be appropriate.

ATTACHMENT(S):

[Chuck Winkleblack Letter - Zoning Code Hyland.pdf](#)

[Location Map.pdf](#)

[Ames Plan 2040 Excerpt RN-4.pdf](#)

[Future Land Use Map.pdf](#)

[Zoning Map.pdf](#)