ITEM #:	27
<b>DEPT:</b>	P&H

### Staff Report

## TEXT AMENDMENTS FOR HOUSING DEVELOPMENT AND SUBDIVISION STANDARDS AND GENERAL ZONING STANDARDS FLEXIBILITY

March 26, 2024

#### **BACKGROUND:**

City Council initiated a referral to staff on July 27, 2023 to identify processes and/or standards that would allow for the flexibility for staff to determine compliance with standards. The referral related to the numerous individual requests for zoning text amendments that often are an issue for one development rather than a broader policy issue. Additionally, City Council received a letter from Ames Economic Development Commission (AEDC) members regarding approaches to support additional housing construction in the City, including a review of development standards.

City Council reviewed a staff report on November 14, 2023, that provided background information regarding types of permits and discretionary review process examples that could address City Council's initial referral to increase development flexibility related to zoning issues. At that meeting, Council directed staff to continue to work on zoning and development issues and to return to Council with an update. City Council also reviewed a report on December 12 focused on the AEDC Task Force letter and asked staff to follow up with more information and details from the Task Force. The Task Force provided an updated letter in January requesting primarily review of Conservation Ordinance standards affecting subdivisions in north Ames. The January AEDC letter is attached for reference.

#### **AEDC TASK FORCE REQUESTS**

The original AEDC Short Term Housing Task Force letter identified various concerns that were viewed as constraints to increased construction of housing. The January follow-up letter focused on two primary issues: 1) Changes to the PUD Overlay related to the front door and garage door requirements, and 2) A number of suggestions for potential changes to the City's Conservation Subdivision Ordinance. The PUD change is addressed as part of the broader Zoning Ordinance changes discussed later in this report. The Conservation Ordinance is part of the Subdivision Code-Section 23.600 of the Ames Municipal Code that applies to residential development within the Ada Hayden Watershed and is addressed below.

The City established the Conservation Subdivision standards in 2010 as a result of proposals for residential subdivision development in the undeveloped areas of Ada Hayden Watershed north of Bloomington Road. Adoption of the ordinance was the culmination of research, workshops, a series of meetings with developers and their engineers, and public outreach efforts related to development and environmental protection measures that were first initiated in 2006. The 2010 Council Action Form described a desire to protect the watershed through a combination of measures including use of sanitary sewer rather than rural septic systems, storm water runoff controls, homeowner association limitations on fertilizers with phosphorus, and conservation subdivision regulations that implement "best management practices" (BMPs) for the layout of the subdivisions and infrastructure.

The specific regulations of the ordinance were created in support of the purpose statement quoted below. The ordinance prioritizes environmental protection over traditional subdivision standards that address utility infrastructure, efficiency/density, transportation access, and resource protection.

- 23.602. INTENT. The intent of Conservation Design Development is to preserve the existing natural features of the site, to preserve the natural drainage features and hydrologic characteristics of the landscape, and to reduce the impacts of development on the landscape; and
- (1) To maintain and protect in perpetuity Ames area natural character by preserving these important landscape elements including but not limited to those areas containing unique and environmentally sensitive natural features as prairie, woodlands, stream buffers and corridors, drainageways, wetlands, floodplains, ridgetops, steep slopes, critical species habitat, and by setting them aside from development;
- (2) To promote interconnected greenways and environmental corridors throughout Ames;
- (3) To provide commonly-owned open space and conservation areas for passive and/or active recreational use by residents of the development and, where specified, the larger community;
- (4) To permit various means for owning conservation areas, preserved landscape elements, and to protect such areas from development in perpetuity;
- (5) To provide greater flexibility in site dwellings and other development features than would be permitted by the application of standard use regulations in order to minimize the disturbance of natural landscape elements and sensitive areas, scenic quality, and overall aesthetic value of the landscape;
- (6) To protect and restore environmentally sensitive areas and biological diversity, minimize disturbance to existing soils, vegetation, and maintain environmental corridors, and
- (7) To preserve significant archaeological sites, historic buildings and their settings.

Prior to adoption, City staff tested the proposed 2010 development standards with the prior developers and engineers of the former Rose Prairie, Auburn Trail, and Quarry Estates subdivision sites. City staff and developers engineers drafted subdivision layouts to assist in the interpretation of the proposed Code standards before options for consideration were brought to the City Council for ordinance approval in 2010. Some of the key features of the Conservation Ordinance that do not apply to standard subdivisions include:

- 1. 25% Open Space set aside
- 2. Design for interconnected conservation areas
- 3. 80% of lots must abut Open Space
- 4. Minimize mass grading to preserve existing landforms and natural resources
- 5. Interconnected trail and path systems, option for eliminating sidewalks for one side of a road.
- 6. Use of swales and conservations areas for stormwater quality treatment measures

Development within the Conservation Subdivision must also meet all of the City's Chapter 5B Post Construction Stormwater Management requirements (adopted 2014), Chapter 23 Subdivision requirements, and the applicable zoning standards related to use, density, block lengths, open space, etc.

Two developments have been built under the current Conservation Ordinance requirements. The first was the Quarry Estates subdivision, including the Vintage Cooperative site and Hayden's Ridge Townhomes, located along 190th Street and Hyde Avenue. The second project is Hayden's Crossing located to the south of Quarry Estates along Hyde Avenue. Two significant development sites remain along Hyde Avenue that have not proceeded with development: the Hunziker Companies Auburn Trail project located along Hyde Avenue abutting existing development to the south, and the Hayden's Preserve Development (former Rose Prairie) to the north at 190th Street and Hyde Avenue.

If additional land was annexed to the west between GW Carver and the railroad tracks, known as the Borgmeyer family's land, part of that development site would also be subject to the Conservation Ordinance requirements. If the City annexed land north of 190th Street and generally west of Grant Avenue, these lands are also in the watershed and would be subject to the current ordinance.

The Task Force expressed the belief that certain standards of the ordinance make it difficult to feasibly develop the remaining sites in the watershed due either to increased development costs or the impact on layout that in turn reduces development options. The Task Force requests that the City Council reevaluate if many of the specific requirements are indeed necessary to address the water quality concerns for Ada Hayden and if some changes could be approved while still meeting the primary goal of protecting the watershed.

# Staff has outlined preliminary thoughts below in italics, related to the seven suggested policy changes to the Conservation Ordinance requested by the AEDC Task Force:

- Buffer around stormwater conveyance or wetlands rather than 80% of lots abutting open space.
  - Staff comments: Staff sees the issues of buffering and 80% of lots abutting open space as two separate issues. The 80% rule generates additional open space that may or may not include a specific waterway or wetland resource buffers. Staff supports reducing the lot percentage requirement as part of the overall review of standards. Buffering is addressed elsewhere in the ordinance.
- Protect historical or jurisdictional wetlands instead of all wetlands and poorly graded areas.
  - Staff comments: Resource inventories identify a wide range of resources for review within a Conservation Subdivision. Staff already follows permitting conditions and requirements determined by the Army Corps of Engineers and Iowa DNR for jurisdictional wetlands. Staff supports review of the language as needed to clarify protection requirements focused on jurisdictional wetlands.
- Remove "usable" component of open space requirements; focus on protecting rather than both protecting and creating a usable space.
  - Staff comments: This issue is intertwined with zoning open space requirements as well. Conservation Subdivisions are required to set-aside conservation areas as commonly owned open space for passive and/or active recreational use. This requirement, along with other standards for open space, often lead to additional trail and walking path requirements. Staff supports modifying language to distinguish expectations for passive and usable open space in combination with other changes affecting open space standards.
- Reduce the 25% open space requirement to 10%; this can be accomplished while still protecting Ada Hayden.
  - Staff comments: Reducing overall open space set asides may be viable when considering the design intent of surface water treatment measures and their continued viability for water quality improvements with less overall open space. Use of only traditional detention basins would not meet the intent and purpose. Staff supports revising the open space requirement in consideration of the total changes proposed and emphasizing the design intent for stormwater treatment

measures as opposed to large set aside requirements.

- Eliminate curb, gutter roads, and embrace a rural cross section utilizing roadside areas to convey / treat stormwater.
  - Staff comments: Staff does not recommend this approach for urban density development due to issues such as roadway safety, winter maintenance, and stormwater management. The curb and gutter system provides operational and safety barriers in both winter maintenance and everyday vehicular travels, use of ditches changes road design and function for the city and abutting property owners.
- Change outlook on mass grading when there are no natural features to enhance or protect because the land being developed is flat farm ground.
  - Staff comments: Staff believes mass grading limitations have benefits to the watershed by minimizing disturbance and soil compaction. Staff is supportive of exploring this issue to understand more specific concerns and how it would work in combination with other requested changes as total potential impacts to Ada Hayden.
- Subdivision design: allow staff flexibility of street block lengths and allowing cul-de-sacs; this allows irregular pieces of land to be more efficiently developed.
  - Staff comments: Staff can support this option in the spirit of conservation efforts. It may also be applicable to <u>all</u> subdivisions and not just conservation subdivisions. Changes to the Zoning Ordinance would be needed to implement this change in addition to the Subdivision Code.

## **ZONING AND DEVELOPMENT FLEXIBILITY**

Zoning and development standards are generally established at the local level to respond to community interests and expectations related to land use compatibility, mitigation of environmental effects, protection of personal property and property improvements, function and adequacy of facilities for safety and convenience. Section 29.102 of the Zoning Ordinance describes the Purpose, with specific interests related to the health, safety, and general welfare of the community. Within the Purpose of zoning, there is great latitude to define and establish specific standards that accomplish the objectives of the community.

At the November 14 meeting, staff provided in-depth review of permitting requirements and what local discretion could be applied to zoning standards and permitting. Staff provided examples of approaches in other communities as well. Four general options were described in the staff report to help guide a discussion regarding issues of modifying zoning standards.

Option 1 was described as an allowance for a 20% deviation from quantitative/numeric standards to allow for flexibility needed to address minor development impediments or alternative design interests.

Option 2 allowed greater flexibility of up to a 30% variation, but it required Planning and Zoning Commission approval.

Option 3 focused on the needs to update and modify commercial zoning standards to remove unnecessary or outdated requirements and establish new commercial zoning standards consistent with Ames Plan 2040 goals.

Option 4 was a broader update of the Zoning Ordinance to address issues that apply not only to commercial zones but also to residential and to other areas of the City.

City Council directed staff to proceed with evaluating Option 1 and Option 4 and to seek developer feedback regarding specific development standards that are viewed as impediments.

## **Developer Feedback**

Staff reached out in February to a list of recent developers, engineers, and architects totaling 55 people that had recently worked in Ames to solicit their concerns and input on the idea of the 20% flexibility option and or a Zoning Code update. Representatives of the AEDC also helped raise awareness of City interest in feedback.

Staff received a total of seven responses from various builders, architects, developers, and engineers. A summary of the specific remarks is included in Attachment B. Landscaping requirements and cost, the text amendment process, parking, nonconformities, and staff willingness to be flexible were examples of issues identified during the outreach.

There was clear general support for adding flexibility to the standards. However, the specific concerns identified by development interests may or may not benefit from the 20% flexibility approach described by staff.

### 20% Flexibility Allowance

After considering this option in greater detail and reviewing the developer feedback, staff believes that the 20% allowance would provide some minor benefits to projects, but would have to be specifically tailored development standards where 20% reductions do not defeat the purpose of the standard or create inappropriate results.

While staff agrees with the general intent, granting a 20% reduction for all standards would not make sense. For example, reducing the dimensions of a compact parking space are not practicable as it would not fit a car, but allowing more compact parking spaces overall would be feasible. Reducing the size of required landscape materials (tree diameter) is probably not appropriate, but adjustments to the mix or total plantings could be appropriate. The City has recently reduced several parking ratios and whether additional reductions at the 20% level would be granted is questionable and probably not appropriate, yet other ratios have not been adjusted and it may be appropriate.

To address these issues, staff would support language to allow for a 20% reduction that would only apply to variations that are necessary to address specific site conditions in order to facilitate the project. The ability to apply a reduction would not apply carte blanche to the site in its entirety and for every standard. Appeals of staff decisions would be only by the property owner and would be addressed by the ZBA as part of the City's current ordinance language for administrative decisions.

Adding 20% flexibility code language will require some consultation with the City Attorney's office and likely some format and reference changes to the Zoning Ordinance to maintain consistency with state law regarding zoning regulations compared to design requirements. As referenced in November, Des Moines implements this type of flexibility through two different types of zoning and development standards chapters, with tiers of review between staff, P&Z, and City Council. Staff would not rewrite the code in its entirety with this change, but will need to be specific about the applicability of the new 20% language rather than applying it broadly. The changes would likely not apply to Special Purpose

Districts which have more tailored standards that other zoning districts in the City, but this would be evaluated with the proposed changes.

The downside to this approach is that the case-by-case evaluation will require staff to make more discretionary decisions and decide the merit or need of proposed reductions, which will result in different outcomes for different projects with less certainty of outcomes for property owners located adjacent to new development.

While this change would broadly apply across the City, staff does not believe specific community outreach is needed in advance of preparing code language. Staff believes that making draft language available online and staying in contact with the developer interest list is appropriate for this type of project.

City Council could determine that this step is a priority and initiate it as a work plan priority at this time or consider in the context of all of the workplan projects and determine what timeline is appropriate. Staff will return with the overall Planning Division workplan on April 23.

## **Zoning Ordinance Update**

Staff offered a more comprehensive option of updating standards of the Zoning Ordinance as Option 4. Staff was initially focused on needed changes to Commercial zoning districts, but since that time with other interests related to housing it appears a broader update would also be valuable. Updating the Zoning Ordinance results in a more comprehensive adjustment and prioritization of standards compared to the 20% flexibility option described above.

**Staff believes that a Zoning Ordinance update is now needed.** Although there have been a substantial number of interests addressed by individual text amendments (77 amendments over 8 years) such as reduced parking, PUD Overlay, driveways, landscaping, approval and amendment processes, infill ADUs and duplexes, and setback exceptions, there seems to be a lack of cohesiveness overall and some outdated zoning expectations for some zoning districts.

Staff believes many of the concepts of our current zoning standards would carry over to a new ordinance and it would not be as significant of an overhaul as it was in 2000 when all new zoning districts were created citywide. Staff believes that there are minimal new issues that would affect most neighborhoods since the City has already adopted ADU and duplex allowances. Specific neighborhood plans and Redirection Areas would still be handled individually to involve the most affected property and neighborhood interests.

A Zoning Ordinance update is large project that requires work plan prioritization. If Council elects to move forward with such a project, staff would return to City Council to first define the scope and style of ordinance, much like what was originally done regarding comprehensive plan update before Plan 2040 was initiated. Background regarding some of these options is described below.

Generally, there are three structural frameworks for zoning and development standards:

- 1. <u>Traditional</u> zoning based upon uses and site development/architecture standards. This type is text-based and focused on what is prohibited or limited. This is the basic format of Ames' current code.
- 2 . <u>Unified Development Code</u> brings development standards from subdivisions, utility codes, stormwater, and zoning issues into one code to provide a more complete set of regulations by development type or zoning district. It is more of one-stop approach for a specific project, but it can

become redundant or dense in content to address the myriad development options in a community. This is not an uncommon approach, but is now as common as a traditional zoning code approach. Two examples include Dubuque and Colorado Springs.

3. <u>Form Based Code</u> is a newer concept that is heavily based upon graphics and detail requirements of site and building design with fewer use and other general limitations. This approach is appropriate when there is strong interest in a high level of detail related to building design and interface with its surroundings and use of graphics is highly beneficial. The recent Des Moines zoning ordinance update is a version of a Form Based Code. South Bend, Indiana would be another example.

At this time City Council is not asked to approve a specific work plan project for a Zoning Ordinance rewrite, only whether it should be included as project within the Work Plan for future consideration. There are many options of how to do an update in phases and issues of coordinating the appropriate style of code as described above. The degree of public outreach and the methods of outreach would also need to be defined for a Zoning Ordinance rewrite once a scope of work is established.

## **PUD Overlay Front Door Orientation**

One specific issue identified by the Task Force was the issue of front door and garage face relationships that apply within the PUD Overlay. At the time the PUD Overlay was created, the intent was to support smaller and diverse options compared to standard base zoning. Base zoning has no single-family design requirements and relies fundamentally on lot size and frontage to address space and compatibility interests.

In light of smaller lot size and housing options, the PUD Overlay includes some basic design compatibility requirements related to the relationship of the front door to the garage door, emphasizing that the front entrance is clearly defined and the garage does not define the entrance to homes. The two relevant code standards are stated below:

- (a) Garages and Driveways. Garages and off-street parking areas must be located so that they do not define the front façade of the dwelling. This standard is met when a garage does not protrude forward from the front façade.
- (b) Entrances. Main entrances to dwelling units must be clearly identifiable and accessible to the owner and visitors. The main entrance must be demarcated by one of the following: covered porch or stoop; sidelight windows; or other significant architectural treatment that emphasizes main entrances. Main entrances shall be directly connected to the pedestrian circulation system of the development.

There are two ways to comply with this currently: One is to have a rear loaded garage. The second is to have a front entry in line with or in front of the garage face. This second approach can be accomplished with an actual entrance, a porch, or stoop if the door is slightly recessed.

The Task Force believes this requirement limits options for the design small lot homes that rely on having the garage forward in the design compared to the front door. The letter alludes to a cost of having wider lots to meet this requirement.

Staff supports reevaluating this language and how it has been interpreted for small lot homes. Staff believes there are examples of compliant homes with this standard in Ames, such as the Hayden's Ridge Townhomes/Duplexes, Smart Homes on Wilder, and even the recent Habitat homes on Wilmoth that are not part of a PUD. Staff is also aware of projects in other communities, such as Waukee and Ankeny that are mix of homes that meet this requirement and those that do not strictly meet this

requirement, but meet the intent. Those communities do not have a specified front door or garage limitation requirement and it is determined with PUD plan review for each project. There may also be some building types that it strictly precludes that we can also review with developers. With some additional research and developer outreach, we can move forward with zoning text amendment to address this specific issue. This issue is not an in-depth issue and could be accomplished relatively quickly as a text amendment.

#### **OPTIONS:**

## **Conservation Ordinance Options**

As the letter from the Task Force states, this "Topic is too complex to estimate savings to homeowner without in-depth evaluation." State legislative changes being considered will increase flows and volumes of stormwater from development sites. The impacts of these changes, if adopted, would be separate or in addition to the Conservation Ordinance changes being requested.

Despite these potential legislative changes, staff believes it would be worthwhile to assess the Conservation Ordinance standards and potentially alter some of the requirements related to design and layout features, with assurance that water quality protection is still a priority. Staff has described above the general approach to considering the suggested changes. Any proposed changes would not only need to be reviewed with City staff and developers, but also include environmental resource stakeholders that have long had an interest in this area. Staff proposes reaching out to stakeholders during the next several weeks, then returning to the City Council with further discussion in late spring.

As City Council is aware, there is a bill in the state Legislature that could impact the City's authority to regulate stormwater to a higher level than authorized by the State. The bill has not been approved in the Legislature and is considered Unfinished Business as the Legislature works towards the end of the Session on April 16. If a bill is adopted by the State, it would impact Chapter 5B Post Construction Requirements that apply citywide, and it may impact the Conservation Subdivision Ordinance standards as well. Any changes to the City's ordinances would not occur until after April 16 and any impacts of an adopted Bill could be addressed with staff's final recommendations.

City Council also has the option to not pursue changes to the Conservation Ordinance as requested or narrow the scope if desire if it determines it is not worthwhile at this time to reconsider the Conservation Ordinance standards for the Ada Hayden Watershed.

## **Zoning Flexibility**

As described above, City Council has options related to three separate issues. The first is to create administrative flexibility of 20% or some other percentage reduction option for staff if City Council believes this will address some of the pressing development interests and Council priorities. Either in combination with or separate from the 20% option, the City can initiate a Zoning Ordinance rewrite project that would comprehensively update standards to implement the policies of Plan 2040 and address development impediments identified through the outreach process. The PUD Overlay change is a minor issue overall and can be addressed as separate issue or included with a Zoning Ordinance rewrite project.

#### **STAFF COMMENTS:**

Staff supports a two-pronged approach of reviewing standards that would support short term housing construction objectives and a more comprehensive update approach. City Council can choose to pursue

any or all of the topics described in the report. If City Council chooses to take up changes to the Conservation Ordinance, staff recommends that public involvement and in-depth review of the totality of the changes is needed to address both development interests and the public's interest in protecting the watershed. Once the changes are considered together and not as piecemeal changes, there could be support to modify the ordinance to meet multiple interests.

## **ATTACHMENT(S):**

Ames\_Housing\_Task\_Force\_Letter\_of\_Follow-up\_-\_January\_23\_2024.pdf Development Interest Feedback Summary.pdf