



BUSINESS OF THE CITY COUNCIL

AGENDA STATEMENT

Items No. 09

For Meeting of 08.04.16

- REQUEST:** Consideration of the second and possibly third reading of an ordinance amending the Orchard View Planned Unit Development
- STAFF CONTACT:** Luke Parris, AICP
City Planner
- APPLICANT(S):** Norwalk Land Co. LLC
475 Alice's Road
Waukee, Iowa 50263
- LOCATION:** Northwest of the intersection of Wright Road and Orchard Hills Drive.
- CURRENT USE:** The site is currently vacant development ground.
- PROPOSED USE:** The proposal does not change the uses but requests the following:
- Adopt an updated master plan that expands the site to allow for the required setbacks and buffers for the parcel.
 - Change the owner occupied requirement from "The development of this parcel may only include owner occupied units" to "It is the intent that the parcel will be developed as an owner-occupied community. All units will initially be marketed individually for-sale."
- The proposed master plan is included as Attachment A.
- ZONING HISTORY:** The site was zoned as Parcel 3 of the Orchard View PUD in 2012 (Ordinance 12-09).
- LAND USE PLAN:** The future land use plan identifies the area as High Density Residential. This land use classification identifies multi-family dwellings as a typical use.

**SURROUNDING LAND USE
PLAN AND ZONING:**

Surrounding land use planned for the area is:

- North, East, and West – Medium Density Residential.
- South – Park/Recreation

Surrounding zoning for the area is:

- North, East, and West – R-1 Residential in the Orchard View and Orchard Hills PUD.
- South – unincorporated ground not zoned.

FLOOD INFORMATION:

The proposed development is not located in a floodplain.

**MAJOR STREET
PLAN/TRAFFIC:**

The request to amend the Orchard View Planned Unit Development does not have an impact on the street network or the traffic in the area.

**DEVELOPMENT SECTOR
ANALYSIS:**

Parcel 3 is located on the west side of the proposed Orchard Hills Drive connection to Wright Road. Surrounding development ground is owned by Norwalk Land Co and each piece is in varying stages of the development process.

STAFF ANALYSIS:

The future land use plan for the area is identified as High Density Residential. The PUD currently calls for R-3 zoning in this area. The proposed amendment does not request a change in zoning district. The proposal requests:

1. Adoption an updated master plan that expands the site to allow for the required setbacks and buffers for the parcel.
2. Change the owner occupied requirement from "The development of this parcel may only include owner occupied units" to "It is the intent that the parcel will be developed as an owner-occupied community. All units will initially be marketed individually for-sale."

For request #1, Parcel 3 was not adequate size to allow for the required buffer and setbacks. A previous PUD amendment requested a lessening of the buffer standards. That amendment request was denied. This new master plan expands the parcel to the west to allow for the appropriate buffer and setbacks for the site. The past request included 76 townhome lots on 6.77 acres. The new master plan would include 74 townhome lots on 7.07 acres. The new master plan also results in the shortening of a cul-de-sac to the west and the loss of 4 single-family lots.

For request #2, the current PUD requires that only owner occupied lots be developed on Parcel 3. This is problematic from a City enforcement perspective, as it would be difficult for staff to determine if a home was occupied by an owner or a renter. To enforce this code section, the City would need a mechanism to remove rental occupants from dwelling units. The City does not currently enforce the occupancy type on any other dwelling unit in the community and does not have a mechanism to enforce the requirement at this time. The request is to change the language to read "It is the intent that the parcel will be developed as an owner-occupied community. All units will initially be marketed individually for-sale." This proposed language would not require the City to verify the occupancy status of each dwelling unit and would not

require a mechanism remove rental occupants from a dwelling unit.

During the previous meeting of the first amendment requests many concerns were raised regarding the impact that the townhome project would have on neighboring property values. Attached is an article with citations to numerous studies on the topic. Additional studies on the topic can be found at the following links:

http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/rr07-14_obrinsky_stein.pdf

https://smartech.gatech.edu/bitstream/handle/1853/10496/matthews_john_w_200605_phd.pdf

**PLANNING & ZONING
RECOMMENDATION:**

The Planning & Zoning Commission recommended approval of the amendment to Parcel 3 of the Orchard View Planned Unit Development as proposed by Norwalk Land Co. LLC. The recommendation passed unanimously 6-0 with Chair Chad Ross absent from the meeting.

ATTACHMENTS:

Attachment "A" – Orchard View PUD Parcel 3 Norwalk Orchard View Townhomes Master Plan
Attachment "B" – Norwalk Orchard View Townhomes Vicinity Map
Attachment "C" – Housing Value Article

<input type="checkbox"/> Resolution	<input checked="" type="checkbox"/> Ordinance	<input type="checkbox"/> Contract	<input type="checkbox"/> Other (Specify) _____
Funding Source: _____ NA			
APPROVED FOR SUBMITTAL:		Jean Furler Interim City Manager	

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE MASTER PLAN AND RULES, REGULATION, AND GUIDELINES FOR THE ORCHARD VIEW PLANNED UNIT DEVELOPMENT AS CONTAINED IN ORDINANCE NO. 12-09

BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF NORWALK, IOWA:

SECTION 1. **PURPOSE.** The purpose of this ordinance is to amend the master plan and rules, regulation, and guidelines for Orchard View Planned Unit Development as contained in Ordinance No. 12-09.

SECTION 2. **AMENDMENT.** The Orchard View Planned Unit Development is hereby amended with the attached Master Plan (Attachment A), additional language (highlighted), and deleted language (red strike-through):

SPECIFIC INFORMATION NOT IN TABLES

PARCEL 3. This Parcel may be no greater than 10 acres MIL. Proposed multi-family structures along all the perimeters shall be no taller than two (2) stories. A 30' landscape buffer shall be provided in addition to the required setback on any portion bordering single family residential zoning. ~~In addition, the development of this parcel may only include owner occupied units.~~ It is the intent that the parcel will be developed as an owner-occupied community. All units will initially be marketed individually for-sale.

SECTION 3. **SEVERABILITY CLAUSE.** In any section, provision, or part of this ordinance shall be adjudged invalid or unconstitutional such adjudication shall not affect the validity of the ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

SECTION 4. **EFFECTIVE DATE.** This Ordinance shall be in full force and effect after its passage, approval and publication as provided by law.

Passed and approved by the City Council of the City of Norwalk, Iowa on the _____ day of _____, 2016.

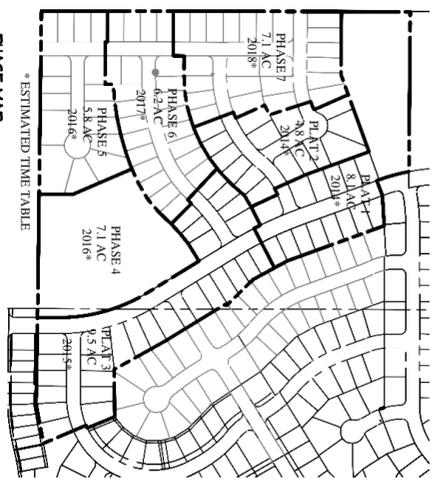
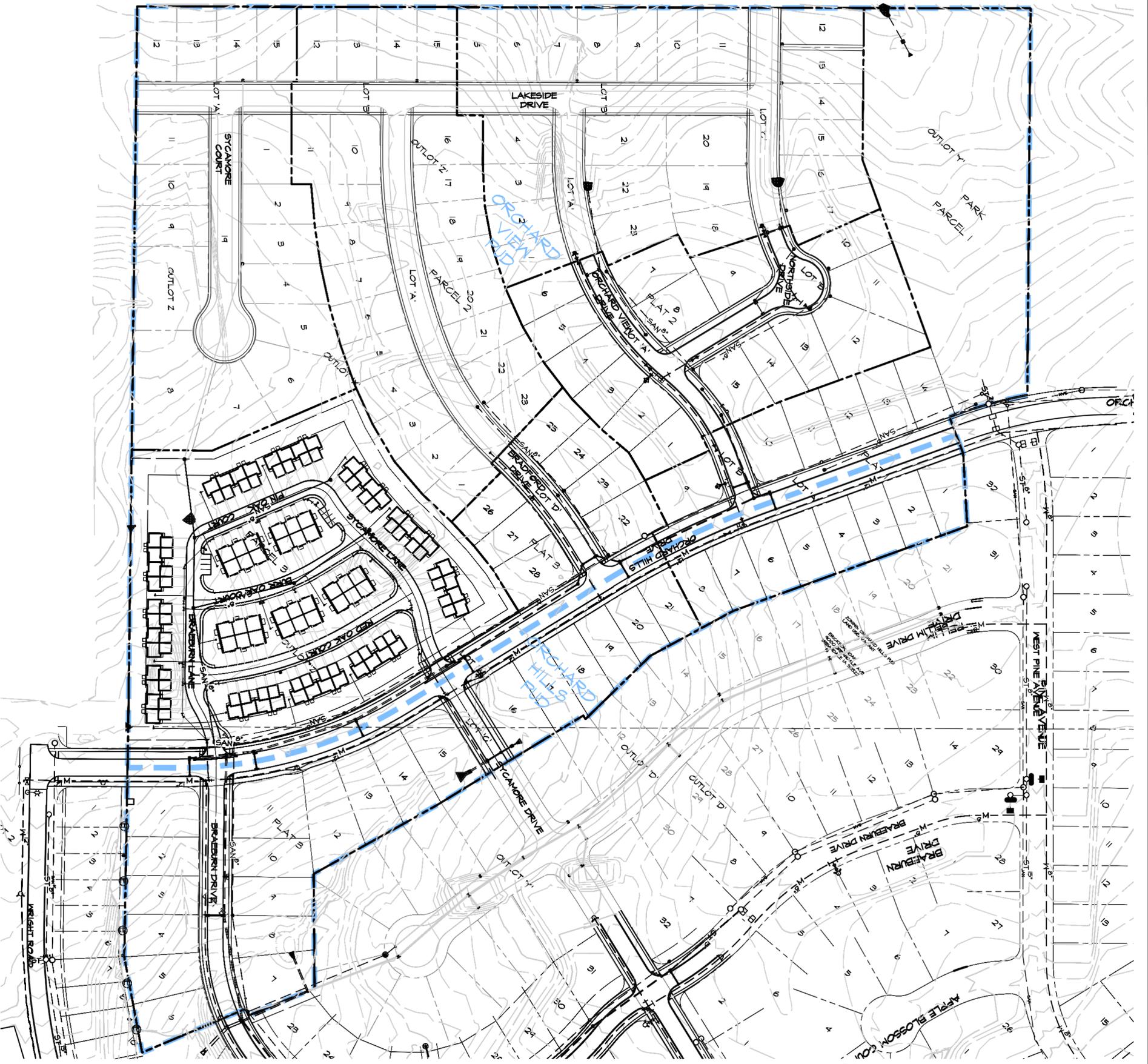
Tom Phillips, Mayor

ATTEST:

Jodi Eddleman City Clerk

PREPARED BY: Luke Parris, City Planner

ROLL CALL VOTE:	<u>Aye</u>	<u>Nay</u>
Isley	_____	_____
Kuhl		
Lester		
Livingston		
Riva	_____	



PHASE MAP
SCALE 1" = 400'

* ESTIMATED TIME TABLE

PARCEL #	LAND USE/ZONING	AREA/ACRES	CURRENT/PROPOSED	# UNITS	DENSITY DU/ACRE
PARCEL 1	NEIGHBORHOOD PARK/OPEN SPACE	4.04	-	-	-
PARCEL 2	SFR R-1 (60)	26 ACRES/21.74	112/81	NO GREATER THAN 10/LOT ACRES MIN	4/3.2
PARCEL 3	MEDIUM DENSITY RESIDENTIAL	NO GREATER THAN 10/LOT ACRES MIN	80/14	NO GREATER THAN 80/14	8/10.5

PER PUD SECTION 4, GENERAL CONDITIONS NOTE #5:
THE DENSITIES CONTINGATED FOR THE VARIOUS PARCELS ARE ALLOWED TO BE TRANSFERRED WITHIN THE DEVELOPMENT. TRANSFERING AND BUFFERING OF LAND USES AND DENSITIES SHALL BE ADDRESSED AS PART OF ANY REQUEST TO PERMIT THE TRANSFER IF ALLOWED DENSITIES BETWEEN PARCELS. ANY INCREASES OF DENSITY SHALL REQUIRE ONLY STAFF APPROVAL UNLESS THE DENSITY FOR THE ENTIRE PUD INCREASES OR THERE IS A CHANGE OF LAND USE WHICH SHALL THEN REQUIRE AN AMENDMENT TO THIS ORDINANCE AND THE MASTER PLAN FOR THE PUD. PERMISSANT TO SUBSECTION 11.01(1) OF THE MUNICIPAL CODE.

DEVELOPER:
NORWALK LAND CO. L.L.C.
475 ALICES ROAD
MAKLEE, IOWA 50263

PROPERTY OWNERS:
NORWALK LAND CO. L.L.C.
NORWALK, IOWA 50263

LEGAL DESCRIPTION:
THE NE 1/4 OF THE SE 1/4 OF SECTION 14, TOWNSHIP 77 NORTH, RANGE 25 WEST OF THE 5th PM EXCEPT THOSE PORTIONS PLATTED AS ORCHARD HILLS PLAT 1, ORCHARD HILLS PLAT 2, ORCHARD HILLS PLAT 3, ORCHARD HILLS PLAT 4, ORCHARD HILLS PLAT 5, ORCHARD HILLS PLAT 6, ORCHARD HILLS PLAT 7, ORCHARD HILLS PLAT 8, ORCHARD HILLS PLAT 9, ORCHARD HILLS PLAT 10, ORCHARD HILLS PLAT 11, ORCHARD HILLS PLAT 12, PAGE 6 OF T-25, CITY OF NORWALK, MARIEN COUNTY, IOWA.

AND

THE SE 1/4 OF THE SE 1/4 OF SECTION 14, TOWNSHIP 77 NORTH, RANGE 25 WEST OF THE 5th PM EXCEPT THOSE PORTIONS PLATTED AS ORCHARD TRAIL PLAT 1 AND EXCEPT ORCHARD PARK AND

AND

PARCEL 1A OF OUTLOT 'D' IN ORCHARD TRAIL PLAT 1.

SAID PROPERTY CONTAINS 42.1157 ACRES MORE OR LESS.

ZONING:
ORCHARD HILLS PUD. - EAST OF ORCHARD HILLS DRIVE
ORCHARD VIEW PUD. - WEST OF ORCHARD HILLS DRIVE

NOTES:
1. CONSERVE LOTS ON ORCHARD HILLS DRIVE SHALL HAVE THEIR DRIVEWAY ACCESS TO THE SIDE STREET AND NOT CONNECT TO ORCHARD HILLS DRIVE.

SETBACKS (LOTS EAST OF ORCHARD HILLS DRIVE)
FRONT YARD - 25'
REAR YARD - 30'
SIDE YARD - 12' TOTAL (5' MIN)

SETBACKS (LOTS WEST OF ORCHARD HILLS DRIVE)
FRONT YARD - 30'
REAR YARD - 35'
SIDE YARD - 12' TOTAL (5' MIN)

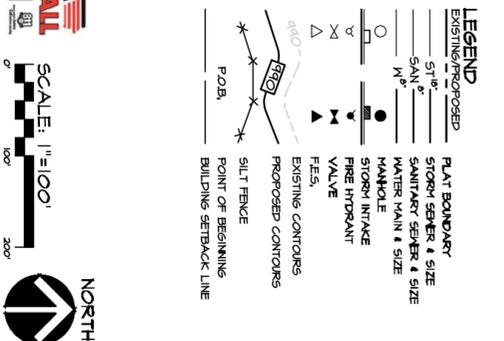
UTILITIES:
CITY OF NORWALK WATER WORKS
CITY OF NORWALK SANITARY SEWER SYSTEM
CITY OF NORWALK STORM SEWER SYSTEM

BENCHMARKS
R.R. SPIKE IN POWER POLE 49 FEET SOUTH OF CENTRAL LINE OF NORTH AVENUE AND 115 FEET EAST OF CENTRAL LINE OF ASPEN DRIVE. ELEVATION: -427.45

BRASS PLUG IN HEADWALL OF REINFORCED BOX CULVERT AT NORTHWEST CORNER OF INTERSECTION OF IOWA HIGHWAY 28 AND ELM AVENUE. ELEVATION: -874.80

BURY BOLT ON HYDRANT, AT NORTHEAST CORNER OF INTERSECTION OF ASPEN DRIVE AND ELM AVENUE. ELEVATION: -424.49

CUT 'X' INTERSECTION SYCAMORE DRIVE AND ELM AVENUE. ELEVATION: -431.71



IOWA ONE CALL
1.800.282.6899

SCALE: 1" = 100'

NORTH

NORWALK ORCHARD VIEW
NORWALK, IA

NEIGHBORHOOD SKETCH PLAN

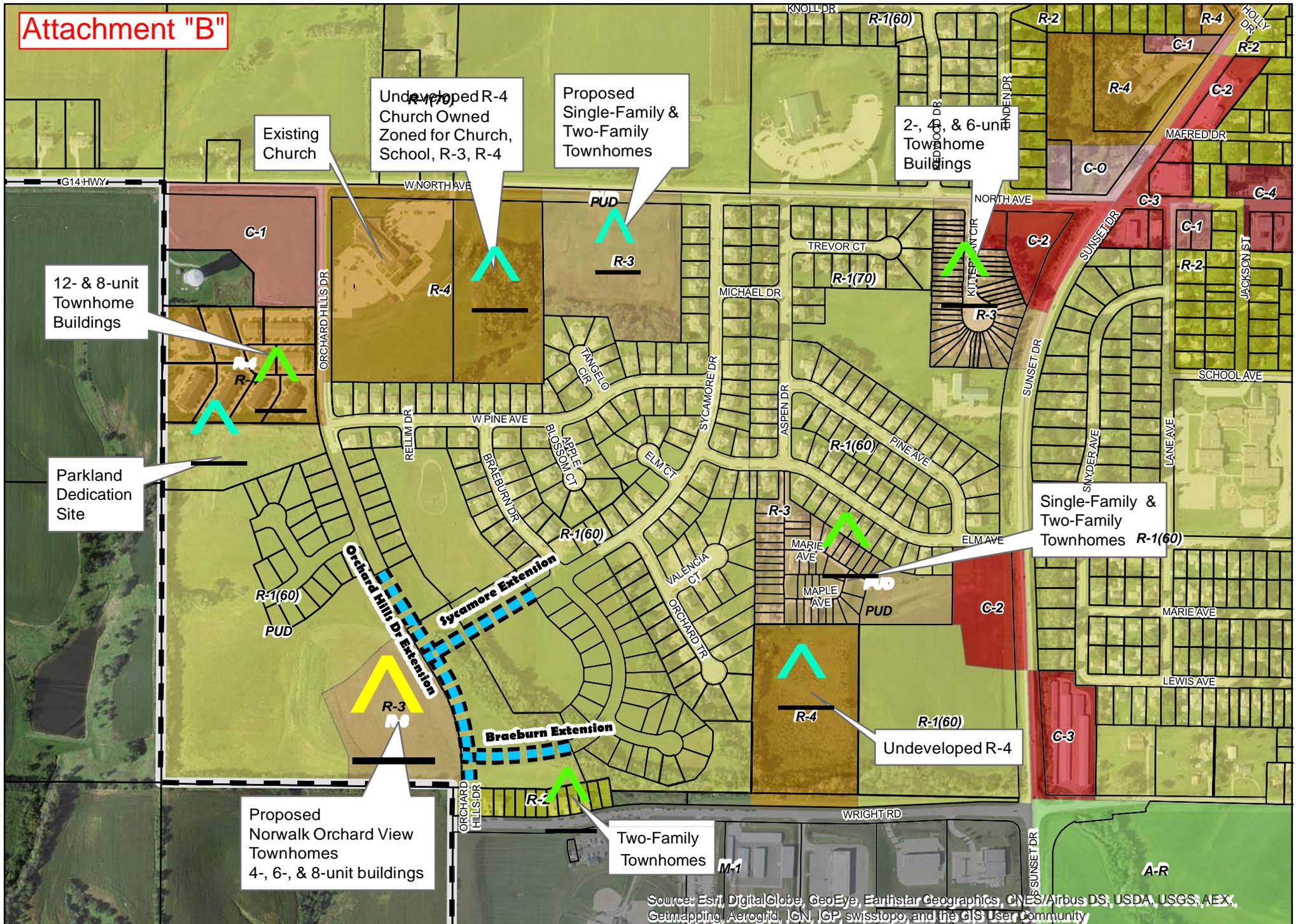
DATE:	12-04-2015	REVISIONS	COMMENTS
1		04/26/2016	
2		06/28/2016	
3			
4			
5			
6			
7			
8			
9			

DATE OF SURVEY:
DESIGNED BY: MMH
DRAWN BY: MMH

CEC Civil Engineering Consultants, Inc.

2400 86th Street . Unit 12 . Des Moines, Iowa 50322
515.276.4884 . Fax: 515.276.7084 . mail@ceclac.com

Attachment "B"



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community



Norwalk Orchard View Townhomes Location



No, Large Apartment Buildings Won't Devalue Your Home

by [Alex Cecchini](#) on [February 7, 2016](#) in [Development](#), [Economics](#), [Housing](#)

In America, nothing can be said to be certain, except death, taxes, and apartments killing neighboring property values. Especially [big ones](#) that block sun and bring noise and traffic and transients who park on your street full of single family homes.

We've known this truth for almost a century now. The United States Supreme Court's opinion in [Village of Euclid v. Ambler Realty](#) in 1926, a case regarding the legality of zoning, went out of its way to call out the effect apartments have on single family areas:



*With particular reference to apartment houses, it is pointed out that the development of detached house sections is greatly retarded by the coming of apartment houses, which has sometimes resulted in destroying the entire section for private house purposes; that, in such sections, **very often the apartment house is a mere parasite, constructed in order to take advantage of the open spaces and attractive surroundings created by the residential character of the district.** Moreover, the coming of one apartment house is followed by others, interfering by their height and bulk with the free circulation of air and monopolizing the rays of the sun which otherwise would fall upon the smaller homes, and bringing, as their necessary accompaniments, the disturbing noises incident to increased traffic and business, and the occupation, by means of moving and parked automobiles, of larger portions of the streets, thus detracting from their safety and depriving children of the privilege of quiet and open spaces for play, enjoyed by those in more favored localities — until, finally, the **residential character of the neighborhood and its desirability as a place of detached residences are utterly destroyed.** Under these circumstances, apartment houses, which in a different environment would be not only entirely unobjectionable but highly desirable, **come very near to being nuisances.** [emphasis added]*



The [Edith Macefield](#) house in Seattle.

While only 68 cities across the country had a zoning ordinance by 1926 despite the 1922 [Standard Zoning Enabling Act](#), [1,246 cities adopted one by 1936](#) on the back of the SCOTUS decision. While protection from noxious industrial uses was clearly a component of support for zoning, the spread of apartments and other daily commercial uses, and the fear of resulting impacts to property values, also played a big part.

In modern America, our cities' comprehensive plans, zoning codes, and even city-adopted small area plans are scattered with language like "protect single family homes," and muddy words like "stabilize," "compatible," and "character" — all with the intent of buffering or separating single family areas from more intense uses. Some examples from the Twin Cities region:

Lakeville's [Comprehensive Plan](#):



General Residential Land Use and Housing Policies

5. Protect Lakeville's single family neighborhoods from encroachment by higher intensity non-residential uses or medium and high density residential uses with adequate separation and buffering.

Minnetonka's [2030 Comprehensive Guide Plan, Land Use](#)



The unique character of Minnetonka's existing neighborhoods will be preserved, however, opportunities to broaden

housing choice will be sought on appropriate vacant or underdeveloped properties, compatible with adjacent development.

...

1-394 Regional Corridor

Establish and promote neighborhood stability through rational land use planning and the establishment of spacing/buffering requirements between land uses of different intensity.

Minneapolis' [Comprehensive Plan](#) (sampled text)

TSA's call for tools that maximize potential community development benefits of transit while also strengthening and protecting the surrounding neighborhoods.

Encourage the development of medium- to high-density housing immediately adjacent to Activity Centers to serve as a transition to surrounding residential areas.

Finally, the [Uptown Small Area Plan](#) of Minneapolis

The Core Activity Center and Urban Village South Sub-Area are proposed to accommodate more intense and taller development in order to protect the neighborhoods and encourage more consistent development patterns in the neighborhood transition areas and edges.

The proposed building envelope balances the need for development capacity with the need to protect low rise neighborhoods.

So pervasive and accepted is the notion that we need transitions and buffers from areas of activity to protect, enhance, and stabilize single family neighborhoods that [Form Based Codes](#), a favored tool of pro-compact growth among urbanists, almost always separate intensity in graduations away from pre-defined activity nodes:



What Does Research Tell Us?

The passages above and responses from the urbanist community are nice ways of saying what the 1926 case said. I've spent time with enough [realtors](#) over the last 8 years to know it's a decently-held belief in the real estate business as well. But what does the research tell us? I'm going to cite more than a few studies, some of which are meta analyses of other studies, with relevant findings regarding property value impacts from dense development:

1. [The Impact of Multifamily Development on Single Family Home Prices in the Greater Boston](#) (2005)
The trend in the index of the impact zone and the control area was compared in the years immediately preceding the permitting of the multifamily development and the years following completion of the development in order to determine if the multifamily development affected sales prices in the impact zone. In the four cases for which there was appropriate data, no negative effects in the impact zone were found.
2. [Effects of Mixed-Income, Multi-Family Rental Housing Developments on Single-Family Housing Values](#) (2005)
The empirical analysis for each of the seven cases indicated that the sales price indexes for the impact areas move essentially identically with the price indexes of the control areas before, during, and after the introduction of a 40B development. We find that large, dense, multi-family rental developments made possible by chapter 40B do not negatively impact the sales price of nearby single-family homes.
3. [Examining the Impact of Mixed Use/Mixed Income Housing Developments in the Richmond Region](#) (2010)
The home prices and assessments of nearby single-family homes were not adversely impacted by the presence of mixed income/mixed use developments. In fact, in many cases, the developments had a positive impact on those single-family neighborhoods.
4. [The Property Value Impacts of Public Housing Projects in Low and Moderate Density Residential Neighborhoods](#) (1984)
From both statistical analyses it is clear that properties in Portland, Oregon, gain value after the location of public housing proximate to them. ... What is clear is that the value increase is quite small.
5. [The Impact of Neighbors Who Use Section 8 Certificates on Property Values](#) (1999)
If only a few Section 8 sites were located within 500 feet, we found a strong positive impact on property values in higher-valued, real-appreciation, predominantly white census tracts. However, in low-valued or moderately valued census tracts experiencing real declines in values since 1990, Section 8 sites and units located in high densities had a substantial adverse effect on prices within 2,000 feet, with the effect attenuated past 500 feet. Focus groups with homeowners revealed that the negative impact was based on the units' imperfect correlation with badly managed and maintained properties.
6. [The Effect of Group Homes on Neighborhood Property Values](#) (2000)
We attempt to replicate several previous studies, three of which found no evidence of neighborhood property values being affected by group homes. When testing these three models with our sample, we also found no evidence of group homes affecting property values.
7. [Measuring the effects of mixed land uses on housing values](#) (2004)
We conclude from this research that housing prices increase with their proximity to—or with increasing amount of—public parks or neighborhood commercial land uses. We also find, however, that housing prices are higher in neighborhoods dominated by single-family residential land use, where non-residential land uses were evenly distributed, and where more service jobs are available. Finally, we find that housing prices tended to fall with proximity to multi-family residential units.

If you're counting at home, 5 of those 7 studies found dense development, including affordable and market-rate, had negligible or positive effects on home values. One study found negative impact, and one of the studies found mixed impacts depending on the existing values of the neighborhood public housing was added to. Heck, I even came across [this study](#) that says a landfill only reduced value for nearby properties by 3-7%. A *landfill!*

I'm sure there are more studies, and ones that show negative impacts from dense development. For the record, I went into the search in good faith and surfed pages upon pages of results on [Google Scholar](#), with variations of the words "apartments," "home values," "negative impact," "dense development," in my searches.

Conclusions

Look, I'm not saying putting a 10-story safe house shading of someone's beautiful sun room won't diminish its value. In fact, that Portland study went on to say:



Gains in value, are, in fact, registered, but not equally among all nearby properties. Two separate functions can be seen to pertain: a disamenity function which is most intense at the site of public housing, and a neighborhood amenity constant which is added to all nearby properties.

It's probably true that the properties immediately abutting a six-story apartment lose value most of the time, even if new residents or the new building itself brings an amenity to the neighborhood and raises aggregate values. Zoning and small area plans as we've conceived them are basically a [prisoner's dilemma](#) response to this reality.

But homeowners forget how complicated and varied a purchase decision is. Whether a 6-story building is blocking views,

diminishing privacy, etc are but small deciding factors to be weighed against things like a home's size, finish quality, yard, garage size, proximity to jobs/shopping/natural amenities/transit, and on. It's why people are willing to pay \$3,000 a month to rent out tiny apartments with no view in Manhattan or San Francisco, or why someone would pay \$300,000 for a 1,400 square foot home in South Minneapolis when one double the size could be bought for half the price in Elko.



So my question to everyone is: what are these transition zones and buffers protecting? What are the actual social goods to concentrating development in small pods or thin corridors that represent a tiny fraction of the city's overall land rather than being more flexible? Should we let people in apartments live on the quiet side-streets single family dwellers desire even if the scale isn't "compatible" with its neighbor? What do compatible and stabilize even mean? Just because we have the legal power to zone our city this way doesn't mean we *should*. Especially when underlying concept supporting this separation may not even be true in the first place.

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About Alex Cecchini

Alex is a mechanical engineer by background currently working with the State of Minnesota developing energy efficiency programs for public buildings. He lives with his wife, young son, and two poorly behaved dogs just south of Uptown (Minneapolis). tweets found here: @alexcecchini and occasional personal blog posts at fremontavenueexperience.wordpress.com

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featured

Sunday Summary – February 7, 2016

Piercing Butler