

**AGENDA ITEM**

**TO:** Planning and Zoning Commission

**THROUGH:** Samantha Pickett, Planning Manager

**FROM:** Aaron Bloxham, Planner I

**SUBJECT:** Conduct a Public Hearing to Consider/Discuss/Act on a Request to Rezone the Subject Property from “AG” – Agricultural District to “PD” – Planned Development District, Generally for Mixed Uses Including Commercial, Retail, Office, Multi-Family Residential and Open Space, Generally Located North of the Intersection of U.S. Highway 75 (Central Expressway) and Laud Howell Parkway

**APPROVAL PROCESS:** The recommendation of the Planning and Zoning Commission will be forwarded to the City Council for final action at the March 7, 2017 meeting.

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**STAFF RECOMMENDATION:** Staff recommends approval of the proposed rezoning request with the following special ordinance provisions:

1. The subject property shall be zoned “PD” – Planned Development District shall be subject to the following special ordinance provision:
  - a. The subject property shall develop in accordance with the attached development standards and regulating plan.

**APPLICATION SUBMITTAL DATE:** October 24, 2016 (Original Application)  
November 15, 2016 (Revised Submittal)  
December 27, 2016 (Revised Submittal)  
January 17, 2017 (Revised Submittal)  
January 30, 2016 (Revised Submittal)

**ITEM SUMMARY:** The applicant is requesting to rezone approximately 112.64 acres of land, located north of the intersection of U.S. Highway 75 (Central Expressway) and Laud Howell Parkway from “AG” – Agricultural District to “PD” – Planned Development District, generally for mixed uses including commercial, retail, office, multi-family residential and open space and is further detailed below.

**ZONING:**

Location	Zoning District (Permitted Land Uses)	Existing Land Use
Subject Property	"AG" – Agricultural District (Agricultural Uses)	Single family homes and Undeveloped Land
North	"AG" – Agricultural District and "ETJ" – Extraterritorial Jurisdiction (Agricultural Uses)	Undeveloped Land
South	"ETJ" – Extraterritorial Jurisdiction	Undeveloped Land
East	"ETJ" – Extraterritorial Jurisdiction	Undeveloped Land
West	"PD" – Planned Development District Ordinance No. 2013-07-065, "AG" - Agricultural District, and "ETJ" – Extraterritorial Jurisdiction (Commercial and Agricultural Uses)	Undeveloped Land

**PROPOSED ZONING:** The applicant is requesting to rezone approximately 113 acres, generally for mixed uses, including commercial, retail, office, multi-family residential, and open space. The applicant has provided a regulating plan which divides the property in to multiple sub-districts that stipulate the permitted uses, development standards and street regulations that each sub-district must follow.

The proposed development standards implement the design goals of the regulating plan and provide guidance on the form, character, and intensity of development. Allowing for a natural progression of intensity, with the highest intensity development on the southern and eastern portions of the subject property, along U.S. Highway 75 and Laud Howell Parkway, and lessening in intensity as the sub-districts transition towards the northern and western portions of the subject property. Each of the proposed sub-districts incorporate space limits that reflect differing intensities of development with regard to building heights, setbacks, streetscape character, pedestrian connectivity and interaction, and permitted land uses.

More specifically, the Freeway Mixed Use sub-district provides a transition into the core of the Wilson District from U.S. Highway 75 and integrates high-density development with ground floor activated uses, including uses such as; commercial, office, retail, service,

hotel, and restaurant uses. The regulations utilize build-to lines to pull the buildings to the street to create an interactive pedestrian experience. The property transitions with similar allowed uses in the Neighborhood Mixed Use and Common Green sub-districts, follows modified space limits, and reduces intensity as development progresses west.

At the center of the subject property is the Common Green sub-district, which is the focal point of the development and provides an urban style public park with portions on the north and south that allow for retail and restaurant uses, while also providing a gathering area for residents, employees and visitors. The Common Green sub-district pedestrian environment is further enhanced by the streetscape and ground floor retail uses established in the adjacent Freeway Mixed Use and Neighborhood Mixed Use sub-districts.

The western portion of the property is the Neighborhood Mixed Uses sub-district, promotes neighborhood and regional retail development; it establishes a mixed-use environment on the eastern boundary and then transitions to a more typical commercial and retail development. The northern boundary is bounded by the Urban Residential sub-district, which is intended for mid intensity residential uses and provide a transition from the higher intensity uses found in the Freeway Mixed Use and Neighborhood Mixed Use sub-districts to the agriculturally zoned land to the north.

Additionally, the regulating plan shows an open space area with a lake to further provide a transition and a buffer to the adjacent properties while providing pedestrian connectivity to commercial, retail, office, and restaurant uses through the use of trails and sidewalks.

The applicant is proposing to create a walkable, urban neighborhood that provides access to shopping, employment, housing, as well as community- and regional-level retail. In order to create this type of cohesive mixed-use development, the applicant needs to establish a set of development regulations to provide consistency in form, design, and character that would otherwise be difficult to achieve under the current zoning districts. Staff feels that the proposed regulating plan, in conjunction with the development regulations, should create an adaptive and quality regional mixed-use environment that furthers the goals and objectives of the comprehensive plan. As such, Staff recommends approval of the proposed rezoning request as conditioned in this report.

**CONFORMANCE TO THE COMPREHENSIVE PLAN:** The Future Land Use Plan (FLUP) designates the subject property for Office Park uses. The FLUP modules diagram designates the subject property as Office Park within a significantly developed area. The Comprehensive Plan lists factors to be considered when a rezoning request is being considered within a significantly developed area:

- **Comprehensive Plan Goals and Objectives:** The proposed rezoning request is generally in conformance with the goals and objectives of the Comprehensive Plan, as established in the Northwest Sector Study adopted by City Council February 17, 2015 (Resolution 2015-02-022). In particular, the proposed zoning change would help the community attain the goal of “Economic Development

Vitality for a Sustainable and Affordable Community” through the stated objectives of the Comprehensive Plan, a “balanced development pattern” and “balanced commercial development along major highway corridors”. Another goal of the Comprehensive Plan is accomplished through “Land Use Compatibility and Mix” by creating “land use patterns that optimize and balance the tax base of the City”. Additionally, the proposed rezoning request would help to attain the Northwest Sector goals of a “Balanced Tax Base”, “Quality Placemaking”, and “Market Readiness and Adaptability”.

- Impact on Infrastructure: The proposed rezoning request should have a minimal impact on the existing and planned water, sewer and thoroughfare plans in the area.
- Impact on Public Facilities/Services: The proposed rezoning request should have a minimal impact on public services, such as schools, fire and police, libraries, parks and sanitation services.
- Compatibility with Existing and Potential Adjacent Land Uses: The properties located adjacent to the subject property are zoned for similar commercial and residential uses. The proposed rezoning request will not alter the land use from what has been planned for the subject property.
- Fiscal Analysis: The attached fiscal analysis shows a positive cost benefit of \$330,357 using the full cost method.

The attached “Land Use and Tax Base Summary” shows that Module 19 is currently comprised of approximately 0.30% residential uses, 59.5% non-residential uses (including institutional and agricultural uses) and 40.2% Extraterritorial Jurisdiction (ETJ). The proposed rezoning request may have an impact on the anticipated land uses in this module. Estimated tax revenues in Module 19 are comprised of approximately 1.4% from residential uses and 98.7% from non-residential uses (including agricultural uses). Estimated tax revenues by type in Module 19 are comprised of approximately 100.0% ad valorem taxes and 0.0% sales and use taxes.

- Concentration of a Use: The proposed rezoning request should not result in an over concentration of commercial, retail, office, multi-family residential, or open space land uses in the area.

**CONFORMANCE TO THE MULTI-FAMILY POLICY:** The current multi-family policy was adopted by City Council in May of 2015. In reviewing requests to rezone property for multi-family uses, Staff evaluates the request for conformance to the policy criteria listed in the Comprehensive Plan.

Multi-family developments serve an important function in McKinney. Multi-family developments function as housing for young professionals who are not ready to own

homes, as well as housing for citizens who are relocated on a regular basis by their employer. Multi-family also provides housing for retirees who seek low maintenance living and, in some cases, they serve as affordable housing for those who cannot meet the expense of home ownership. While the City of McKinney recognizes the importance of multi-family land use, attention should be given to how it is developed. For this reason, the following are the design and location parameters that apply to multi-family developments in McKinney.

1. Multi-family developments shall be subject to architectural standards as provided for in Section 146-139 of the Zoning Ordinance.
2. Multi-family uses should not be located in large, high-density concentrations and clusters, but rather dispersed in small groupings around the city in a balanced manner that provides a mix of uses and densities.
3. Multi-family developments should generally be no greater in size than either 20 acres or 400 units.
4. Multi-family developments shall be located at major thoroughfare intersections rather than between intersections (i.e., not mid-block).
5. Multi-family uses shall be located on only one corner of a major intersection, unless they are constructed as part of a mixed-use vertical development.
6. New multi-family zoning shall not be located within 1,320 feet (one-quarter mile) of any other multi-family zoning district.
7. In each of the six planning sectors, the number of multi-family units generally should not exceed 10% of the total number of existing or estimated future residential housing units.
8. If the total estimated number of future residential multi-family units in a planning sector exceeds 10%, a new location should be proposed for rezoning. Staff will evaluate any new locations to determine whether a recommendation for an amendment to the future land use plan should be made.
9. Vertical mixed-use developments may be allowed even if multi-family housing in the sector exceeds 10% of the existing and zoned housing units, and shall not count towards the multi-family percentage. A vertical mixed-use area shall be defined as one with non-residential uses on the ground floor and in some cases lower floors, with residential uses on the upper floors. The City encourages the vertical mixing of rental units with other land uses.
10. Urban multi-family developments may also be allowed even if multi-family housing in the sector exceeds 10% of the existing and zoned housing units. For the purposes of this section, urban multi-family development shall mean a

multi-family residential development which incorporates, at a minimum, the following urban design elements:

- a. structured and/or tuck-under garage parking for no less than 80% of the total required parking for the development;
- b. ground floor units adjacent to a public right-of-way are designed and constructed to permit commercial uses with a minimum 12 feet clear ceiling height;
- c. meaningful, centrally located internal open spaces (parks, plazas, courtyards, and squares) offering public gathering areas; and
- d. 10 foot wide public sidewalks adjacent to all public roadways.

At the time the Multi-Family Policy was adopted in 2001, all of the sectors of the City were above the allotted 10%, but at the time of this request the Northwest Multi-Family Planning Sector is below the 10% threshold. The Multi-Family Policy also states that if the Future Land Use Plan does not designate the property for multi-family, then the request will be recommended for denial. However, the current percentage of the Northwest Sector is at 7.72% which under the allowed multi-family percentage; the style multi-family development being proposed is both vertical mixed-use and urban; and Staff may recommend approval of a change in zoning that allows for multi-family as it is in conformance with the Multi-Family Policy.

**OPPOSITION TO OR SUPPORT OF REQUEST:** Staff has received one letter of opposition to this request.

**ATTACHMENTS:**

- Location Map and Aerial Exhibit
- Letter of Intent
- Letter of Opposition
- Comprehensive Plan Maps
- Fiscal Analysis
- Land Use and Tax Base Summary
- Proposed Zoning Exhibit with Metes and Bounds
- Proposed Development Regulations
- PowerPoint Presentation