

AGENDA ITEM

TO: Planning and Zoning Commission

THROUGH: Kevin Spath, AICP, Assistant Director of Planning

FROM: Arrie Mitchell, Planner

SUBJECT: Conduct a Public Hearing to Consider/Discuss/Act on the Request by Levi A. Wild of Sanchez and Associates, on Behalf of J. Martin Sanchez of S.P. 2 301 E. Virginia, LLC, for Approval to Rezone Approximately 0.57 Acres from “BG” – General Business District to “PD” – Planned Development District, Generally to Modify Development Standards, Located on the Northeast Corner of Virginia Street and Chestnut Street.

APPROVAL PROCESS: The recommendation of the Planning and Zoning Commission will be forwarded to the City Council for consideration at the April 17, 2012 meeting.

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

1. The subject property shall be rezoned “PD” – Planned Development District and the subject property shall develop in accordance with the “CHD” – Commercial Historic District, as set forth in Section 146-96 of the Zoning Ordinance, and as amended, except that multi-family residential uses shall be permitted on upper floors without a Specific Use Permit.
2. The subject property shall generally develop in accordance with the attached Site Layout exhibit.
3. The subject property shall be exempt from the Architectural and Site Standards as set forth in Section 146-139 of the Zoning Ordinance but the subject property shall generally develop in accordance with the attached Building Design Standards exhibit. To ensure conformance with the Building Design Standards, architectural elevations of proposed building(s) shall be submitted and considered with the Site Plan approval process.
4. The subject property shall develop in accordance with the following landscaping requirements:

- a. Internal landscape areas shall have one tree within 65 feet of every parking space;
 - b. Internal landscape areas shall have one tree in the parking area for every 10 parking spaces;
 - c. Within parking lots, landscaped areas with concrete curbs and gutters shall be provided to define parking areas;
 - d. A landscape island shall be located at the terminus of each parking row and shall contain at least one canopy tree;
 - e. Evergreen shrubs (acceptable for a 6-foot living screen) shall be provided around dumpster enclosure screening wall, and the plant materials shall be minimum 3-feet in height at time of planting; and
 - f. At least 75% of the frontage of parking lots, adjacent to a public right-of-way, shall be screened from Chestnut Street and Herndon Street with evergreen shrubs attaining a minimum height of 3 feet, a low masonry wall of a minimum height of 3 feet, or a combination of the above with a minimum combined height of 3 feet. The masonry wall must be of a similar finished quality and color to the building façade on Chestnut Street.
5. The subject property shall develop in accordance with Section 134-9 of the Code of Ordinances, and as amended, specifically governing Sign Requirements in the Downtown Commercial Historic District.

APPLICATION SUBMITTAL DATE: February 27, 2012 (Original Application)

ITEM SUMMARY: The applicant is proposing to rezone approximately 0.57 acres of land from “BG” – General Business District to “PD” – Planned Development District with a base zoning of “CHD” – Commercial Historic District in order to redevelop the property with a new building and associated parking lot. If the new building is 1-story (approximately 7,500 square feet), the intended use is restaurant/retail. If the new building is 2-4 stories (15,000-30,000 square feet), vertical mixed use is intended (restaurant/retail on the ground floor and residential units on the upper floors).

Currently, the property contains a 1-story, 1,500 square foot commercial building used for auto sales/service and private parking lot.

The Commercial Historic District is intended to ensure that redevelopment within the downtown area is consistent with the historic character of the city’s original business district and the surrounding area.

ZONING NOTIFICATION SIGNS: The applicant has posted zoning notification signs on the subject property, as specified within Section 146-164 (Changes and Amendments) of the City of McKinney Zoning Ordinance.

SURROUNDING ZONING AND LAND USES:

Subject Property: “BG” – General Business District (existing 1-story, 1,500 square foot commercial building used for auto sales/service and private parking lot)

North	“BG” – General Business District	commercial buildings (Thomason Tire)
South	“CHD” – Commercial Historic District	museum (North Texas History Center) and commercial building (Western Union, Quick Cash, Soto Tax & Insurance, Metro PCS)
East	“BG” – General Business District	vacant
West	“BG” – General Business District	office building (Sterling Associates, Interface Financial)

SITE ACCESS:

Virginia Street : 60’ right-of-way, 38’ asphalt pavement, town thoroughfare

Chestnut Street : 40’ right-of-way, 23’ asphalt pavement, local street

Herndon Street : 20’ right-of-way, 15’ asphalt pavement, local street

PROPOSED REZONING: The applicant is proposing to rezone approximately 0.57 acres of land from “BG” – General Business District to “PD” – Planned Development District with a base zoning of “CHD” – Commercial Historic District in order to redevelop the property with a new building and associated parking lot. If the new building is 1-story (approximately 7,500 square feet), the intended use is restaurant/retail. If the new building is 2-4 stories (15,000-30,000 square feet), vertical mixed use is intended (restaurant/retail on the ground floor and residential units on the upper floors).

The intended use of retail/restaurant is permitted in the existing designation of “BG” – General Business District as well as in the proposed base zoning of “CHD” – Commercial Historic District. Vertical mixed use (i.e. multi-family residential uses on upper floors with non-residential uses on the ground floor) is permitted with a Special Use Permit in “BG” and “CHD.”

As proposed, redevelopment of the property will be required to generally develop in accordance with the attached Site Layout exhibit. In other words, the proposed building (with a first floor footprint of approximately 7,500 square feet) will be required to be positioned at the Virginia Street property line and at the Chestnut Street property line (and any on-site parking will be required to be located behind the building).

As proposed, redevelopment of the property will also be required to generally develop in accordance with the attached Building Design Standards exhibit. Compliance with standards such as building orientation, massing and scale, façade composition, windows and doors, and exterior building materials will ensure that the proposed building is compatible with the existing form and character of the historic downtown area.

Currently, redevelopment of relatively small properties in the urban core of the Town Center is severely hindered by the off-street parking requirements of Section 146-130 of the Zoning Ordinance. Rezoning the subject property to a base zoning district of “CHD” will facilitate redevelopment of this property by providing more flexible parking standards. Under the proposed “CHD” base zoning, the subject property is only required to provide one off-street parking space per full-time employee who works more than 30 hours per week, and these off-street parking spaces can be located within two city blocks of the subject property. Based on the 2009 parking study of the downtown core area and the associated parking model (which has been periodically updated since 2009), Staff believes that there is sufficient capacity of off-street parking spaces within two city blocks of the subject property. Additionally, per the attached Site Layout, redevelopment of the property will include approximately 42 on-site parking spaces.

In Staff’s professional judgment, the applicant’s rezoning request will allow for appropriate redevelopment of the subject property in the downtown area and, therefore, is in support of this rezoning request.

CONFORMANCE TO THE COMPREHENSIVE PLAN: The Future Land Use Plan (FLUP) designates the subject property for commercial uses. The FLUP modules diagram designates the subject property as transit village 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:** One of the goals of the Comprehensive Plan is “Economic Development Vitality for a Sustainable and Affordable Community” through the stated objectives of “Retention and expansion of existing businesses.” Another one of the goals of the Comprehensive Plan is “Land Use Compatibility and Mix” through the stated objective of “Land use patterns that complement one another.”
- **Specific Area Plans or Studies:** The Town Center Study Initiative is a sector study of the oldest part of McKinney, called for as part of the 2004 Comprehensive Plan. McKinney’s Town Center contains residential

neighborhoods and commercial districts that are well established, eclectic and historic. These places collectively form the heart of the community and comprise a physical pattern of development that generally pre-dates the automobile.

During Phase 1 of the Initiative (2006 -- 2008), City staff, a consultant team, and more than 300 stakeholders, residents and property owners worked together to establish a bold, community-based vision for strategic and sustainable revitalization of McKinney's Town Center over the long-term (5 to 30+ years).

In March 2008, the *Town Center Study Phase 1 Report, Shared Vision, and Illustrative Master Plan* were approved and adopted by reference into the *Comprehensive Plan* and serve as a meaningful policy guide for City officials, Staff, property owners, and private developers when considering decisions in the Town Center. Together, they serve as an illustrative road map for the future by outlining preferred concepts to insure that future choices are consistent with the vision.

The vision includes a number of preferred concepts such as encouraging mixed-use and urban residential growth, expanding the physical form and character of the downtown, fostering more evening/weekend activity, improving pedestrian connectivity, and facilitating long-term economic development through the concept of place-making. The vision acknowledges that market forces will play a critical role in shaping the Town Center's future and allows for a certain level of flexibility to accommodate this vision.

To enhance the vibrancy and active street life of the Town Center, the vision specifically calls for infill redevelopment of vacant/underutilized properties in and around downtown. As depicted on the *Illustrative Master Plan*, this segment of Virginia Street is a critical east-west pedestrian connection between the downtown square, SH 5, and the future transit village just east of SH 5. Re-activating this block with a new building oriented to the sidewalk/street will help to strengthen the economic activity and pedestrian movement along Virginia Street. As such, Staff feels that the applicant's rezoning request is in keeping with the Town Center vision.

The Town Center Study Initiative is currently in Phase 2. The purpose of Phase 2 is to analyze, select, relate and phase the appropriate implementation components (e.g. policies, ordinances, fiscal tools) into a comprehensive action package that will truly allow the vision and revitalization of the Town Center to be achieved and sustained over time.

Over the past two years, after thorough evaluation of the current zoning regulations in the Town Center core area, it has been determined that many of the current zoning regulations are not only inconsistent with the Town Center vision but they are also ineffective at addressing the unique challenges of preserving and redeveloping the Town Center core area.

As such, to proactively improve development regulations (i.e. zoning) and remove regulatory impediments in order to help encourage reinvestment and redevelopment, Staff has been drafting a set of new form-based zoning standards to replace the current zoning in the Town Center core area. The new form-based zoning standards are still in the final stages of drafting and refinement. In Staff's professional judgment, the applicant's rezoning request in this particular case is consistent with the draft form-based zoning standards.

- Impact on Infrastructure: The water master plan, sewer master plan, and master thoroughfare plan are all based on the anticipated land uses as indicated by the future land use system of the Comprehensive Plan. Because the proposed rezoning does not alter the projected land use, it should have a minimal impact on the existing and planned water, sewer, and thoroughfare infrastructure.
- Impact on Public Facilities/Services: Similar to infrastructure, public facilities and services are planned for based on the anticipated land uses as indicated by the future land use system of the Comprehensive Plan. Because the proposed rezoning does not alter the projected land use, it should have a minimal impact on public facilities/services, such as schools, fire and police, libraries, parks and sanitation services.
- Fiscal Analysis: Because the proposed rezoning does not alter the projected land use, Staff did not perform a fiscal analysis for this case.

CONFORMANCE TO THE MULTI-FAMILY POLICY: The current multi-family policy was adopted by City Council in 2001 and was intended to provide the Planning and Zoning Commission and City Council with criteria to make informed decisions about future zoning change requests for large, sprawling, suburban-style multi-family developments. The multi-family policy states that urban, vertical, mixed-use developments with residential uses on upper floors and non-residential uses on lower floors shall not count towards the multi-family percentage. Per the policy, the City encourages the vertical mixing of multi-family units with other land uses. Therefore, the proposed rezoning of this site is not subject to the multi-family policy.

CONFORMANCE TO THE MASTER PARK PLAN (MPP): The proposed rezoning request does not conflict with the Master Park Plan.

CONFORMANCE TO THE MASTER THOROUGHFARE PLAN (MTP): The proposed rezoning request does not conflict with the Master Thoroughfare Plan.

OPPOSITION TO OR SUPPORT OF REQUEST: Staff has received three inquiries by phone. The inquiries were only seeking information about the rezoning request and did not indicate opposition or support.

ATTACHMENTS:

- Location Map
- Bird's Eye View
- Letter of Intent
- Site Layout Exhibit
- Building Design Standards Exhibit