

June 23, 2014

Mr. Brandon Opiela
Planning Department
City of McKinney
221 N. Tennessee Street
McKinney, Texas 75070

RE: Letter of Intent – Stone Hollow – Zoning Amendment

Dear Brandon,

In accordance with the requirements of your Zoning Application Guidelines, we offer the following information for your consideration.

BACKGROUND

The subject property is a 13.91 acre tract located within the existing Stone Hollow development. The property was zoned PD-SF in 2011 (Ordinance No. 2011-12-081) as part of the overall 129 acre tract. The existing PD and associated General Development Plan allow for a maximum of 485 lots with lot sizes of 75' x 120' minimum, 62' x 115' minimum and 50' x 110' minimum. The subject property is entirely within an area to be developed as 75' x 120' minimum lots.

Since its inception, Stone Hollow has been one of Standard Pacific's most successful communities. The first three phases totaling 313 lots have been developed, with a fourth phase consisting of 84 lots under construction.

Most of the major entry and landscape improvements have been completed in accordance with the General Development Plan and the Master Plan Concept for this community. The on-site amenity center is nearing completion and the remaining community trails will be completed with Phase 4, currently under construction.

PURPOSE AND JUSTIFICATION

While the Stone Hollow community as a whole has exceeded expectations, sales pricing and absorption rates on this product have been lower than the other products. Based upon current absorption rates, the 75' x 120' lots will take several years longer to sell out than the other products.

Our request is to allow the 62' x 115' lots within the subject property. (It should be noted that the street configuration will remain the same, so technically, the lots will all be approximately 120' deep.) The proposed change will result in increase of 8 lots within the subject property. For the entire Stone Hollow community, the total number of lots would increase from 485 lots to 493, resulting in an increase in gross density 3.76 DU/AC to 3.82 DU/AC. All other site data will remain the same including the interior and total open space percentages.



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TPBE No. F-11962

The average price of the homes on the 75-foot lots has been \$498,000 while the 62-foot product has been selling at an average of \$420,000. Based on these averages, the change in lot size and resulting additional lots will result about the same property values. However, the sales rates for each product indicate that the 45 larger lots would take 45 months to sale while the 53 smaller lots would sale in only 17 months.

Per your planning application submittal calendar, we are requesting that this case be heard before the Planning & Zoning Commission on July 22, 2014. We appreciate your assistance with this matter.

Sincerely,

J. VOLK CONSULTING, INC.

Jay Volk, P.E.
President

cc: Chip Boyd, Vice President-Land Development, Standard Pacific Homes