



**TITLE:** Consider and Discuss the Scope and Budget for the Northwest Sector Planning Study

**MEETING DATE:** February 19, 2013

**DEPARTMENT:** Development Services - Planning

**CONTACT:** Ross Altobelli, Planning Manager  
Kevin Spath, AICP, Assistant Planning Director

**RECOMMENDED CITY COUNCIL ACTION:** Consider and discuss the Study's scope and budget and provide direction for moving forward.

**ITEM SUMMARY:**

- From August 30, 2012 to October 4, 2012, the City of McKinney issued a Request for Qualifications (RFQ), a formal process of soliciting and procuring a qualified professional planning consultant to assist in the preparation of a sector planning study for the northwest sector of the City of McKinney (including city limits and extraterritorial jurisdiction).
- Four firms responded to the RFQ. A Staff panel was formed to interview the four firms and evaluate their qualifications. The interview panel consisted of Barry Shelton, Rick Leisner, Jack Carr, Gary Graham, Michael Hebert, Michael Quint, Kevin Spath and Ross Altobelli.
- The interview panel scored each firm based on 7 criteria (qualifications, experience, capacity, etc.) and identified the firm of Parsons Brinkerhoff as the most qualified.
- Over the last 2 months, Staff has been in negotiations with Parsons Brinkerhoff on the development of a detailed scope of services, timeline, and contract for services to be provided in support of the Study. The draft scope includes the following Primary Tasks:
  - Multiple public input sessions, stakeholder interviews and a Development Preference Survey will be conducted in order to solicit involvement and input to identify issues and shape the preferred vision for the area.
  - Conduct Market Analysis of Development Opportunities:

1. Analyze historic, existing and forecasted development trends for the McKinney metropolitan market and key submarkets.
  2. Examine market trends, competitive inventory, and supply projections based upon current market conditions.
  3. Identify factors which provide advantages in the study area for capturing regional growth and construct a long range plan which harnesses those competitive advantages for long term value.
  4. Identify market opportunities for single family, multifamily, retail and office which will address:
    - Current demand and future absorption estimates for a 5-10 year and 10+ year periods.
    - Short term and medium term interventions that could encourage implementation results (i.e. infrastructure, incentives, etc.), and
    - Recommendation of target markets.
  5. Conduct a Real Estate Gap Analysis which will define the methods and strategies to decrease the gap between current and future markets and the desired Northwest Sector development pattern.
- Conduct Land Use, Open Space, Transportation and Infrastructure Analyses
  - Develop Alternatives and Implementation Strategies:
    1. Identify up to three (3) catalyst areas for stimulating economic development opportunities and analyze proactive tools to implement the refined vision.
    2. Identify public investment opportunities and appropriate development financing mechanisms for funding public improvements and/or closing the financial gap caused by extraordinary project costs.
    3. Consider new land uses within the sector and transitions to the adjacent neighborhoods, focusing on the major corridors and catalytic development opportunities based on preliminary market analysis and development patterns that will provide a long term economic capacity for sustained public and private investment as well as orderly annexation.
- In addition to the Primary Tasks listed above, Staff is recommending specific additional Implementation Tasks in order to achieve the final vision and desired development goals of the Study:

## 1. Annexation and Development Agreements

- a. Based on the annexation policy and strategy defined in the Northwest Sector Planning Study, prepare a Draft Annexation Plan that integrates economic and fiscal criteria for development and improvements and enables orderly annexation by the City.
- b. Prepare a Draft “Pre-Annexation” Agreement template for landowners in the City’s ETJ (pursuant to Subchapter G of Chapter 212 of TLGC).

## 2. Infrastructure Investment Plan

- a. Provide additional detail, definition, and timing of capital improvements required to achieve desired development along with specific implementation steps.
  - b. Provide a detailed project list for priority projects to be completed in the next ten year period, the hard and soft costs associated with each project, the economic impacts for each project, a prioritized phasing plan, and a matrix of funding strategies for implementation.
- The Budget for all Primary Tasks as well as the specific additional implementation tasks recommended by Staff is \$260,000 to \$300,000.
  - After receiving direction from City Council and upon finalizing the scope and budget, Staff will present a Resolution to City Council authorizing the City Manager to enter into a professional services contract with Parsons Brinkerhoff for the Northwest Sector Planning Study.

### **FINANCIAL SUMMARY:**

- The Planning Department FY 2012-2013 professional services budget includes \$150,000 for this Study.
- As has been previously discussed with City Council, if the budget for the desired scope of services exceeds \$150,000, it has been anticipated that this project would become a cost-sharing partnership with the McKinney Economic Development Corporation and the McKinney Community Development Corporation, each providing additional funding in amounts ranging from \$55,000 - \$75,000.

### **BACKGROUND:**

- The northwest sector is approximately 25,000+ acres generally located north of US Highway 380 and west of US Highway 75 (including our city limits and our extraterritorial jurisdiction) and represents the largest portion of undeveloped property with the City's ultimate planning area. The northwest sector is anticipated to be the focus of new development over the next several decades.
- The proposed Study is an extension of the City of McKinney's 2004 Comprehensive Plan and it will build on the work of the Comprehensive Plan by focusing on this single sector of McKinney. When the Comprehensive Plan was adopted, the northwest sector was just beginning to develop. However, today we find ourselves facing imminent development of the area and there is a need to review and refine the vision that was outlined for the northwest sector in 2004.
- The purpose of the Study is to develop detailed plans to address the issues and priorities that the community deems important for the northwest sector. These issues include, but are not necessarily limited to, annexation strategy, infrastructure investment strategy, land use patterns, transportation systems, and economic development opportunities.
- Like the 2004 Comprehensive Plan, the Study must capture the community's vision, and the strength of the study will lie in the participation and input of the citizens to help formulate that vision. However, as that vision is being developed it must be balanced with technical data such as land use development patterns and infrastructure system planning to ensure that the vision is achievable for the sector.