

**AGENDA ITEM**

**TO:** Planning and Zoning Commission

**FROM:** Brandon Opiela, Planning Manager

**SUBJECT:** Conduct a Public Hearing to Consider/Discuss/Act on a Request by the City of McKinney to Amend Sections 146-99 (REC Regional Employment Center Overlay District), 146-132 (Fences, Walls, and Screening Requirements), and 146-139 (Architectural and Site Standards) of the Zoning Ordinance (Chapter 146 of the Code of Ordinances); and to Amend Sections 1 (Introduction), 7 (Land Use Element), 8 (Transportation), 11 (Urban Design), and Appendix E (An Informal Guide to the Multi-Family Policy in the City of McKinney) of the Comprehensive Plan

**APPROVAL PROCESS:** The recommendation of the Planning and Zoning Commission will be forwarded to the City Council for final action at the May 5, 2015 meeting.

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**STAFF RECOMMENDATION:** Staff recommends approval of the proposed amendments to multiple sections of Chapter 146 (Zoning Regulations) of the Code of Ordinances and multiple sections of the City's Comprehensive Plan.

**ITEM SUMMARY:** Staff is proposing a series of amendments to multiple sections of the Zoning Ordinance and Comprehensive Plan pertaining to the "REC" – Regional Employment Center Overlay District, establishing a new approach/vision for future development within this southwestern portion of the City (approximately 4,500 acres) that both addresses current development issues within the REC Overlay and respects existing property rights.

Staff feels that the best approach for addressing these issues is to remove the applicability of the REC Overlay for all new rezoning requests going forward, while keeping the REC Overlay regulations "on the books" for all existing properties governed by the REC Overlay. With this solution, all properties that are currently governed by the REC Overlay regulations can continue to develop according to the REC requirements, or choose to rezone to a standard zoning or Planned Development district.

In conjunction with this approach, Staff is proposing that the governing policy documents referencing the REC within the Comprehensive Plan (i.e. Land Use Element -Future Land Use Plan (FLUP) and Future Land Use Plan Module Diagram (FLUP MD); Transportation; Urban Design; and Multi-Family Policy) also be amended to maintain consistency between City policies and ordinances. These amendments will help guide

Staff, the Planning and Zoning Commission, and City Council when considering future rezoning requests.

Please note that the proposed amendments to the Comprehensive Plan pertain only to the new approach for the REC area. A subsequent set of amendments to the Comprehensive Plan, including general clean-up and non-substantive items, are scheduled for the first Planning and Zoning Commission meeting in May and for the first City Council meeting in June.

### **PROPOSED AMENDMENTS TO THE ZONING ORDINANCE REGULATIONS:**

Proposed Changes to Section 146-99 (REC regional employment center overlay district (suffix)): As proposed, two sentences have been added to the district regulations stating that the REC Overlay may not be utilized for future rezoning requests. These sentences state: "The REC Overlay District shall no longer be applicable to properties zoned on or after June 1, 2015. Additionally, zoning or rezoning to this classification will not be permitted after June 1, 2015." Please note that these sentences prohibit the district's use for rezoning requests going forward but retain the existing regulations so that existing property rights remain untouched. Staff has also removed regulations in this section pertaining to future rezoning requests within the REC area and removed the requirements for a general development plan which is no longer required due to the ordinance amendments in Appendix B (Urban Design Standards for the Regional Employment Center) approved in May of 2014.

Proposed Changes to Section 146-132 (Fences, walls, and screening requirements): As proposed by Staff, this modification specifies that existing properties subject to the regulations of the REC remain exempt from the 6-foot tall masonry screening wall required along all side and rear property lines for multi-family residential developments. However, properties rezoned within the current limits of the Overlay after June 1, 2015 will no longer be exempt going forward.

Proposed Changes to Section 146-139 (Architectural and site standards): As proposed by Staff, this modification specifies that existing properties subject to the regulations of the REC remain exempt from both the two-story limitation for multi-family residential developments and the requirement prohibiting exterior facing windows on a multi-family building from being oriented towards adjacent single family residential within 150 feet of an adjacent single family residential use or zone. However, properties rezoned within the current limits of the Overlay after June 1, 2015 will no longer be exempt from this requirement going forward.

### **PROPOSED AMENDMENTS TO THE COMPREHENSIVE PLAN:**

Proposed Amendments to the Table of Contents and Section 1 (Introduction): As proposed by Staff, the changes to this portion of the Comprehensive Plan updates the page numbers, figures and tables associated with the sections discussed further below.

Proposed Amendments to Section 7 (Land Use Element): Staff is proposing to amend the Future Land Use Plan (FLUP) and Future Land Use Plan Module Diagram (FLUP MD) which is based on existing zoning, best planning practices, and stakeholder feedback; establish two module sections for the proposed Tollway Commercial (7.11) and Urban Mix (7.12) modules (providing detailed descriptions for the intended land use, community form, and locational criteria of each module); integrate land use mix category definitions for Tollway Commercial and High Density Urban Residential; and remove unnecessary references to the REC.

Based on feedback received at the April 6, 2015 City Council work session, Staff has added verbiage within this section stating that residential uses within the Tollway Commercial Module should be generally located no closer than 1,000 feet from State Highway 121 (Sam Rayburn Tollway).

Proposed Amendments to Section 8 (Transportation): As proposed by Staff, the only change to this section removes the reference to the REC within the thoroughfare recommendation for Collin McKinney Parkway and details how this thoroughfare will generally bisect the Tollway Commercial Module and Urban Mix Module (see attached).

Proposed Amendments to Section 11 (Urban Design): As proposed by Staff, the changes to this section generally remove references to the REC and add the Tollway Commercial Module to the urban design guidelines of the Regional Commercial, Regional Employment, Office Park, and Industrial Modules; as well as replace the Regional Employment Center Module with the Urban Mix Module, providing urban design guidelines for use types within the module, including elements such as building orientation, Design for Density, parking, and pedestrian environment.

Based on feedback received at the April 6, 2015 City Council work session, Staff has added verbiage within this section stating that residential uses within the Tollway Commercial Module should be limited and generally located no closer than 1,000 feet from State Highway 121 (Sam Rayburn Tollway).

Proposed Amendments to Appendix E (An Informal Guide to the Multi-family Policy in the City of McKinney): Per the existing policy, rezoning requests within sectors containing a total number of multi-family residential units exceeding 10% of the total number of existing or estimated future residential housing units should be recommended for denial. The policy currently exempts Sector 6 (REC Overlay) from this requirement, as the original urban and pedestrian-oriented vision of the REC encouraged higher densities than other areas of the City.

As proposed by Staff, the exemption of the REC area from the Multi-family Policy has been removed, as the overall vision for the REC area is no longer urban (encouraging higher densities within the REC). In addition to non-substantive clean-up items, Staff has proposed a new exemption and definition for urban multi-family residential developments, which would be applicable to properties within the REC area and the City as a whole. Staff feels that both vertical mixed-use development and the proposed urban multi-family residential design elements can help promote and ensure high quality

multi-family residential is constructed throughout the City. As proposed, urban multi-family developments would be defined as a multi-family residential development which incorporates, at a minimum, the following urban design elements:

- structured and/or tuck-under garage parking for no less than 80% of the total required parking for the development;
- 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;
- meaningful, centrally located internal open spaces (parks, plazas, courtyards, and squares) offering public gathering areas; and
- 10 foot wide public sidewalks adjacent to all public roadways.

#### **STEPS TAKEN TO DATE:**

- **November 3, 2014** – City Council directed Staff to re-evaluate the REC Overlay
- **February 2, 2015** – Staff discussed development issues within the REC Overlay and possible solutions to said issues with the City Council
- **February 18, 2015** – Staff met with the McKinney Economic Development Corporation’s Development Advocacy Group to discuss the possible amendments
- **February 26, 2015** – Staff held a public input meeting to discuss the possible amendments with stakeholders
- **March 16, 2015** – Staff met with the Planning and Zoning Commission and the City Council to discuss the possible amendments
- **March 17, 2015** – Staff posted draft amendments online, prior to the public input meeting, for stakeholder review and comment
- **March 26, 2015** – Staff held a public input meeting to discuss the possible amendments
- **March 31, 2015 – April 17, 2015** – Staff posted the proposed amendments online for public feedback
- **April 6, 2015** – Staff discussed the proposed amendments pertaining to the REC Overlay with the City Council

#### **BACKGROUND INFORMATION:**

- The “REC” – Regional Employment Center Overlay District was adopted in 2001 and based on “new-urbanist” principles. Specifically, approximately 4,500 acres in the southwest portion of the City were identified for urban, pedestrian-oriented, dense development patterns. These standards were designed to help create a unique sense of place within the City, defined by developments with an urban feel and character.
- The REC Overlay District was significantly amended in 2003, which closely resembles the Ordinance in place today.
- Since the adoption of the REC Overlay, the market has responded that this development type is not reasonable for tracts of this scope. Because of this fact, and because of changes in development trends, numerous rezoning requests

have been made modifying these requirements to allow for more traditional suburban development patterns.

- In May of 2014, in effort to respond to regulations considered contrary to the current market and development trends, City Council approved amendments to the REC Overlay District making specific urban design concepts optional throughout the REC. These amendments addressed multiple ordinance requirements that had been included in numerous rezoning requests over the years in order to be more reflective of the development climate without modifying existing property rights. Although these amendments offer a greater level of flexibility and options for development, a number of issues still remain.
- At the November 3, 2014 work session, City Council directed Staff to initiate a re-evaluation of the “REC” – Regional Employment Center Overlay District and provide further information regarding possible changes or amendments to be made to the REC.
- The following list of development issues (expressed and reiterated over the past few years by citizens, the development community, the Planning and Zoning Commission, the City Council and City Staff) were presented to the City Council at the February 2, 2015 work session and were subsequently presented to and discussed with the McKinney Economic Development Corporation’s Development Advocacy Group on February 18, 2015 and stakeholders within the REC on February 26, 2015.

#### DEVELOPMENT ISSUES

- 1) The REC Overlay regulations are confusing, conflict with other regulations, and necessitate frequent Staff interpretations.
  - 2) The REC Overlay is unable to ensure consistent quality and character within residential and non-residential developments.
  - 3) Urban-style development should be in smaller acreages or nodes and is not feasible to develop across 4,500 acres of land.
  - 4) Requirements for commercial developments within the REC are not always compatible with adjacent residential uses.
  - 5) The predominance of suburban-style residential throughout the REC limits the opportunity for tall, dense developments to be constructed.
  - 6) Vertical mixed-use projects are not sustainable when too much non-residential square footage is required.
  - 7) There is too much multi-family residential allowed within the REC.
  - 8) Rezoning requests to develop in a more suburban manner require a Planned Development District Ordinance to remove the requirements of the REC.
- Staff has also provided an aerial exhibit of the properties included within the REC. Staff has shaded each of the parcels to illustrate developed (using a lighter color) and undeveloped (using a bolder color) properties as well as to clarify which properties are currently subject to the requirements of the REC. Properties shaded in blue indicate those that have been zoned after February 6, 2001 (the

establishment of the REC) and are currently subject to the guidelines of the REC. Properties shaded in red indicate those that were zoned prior to the establishment of the REC and are not currently subject to the design guidelines. Properties shaded in green indicate those that have rezoned to remove the applicability of the REC requirements.

### **OPPOSITION TO OR SUPPORT OF AMENDMENTS:**

- Staff met with the McKinney Economic Development Corporation's Development Advocacy Group on February 18, 2015 and also held a public input meeting on February 26, 2015 to discuss the development issues identified within the REC Overlay. Those in attendance at both meetings agreed that the scope and vision for urban-style development within the REC Overlay was too large and that the associated regulations were inconsistent with current market realities. Attendees offered broad support for a new approach in the REC that could preserve current property entitlements while mitigating the challenges that developments face within the REC Overlay (see attached comment cards).
- The Planning and Zoning Commission has expressed broad concerns over the past years regarding the requirements of the REC Overlay District and the development challenges within the Overlay. At the March 16, 2015 City Council and Planning and Zoning Commission Joint Meeting, the Commission offered broad support for the proposed amendments to the Zoning Ordinance and Comprehensive Plan.
- Staff held a public input meeting on March 26, 2015 to discuss the proposed amendments to the Zoning Ordinance and Comprehensive Plan. Those in attendance agreed that the scope and vision for urban-style development within the REC Overlay was too large and that the associated regulations were inconsistent with current market realities. Some stakeholders offered broad support for the proposed new approach in the REC that could preserve current property entitlements while mitigating the challenges that developments face within the REC Overlay, while others shared concerns generally pertaining to single family detached residential densities allowed by future rezoning requests and the amount of commercial uses preserved along the State Highway 121 Corridor was too great (see attached comment cards).
- Additionally, Staff has received a letter of support, two letters of opposition, and written feedback regarding the proposed amendments.

### **ATTACHMENTS:**

- 2.26.15 Public Input Meeting Comment Cards
- 3.26.15 Public Input Meeting Comment Cards
- Letter of Support
- Letters of Opposition
- Feedback on Proposed Amendments
- Applicability of REC Map

- Proposed 146-99 Redline
- Proposed 146-132 Redline
- Proposed 146-139 Redline
- Current Future Land Use Plan
- Proposed Future Land Use Plan
- Tollway Commercial 1,000 Buffer Exhibit
- Current Future Land Use Plan Module Diagram
- Proposed Future Land Use Plan Module Diagram
- Proposed Comprehensive Plan Table of Contents and Section 1 (Introduction)
- Comprehensive Plan TOC and Section 1 (Redline)
- Proposed Comprehensive Plan Section 7 (Land Use Element)
- Comprehensive Plan Section 7 (Redline)
- Comprehensive Plan Section 8 (Redline)
- Proposed Comprehensive Plan Section 8 (Transportation)
- Comprehensive Plan Section 11 (Redline)
- Proposed Comprehensive Plan Section 11 (Urban Design)
- Comprehensive Plan Multi-Family Policy (Redline)
- Proposed Comprehensive Plan Multi-Family Policy
- PowerPoint Presentation