

PLANNING & ZONING COMMISSION MEETING OF 03/13/2012 AGENDA ITEM #12-036Z

**AGENDA ITEM**

**TO:** Planning and Zoning Commission

**THROUGH:** Brandon Opiela, Senior Planner

**FROM:** Anthony Satarino, Planner

**SUBJECT:** Conduct a Public Hearing to Consider/Discuss/Act on the Request by Y Street Ventures, L.L.C., on Behalf of Sterling Trust Company, for Approval of a Request to Rezone Approximately 0.35 Acres from "BG" – General Business District and "H" – Historic Preservation Overlay District to "CHD" – Commercial Historic District and "H" – Historic Preservation Overlay District, Generally to Modify the Development Standards, Located on the Southeast Corner of Johnson Street and Louisiana Street.

**APPROVAL PROCESS:** The recommendation of the Planning and Zoning Commission will be forwarded to the City Council for consideration at the April 3, 2012 meeting.

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

1. The subject property shall be developed accordance with Section 146-96 "CHD" - Commercial Historic District and Section 146-97 "H" – Historic Preservation Overlay District of the Zoning Ordinance, and as amended.

**APPLICATION SUBMITTAL DATE:** February 13, 2012 (Original Application)

**ITEM SUMMARY:** The applicant is proposing to rezone approximately 0.35 acres of land from "BG" – General Business District and "H" – Historic Preservation Overlay District to "CHD" – Commercial Historic District and "H" – Historic Preservation Overlay District to utilize the existing building for restaurant and retail uses.

The building (approximately 15,000 square feet) was constructed circa 1925 for office and commercial purposes. The building was previously used as an office and is currently vacant. The change of use from office use to restaurant and retail uses requires a site plan to be approved for the subject property, ultimately triggering non-conformance and redevelopment issues. Thus, the applicant has chosen to rezone the property.

Since the building on the property was constructed prior to the adoption of the Zoning Ordinance, it developed in a manner similar to other buildings in McKinney’s historic downtown, but was not included as one of the parcels in the original “CHD” district. As a point of reference, the properties to the north and west of the subject property are currently designated as “CHD” - Commercial Historic District. Another property located along Louisiana Street, approximately 200 feet east of the subject property, was rezoned in 2009 to the “CHD” – Commercial Historic District and is now the site of the Dawgs N’ Hawgs restaurant.

The Commercial Historic District, coupled with the Historic Preservation Overlay District, is intended to ensure the development, redevelopment, and renovations within the downtown area are consistent with the historic character of the city’s original business district and the surrounding area.

**PLATTING STATUS:** The subject property is currently platted as Lots 129A, 129B, 130A, 130B & 131B, Block 20 of the McKinney Old Donation.

**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 and “H” – Historic Preservation Overlay District (existing vacant building)

|       |   |   |
|-------|---|---|
| North | “CHD” - Commercial Historic District and “H” – Historic Preservation Overlay District | Doug and Lynda’s Ski Shop<br><br>Jenny Lynn’s Fabrics |
| South | “BG” – General Business District and “H” – Historic Preservation Overlay District     | Public Parking Lot                                    |
| East  | “BG” – General Business District and “H” – Historic Preservation Overlay District     | Private Parking Lot                                   |
| West  | “CHD” – General Business District and “H” – Historic Preservation Overlay District    | The Pantry Restaurant                                 |

Discussion: The proposed restaurant and retail uses are an allowed use under the existing designation of “BG” – General Business District as well as the proposed “CHD” – Commercial Historic District, per the City of McKinney Zoning Ordinance.

**PROPOSED ZONING:** The applicant is requesting to rezone the subject property from “BG” – General Business District and “H” – Historic Preservation Overlay District to “CHD” - Commercial Historic District and “H” – Historic Preservation Overlay District.

The existing building is designated as legal non-conforming structure; therefore space limitations, off-street loading spaces, and landscaping will not apply when the site plan is reviewed for conformance with the Zoning Ordinance regulations.

Off-street parking, however, cannot be exempted by the non-conforming structure status. Rezoning the subject property to the “CHD” – Commercial Historic District will allow the proposed restaurant and retail uses, that are currently unable to meet the parking standards in the “BG” – General Business District, to locate within the building. Under the proposed “CHD” 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.

Given that the subject property has been developed for almost 90 years and is located within the downtown core area, Staff 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:** The proposed rezoning request is generally in conformance with the goals and objectives of the Comprehensive Plan. 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 objective of the Comprehensive Plan, a “balanced development pattern”.
- **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 the adaptive reuse/rehabilitation of vacant/underutilized buildings in and around downtown. As illustrated in the vision, this segment of Louisiana 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 will help to strengthen the economic activity and pedestrian movement along Louisiana 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 Future Land Use Plan (FLUP) designates the subject property generally for commercial uses. The water master plan, sewer master plan, and master thoroughfare plan are all based on the anticipated land uses as shown on the Future Land Use Plan. The proposed rezoning request does not alter the projected land use, and should have a minimal impact on the existing and planned water, sewer and thoroughfare plans in the area.
- Impact on Public Facilities/Services: The Future Land Use Plan (FLUP) designates the subject property generally for commercial uses. Similar to infrastructure, public facilities and services are all planned for based on the anticipated land uses shown on the Future Land Use Plan. The proposed rezoning request does not alter the projected land use and, thus, should have 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 uses. The proposed rezoning request will not alter the land use from what has been planned for the subject property. Because the subject property and adjacent land uses are zoned for similar commercial uses, Staff is of the opinion the requested provisions will be compatible with existing and future development.
- Fiscal Analysis: Staff feels that there will not be a significant change in the economic impact associated with the proposed rezoning request since it does not alter the land use. Staff did not perform a fiscal analysis for this case because the rezoning request does not alter the base commercial zoning of the subject property.
- Concentration of a Use: The proposed rezoning request will not change the concentration of commercial land uses in the area. Currently, the subject property and the surrounding properties are zoned generally for commercial uses.

**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 no comments or phone calls in support of or opposition to this request.

**ATTACHMENTS:**

- Maps

- Letter of Intent
- Aerial View of the Subject Property
- Site Layout Exhibit
- PowerPoint Presentation