

PLANNING AND ZONING COMMISSION

NOVEMBER 14, 2017

16-289Z4 Conduct a Public Hearing to Consider/Discuss/Act on a Request to Rezone the Subject Property from "ML" - Light Manufacturing and "RG-18" - General Residence District to "PD" - Planned Development District to allow for Multi-Family, Live/Work and Retail Mixed Uses, Generally Located on the Southwest Corner of U.S. Highway 380 (University Drive) and Throckmorton Street

Mr. Matt Robinson, Planning Manager for the City of McKinney, explained the proposed rezoning request. He also gave a brief background on this request. Mr. Robinson stated that the applicant was requesting to rezone approximately 12.75 acres of land from "ML" – Light Manufacturing and "RG-18" – General Residence District to "PD" – Planned Development District, generally to allow for a mix of multi-family apartments, live/work dwellings, and retail uses. He stated that the generic concept plan shows the property being broken up into two development tracts. Mr. Robinson stated that Tract 2 would consist solely of multi-family uses. He stated that Tract 1 is proposed to have a mixture of mixed use retail, live/work, office, with multi-family residential on the upper floors. Mr. Robinson stated that as part of the development regulations the applicant has proposed special ordinance provisions consisting of maximum building heights for multi-family structures being raised from two stories to three stories, no requirement for enclosed parking spaces, establish a vehicle parking guidelines at 1.7 parking spaces per residential unit as opposed to 1 parking space per unit and 0.5 space per bedroom, 50 percent of units in Tract 2 will have direct ground floor access, all buildings within Tract 2 will have 65 percent masonry up front the 50 percent masonry of the multi-family units, and proposed an internal trail system. He stated that Staff has concerns related to the request for the area along U.S. Highway 380 (University Drive). Mr. Robinson stated that the Future Land Use Plan (FLUP) shows this area to be "ML" – Light Manufacturing uses. He stated that Staff also have concerns about conformance with the multi-family policy, which states that if the request is in non-compliance with the Future Land Use Plan (FLUP) the proposed project should be recommended for denial. Mr. Robinson stated that in addition to those elements, Staff has additional concerns related to the proximity to the industrial uses along this corridor. He stated that Hisun Motors was located to the west of the subject property. Mr. Robinson stated that Watson & Chalin was located to

the north of the subject property. He stated that Lattimore Materials Company was located further to the east of the subject property. Mr. Robinson stated that the nearby corridor was planned for industrial uses. He stated that Staff was recommending denial of the proposed rezoning request and offered to answer questions.

Commission Member Smith stated that the Commission was provided with a comparison of uses table for the "MF-3" - versus "RG-18" – General Residence District. She stated that the boarding house use was the only use in "MF-3" that is not part of the "RG-18" – General Residence District uses. Commission Member Smith asked if that was correct. Mr. Robinson stated that he believed that was correct. He stated that Tract 2 would solely follow the "MF-3" standards. Mr. Robinson stated that the uses highlighted in yellow on the comparison table would also be allowed on Tract 1.

Vice-Chairman Mantzey asked if both tracts would be developed concurrently or developed at separate times. Mr. Robinson stated that they could be developed at separate times. He stated that the two points of access the Fire Department requires could be an issue if the tracts were developed at different times. Mr. Robinson stated that the conceptual site plan shows an entrance off of U.S. Highway 380 (University Drive) and another one off of Throckmorton Street.

Commission Member Kuykendall stated that City Council and residents had really stressed the need for balancing the City's tax base by bringing more jobs to the City. She asked about the economic impact of rezoning the property from light industrial to multi-family uses. Mr. Robinson stated that under the current zoning district the entire property would be developed for non-residential uses. He stated that with the proposed rezoning request the applicant was proposing a minimum of 12,000 square foot of retail/commercial type of uses and the remainder would be the live/work units. Mr. Robinson stated that there could be a significant decrease in the amount of non-residential taxable property for the site.

Commission Member Kuykendall asked if there had been issues filling with other similar developments filling the commercial spaces. Mr. Robinson stated that it depends on location and the market. He stated that Staff has concerns about the proposed commercial use surrounded by all of the industrial uses.

Commission Member Zepp asked how many units would be allowed for Tract 2 under the existing zoning. Mr. Robinson stated that it has a maximum density of 24 dwelling units per acre.

Commission Member Zepp asked what density the applicant was proposing. Mr. Robinson stated that they were proposing a maximum of 220 dwelling units for Tract 1 and Tract 2.

Commission Member Zepp asked if this type of zoning would not be desired in another part of the City. Mr. Robinson stated that it would depend. He stated that the subject property was surrounded by light manufacturing, heavy manufacturing, and a small amount of residential to the south. Mr. Robinson stated that entire corridor was zoned for industrial type uses. He stated that the light manufacturing zoning district is pretty permissive as it stands now.

Mr. Bob Roeder; Abernathy, Roeder, Boyd & Hullett, P.C.; 1700 Redbud Boulevard.; McKinney, TX; explained the rezoning request. He stated that the Staff Report was thorough in its description of the project. Mr. Roeder stated that this is an affordable housing project. He stated that it is designed to be in the sector of McKinney which it is located. Mr. Roeder stated that he did not feel that Staff objected to the proposed modifications for Tract 2. He stated that this is what we typically see in affordable housing developments. Mr. Roeder stated that he would like to focus his attention on Tract 1, which is adjacent to U.S. Highway 380 (University Drive). He stated that the western boundary of Tract 1 abuts a railroad trestle. Mr. Roeder stated that the railroad trestle is approximately 20 to 25 feet above the level of U.S. Highway 380 (University Drive); therefore, the northwestern corner of Tract 1 sits approximately 25 feet above the level of U.S. Highway 380 (University Drive). He stated that the property gradually tapers down to the elevation of U.S. Highway 380 (University Drive) about halfway through the property. Mr. Roeder stated that there is a drainage area on the south side of the property, which goes back into U.S. Highway 380 (University Drive) before it gets to Throckmorton Street. He stated that one of the issues for the property is getting the two points of access. Mr. Roeder stated that they were proposing to span the drainage way with a road going back to a multi-family project. He stated that there was no doubt that U.S. Highway 380 (University Drive) in this location was primarily designed

or used for light manufacturing. Mr. Roeder stated that he felt the only commercial use that would go on this property would be self-storage. He stated that there was not good access to the property coming westbound on U.S. Highway 380 (University Drive). Mr. Roeder stated that there was a median opening close to the intersection at Throckmorton Street that there was not much of a chance in getting a dedicated left turn lane to be able to stack vehicles to cross U.S. Highway 380 (University Drive) for access to this tract. He stated that there probably would be a straight entrance from the east. Mr. Roeder stated that the elevation to the west is not conducive to site lines or having any type of business that requires drive by visibility. He stated that the eastern edge of the property was conducive to that. Mr. Roeder stated that was why they were proposing a mixed use, retail/commercial ground floor building in that location. He stated that they were proposing live/work units in the western portion of the property where the grade is extreme. Mr. Roeder stated that they would require a separate office attached to the unit. He stated that it would require a ground floor commercial grade front with a separate entrance. Mr. Roeder stated that it could not include a kitchen area. He stated that a live/work unit would be new to McKinney. Mr. Roeder stated that it would allow someone with a personal service business that wants to consolidate their office and home life. He stated that it would get some economies of scale and expense. Mr. Roeder felt that this area would be very appreciative of that kind of opportunity. He stated that the retail building to the west would be a podium style building. Mr. Roeder stated that the second floor building would be a concrete podium style building that would be raised to the height that the Fire Department requires. He stated that a fire lane goes between and under that building. Mr. Roeder stated that the first floor would be retail with the exception on one single dwelling unit on the southwest corner due to a U.S. Department of Housing and Urban Development (HUD) requirement. He stated that the concept of the subject property ever being developed for a significant commercial use is probably negligible. Mr. Roeder stated that they could put a 1,000 square foot building there and conform to the Zoning Ordinance, which would not be much of a tax base. He stated that he was slightly jaded by some of the calculations that the City does for cost benefit and tax base analyses on these kinds of properties. Mr. Roeder stated that to assume that the whole property was going to develop for a commercial purpose was a questionable assumption. He

stated that in Tract 2 one of the architectural features required in the development regulations that at least 50 percent of the buildings have ground floor entrances for all of the units. Mr. Roeder stated that those are three story buildings. He stated that if they have a two-story studio above a first floor, then the two-story studio needs a ground floor entrance. Mr. Roeder stated that those have been designed to look and function like townhouses, where everyone has their own ground floor entrance. He stated that this would be a very well designed product based upon the development regulations. Mr. Roeder stated that it would be a tax credit project. He stated that the McKinney Housing Authority has agreed to participate in the project. Mr. Roeder asked for the Commission's favorable recommendation and offered to answer questions.

Alternate Commission Member McReynolds asked for the depth of the proposed live/work buildings. Mr. Roeder stated that there was a 24 foot fire lane on the north side in between the parking, so he thought that it was approximately 60 feet deep.

Alternate Commission Member McReynolds asked if the creek on the property as a typically dry creek. Mr. Roeder stated that it is a dry creek; however, it is very deep. Alternate Commission Member McReynolds asked if they were proposing a design feature for the creek where it would have water in it all the time. Mr. Roeder said no. He stated that he was unaware of them planning to have water in it, since it was a drainage area. Mr. Roeder stated that they were planning to install some trails along the side of it. He stated that this area was very heavily wood with some nice big trees. Mr. Roeder stated that it would be a very nice amenity for both sides of the drainage area.

Commission Member Zepp asked if Tract 2 was developed first if it would require two entrances. Mr. Roeder said yes.

Commission Member Zepp asked if there would be enough room to have two entrances off of Throckmorton Street to Tract 2 if it was the only one being developed. Mr. Roeder stated that the second entrance would probably have to come in off of Center Street. He stated that currently that street does not go anywhere due to undeveloped property.

Commission Member Zepp asked if effectively they would then be limited to one entrance. Mr. Roeder stated that was correct.

Chairman Cox opened the public hearing and called for comments. There being none, on a motion by Vice-Chairman Mantzey, seconded by Commission Member Zepp, the Commission voted unanimously to close the public hearing, with a vote of 7-0-0.

Alternate Commission Member McReynolds stated that when the zoning previously came before the Commission and was requested to be tabled that there had been several residents that attended the meeting in support of the request. He stated that he is in favor of the proposed rezoning request. Alternate Commission Member McReynolds stated that he knows that the City has plans in that area for an industrial corridor. He stated that the current industrial uses are not attractive. Alternate Commission Member McReynolds stated that he looks at how the major avenues that come into McKinney represent the City. He stated that something like this, where you have a live/work units that the people in McKinney can use those shops, you will have a higher probability of people in the area coming to shop there versus a more light industrial/warehouse type of feel. Alternate Commission Member McReynolds stated that it may service the community more. He stated that he was in favor on the proposed development.

Commission Member Zepp stated that Alternate Commission Member McReynolds made a good point of this being one of the entrances to the City. He stated that it may have looked good to have all of the industrial on U.S. Highway 380 (University Drive) when it was a small highway going nowhere. Commission Member Zepp stated that now it is one of the major entrances to the City. He stated that the proposed use in Tract 1 was very innovative. Commission Member Zepp stated that someone that comes up with a good idea for the property should be rewarded for it. He stated that he had concerns that if we do not allow the egress from Tract 1 to Tract 2 that it would be very hard to develop Tract 2. Commission Member Zepp stated that having affordable housing in McKinney was a worthwhile objective. He stated that he did see why this might be different than the other uses around it. Commission Member Zepp stated that he was in favor of the proposed rezoning request.

Vice-Chairman Mantzey stated that there was no doubt that the City of McKinney is in need of affordable housing. He stated that he had concerns that it all seemed to be located in far east McKinney. Vice-Chairman Mantzey stated that he knew there were

challenges to getting affordable house to the west side of McKinney. He stated that he was unsure whether that it was closer to industrial uses or draws from it. Vice-Chairman Mantzey stated that there is always concerns about having residential near manufacturing. He stated that he was in favor of the request since the McKinney Housing Authority has shown interest in the development, there is a need for affordable house, and the challenges for developing the tracts for anything else.

Chairman Cox stated that he also agrees with the applicant. He stated that as a City we are talking about creating jobs and growing our commercial tax base. Chairman Cox stated that what is not talked about is where the employees live. He questioned how far they have to drive to come to McKinney to work. Chairman Cox stated that the applicant is taking a chance. He stated that he applauds them for putting together this plan that is needed in this area. Chairman Cox stated that the area is slated for something different; however, given the fact that we have a shortage of places for employees to live he applauds the applicant. He stated that he was in favor of the proposed rezoning request.

Commission Member Kuykendall stated that she has heard comments that we need affordable housing in McKinney. She asked Staff how many affordable housing developments that have occurred over the past five years and if it was significant. Mr. Robinson stated that would be tough to say. He stated that he was unaware of all of the affordable housing developments. Mr. Robinson stated that Newsome Homes and Merritt Homes come to mind. He asked Mr. Michael Quint, Executive Director of Development Services, if he knew any others off the top of his head. Mr. Quint stated that Millennium One and Millennium Two, which is now called Post Oak. He stated that he did not have the numbers in front of him; however, he would guess that approximately 750 affordable housing units were located on the west side of McKinney.

Commission Member Kuykendall stated that she feels that McKinney does a good job of expressing the commitment to all types of housing. She stated that she shares Staff's concerns that is outlined extensively in the Staff Report. Commission Member Kuykendall stated that she was not in favor of the proposed rezoning request.

Commission Member Cobbel stated that she has stressed several times that she is a fan of the live/work/play concept. She stated that this was a great location for it.

Commission Member Cobbel stated that this area is definitely in need of affordable housing. She stated that it gives easy access to and from industrial places to work. Commission Member Cobbel stated that transportation can be difficult around here. She felt it would be very difficult to develop it in a way that says industrial is needed along U.S. Highway 380 (University Drive). Commission Member Cobbel concurred with Alternate Commission Member McReynolds comment about it being a main entrance into McKinney. She stated that it is a very innovative, modern, updated and welcoming design. Commission Member Cobbel stated that she was in favor of the proposed rezoning request.

On a motion by Alternate Commission Member McReynolds, seconded by Commission Member Zepp, the Commission voted to recommend approval of the proposed rezoning request as requested by the applicant, with a vote of 5-2-0. Commission Members Kuykendall and Smith voted against the motion.

Chairman Cox stated that the recommendation of the Planning and Zoning Commission will be forwarded to the City Council meeting on December 5, 2017.