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August 13, 2011

Ms. Jennifer Cox
Director of Planning
City of McKinney
308 North Tennessee
McKinney, Texas 75069

Re: Revised Letter of Intent - Zoning Application for approximately 7.4799 acres east of Hwy 75 and north of Wilmeth Road – Quik Trip

Dear Ms. Cox:

Background / Existing Zoning:

This revised letter is submitted in response to Staff comments relative to the zoning application filed July 25, 2011 for the referenced property located adjacent to the east side of Hwy 75 (Central Expressway) and adjacent to the north side of Wilmeth road, the northeast corner of the intersection), now reduced to approximately 7.4799 acres (property legal description attached with zoning application). This property is a vacant parcel that has never been used for purposes other than agriculture. The property is currently zoned “C” Planned Center, consistent with much of the Hwy 75 corridor. It is noted that the overall parcel of which this tract is a portion extends over to Redbud Blvd, but only the tract described on the accompanying legal description is proposed to be included in the requested PD zoning; the remaining portions of the parcel will continue under the existing “C – Planned Center” zoning.

The existing zoning allows for a broad range of highway oriented uses and would appear to adequately zoning for the intended purposes, except the City Zoning Ordinance does not allow for Travel center uses and the existing convenience store / fuel sales uses that are allowed by right apparently does not accommodate truck fueling. Thus, we are requesting this tract be zoned as a “PD”, Planned Development under the revised draft set of “PD” regulations attached hereto to allow the needed use on the property.

PD Request Rationale:

We believe that the provision of the City PD ordinance requiring a level of exceptional quality or innovation, including considerations such as enhanced landscaping, architectural design, etc has been met. Specifically, the level of “green space” being proposed is more than double the required space and if the green space lot shown to the northwest were included in the calculation, the green space would be than three time the requirement of City ordinances; additionally, the number of trees to create a pleasing vertical component to the landscape is at least a third more than required. The building represents the latest architectural design in convenience store facilities including innovative marketing components, such as a personal “barista” to prepare custom coffee beverages typically only found at “specialty coffee outlets”. The innovative “Travel Center” concept and this specific design for this site provides for appropriate separation of vehicle types, ingress-egress for the respective vehicles using the site, the highest design standards in the industry for drive and parking areas, and exceptionally high quality building materials (complete palate of materials is available if needed).

Additionally, as noted in earlier paragraphs, the existing “C” zoning accommodates all the required “Travel Center” uses except for truck fueling. The only existing zoning category that would accommodate such use would be the industrial zoning category; however, we prefer to not pursue such a drastic zoning change along Hwy 75. While industrial uses are only 1000 to 1200 feet to the east of Hwy 75, we believe keeping the Hwy 75 corridor in the “C” category and providing for the requested additional use via a PD is more desirable for the area.

Proposed Land Use:

The Planned Development (PD) proposed will include all the existing uses provided for in the “C” zoning classification on subject property plus will provide specific criteria for the Travel Center use as proposed. This application is submitted through the property owner to allow Quik Trip (QT) to construct the latest concept in travel centers. The actual Travel Center will sit on approximately 7.4799 acres of the overall parcel. The remaining property will to the east (5.54 acres) and to the northwest (1.0922 acres) will be held and eventually developed into other “C” permitted uses. Upon platting, it is expected that there will be three separate tracts; although the 1.0922 acre tract may simply be kept as part of the QT site tract with uses limited to the more restrictive “C” zoning.

Project Need:

Hwy 75 is clearly in need of this type use and following extensive site analysis, we believe the NE intersection of Hwy 75 and Wilmeth Rd to be the best location available and the most appropriate site in McKinney for this use. QT is acknowledged as being among the finest operators in the country for fueling and convenience stores. In the last few years, QT has added the “Travel Center” concept to their growing chain. It is noted that QT is a privately held company and closely monitors all their operations to assure the highest standards of service, cleanliness, and fuel quality are met.

McKinney is trisected by four state highways lying within three distinct right of way corridors with Hwy 75 being a major north south State / US highway and Hwy 380 being a major route across the state and specifically serves as a TXDOT diversion for traffic from Interstate 30 to Interstate 35 to avoid the downtown Dallas interchanges. Additionally, McKinney has thousands of acres of land devoted to and zoned for warehouse, industrial, manufacturing, distribution, and office-warehouse uses all of which are dependent on truck traffic delivering raw materials for processing or materials for distribution and truck traffic picking up these materials and products for distribution.

With a high dependence on truck traffic for all types of commerce, McKinney does not have a single facility designed for the fueling of the truck traffic generated by community business. A quality truck fueling facility should in fact be considered an ancillary use to the community's industrial and warehouse base. The location proposed is not in proximity to any residential or other sensitive land uses. In fact, with the re-construction of Hwy 75 now underway and the associated construction and modified routing of Wilmeth (75 will go over Wilmeth), visibility of the site will be highly restricted from the west side of Hwy 75 and the east side of Hwy 75 is very much an industrial and heavy commercial use into which the proposed travel center will blend. This use will be a positive contributor to the local economy, will provide essential services, and will be constructed in a manner that will be a complement to the community.

PD Regulations:

The PD regulations spell out the specific allowable items for the travel center. Additionally, we have included specific items that are not permitted. The excluded items are frequently associated with "truck stops", whereas the travel center concept focuses on "family-oriented" and diversified business activities of fuel and convenience store sales while accommodating truck fueling. It is specifically noted that we are limiting non-fuel truck parking to twenty spaces to accommodate the user to shop in the convenience store and avail themselves of the broadest range of Quik Trip beverages, and food and specialty merchandise. For example, the range of beverages includes specialty coffee drinks dispensed by both machine and a barista. Further, over-night parking is prohibited and there are no shower facilities or sleeping bunks planned or permitted on the property. These prohibitions eliminate the undesirable components of truck traffic and are tightly enforced by 24 hour on-site management assuring the regulations are maintained.

Sign Ordinance Concerns / Issues:

It is noted that the reconstruction of Hwy 75 renders much of the City Sign Ordinance regulating pole signs on major highways as ineffective and out of date. While the City has a history of positive control of signage and the aged ordinance has served the City well, it is important to recognize that the height and size limitation provisions along Hwy 75 and perhaps other areas were determined based on site lines and visibility circumstances that are now obsolete with the new design criteria for Hwy 75. For example:

- Bridge height and highway elevations are significantly higher than existed when the current criteria were drafted.

- Exit ramps have been relocated (for good purpose) in contemporary highway design to much greater distances from intersections; while this allows enhanced access along the service roads and greater stacking areas for speed deceleration and traffic control, it is more difficult for key product marketers to attract users as needed to maximize our community's sales tax generation and sustain healthy business activity.
- Bridge height and special concerns dictate a somewhat higher and larger sign at key locations.

Thus, we have incorporated a set of draft criteria to serve as a sign overlay for this PD. We recognize that the City typically considers deviations from the sign ordinance by variance, although we understand there have been exceptions to the norm. We request that the City Staff discuss the options with the City Attorney as to possible inclusion of these sign provisions in the PD versus a sign variance request. Should the City Attorney determine that the variance approach is the only method of consideration, we will submit a sign variance request under the provision that it be considered on the same City Council agenda as this zoning request.

It is our suggestion that the City use these criteria as a test case to monitor and subsequently amend the applicable sign ordinance provisions for a Hwy 75 overlay to the sign ordinance. Real life cases such as this will allow the City to capture actual use and visibility realities and thus make amendments based on actual real circumstances. The requested considerations are minimal allowances beyond the current ordinance, but we believe these changes are sufficient to address the realities of the new Hwy 75 design and construction standards.

Summary / Benefits to City:

The proposed Travel Center use is a real need and will provide McKinney with the latest high quality design. We would appreciate the opportunity to take staff or policy makers to other QT travel centers in the DFW region.

Finally, it is important to note that a QT Travel Center (about 7.4799 acres) will generate:

- The same or more taxable value as an equivalent sized industrial or warehouse development (estimated 8 million in real property investment).
- Intensive personal property in the store.
- Very attractive sales tax (based on historical values of QT travel centers versus typical fuel outlets).
- Positive employment – one manager and up to five assistant managers to assure management on site 24 hours a day; approximately seven full time equivalent clerks (spread over eight to ten different employees).
- Payroll exceeding \$400,000 / year plus unusually positive benefits for the employees including incentives and educational incentive to encourage upward mobility for all employees.

Attached with the zoning application are building elevations of all views of the proposed building. It will be noted that QT has proposed a high quality structure, designed to be aesthetically pleasing, user friendly, and highly maintainable. We believe all materials meet all City architectural standards. An existing QT facility that is closest to the proposed building is the recently opened site at the southwest intersection of Hwy 121 and Coit Rd.

It is requested that both this zoning case be processed and be placed on the August 23, 2011 P & Z agenda and ultimately on the September 20, 2011 City Council agenda. I will be pleased to meet with you or your staff to discuss this matter as requested. Your consideration and support in these matters will be greatly appreciated. We stand ready to assist in your review.

Sincerely,

A handwritten signature in cursive script, reading "Donald E. Paschal, Jr.", written in dark ink.

Donald E. Paschal, Jr.
Property / Project Representative and Applicant Representing Property Ownership and
Proposed User

Zoning and Land Use Summary

Draft PD Regulations for Ordinance – Revised Aug 10, 2011

Land Uses on the approximate 7.4799 acre tract (325,823 SF) at the northeast corner of Hwy 75 and Wilmeth Rd shall be as follows:

- I. Permitted Uses – All uses in the “C” zoning classification shall be authorized, plus the following Travel Center Uses:
 - A. Diesel truck fueling up to a maximum of 8 diesel filling stations
 - B. Temporary truck parking up to a maximum of 20 spaces not associated with fueling
 - C. Truck scales integrated as part of truck fueling area
 - D. It is specifically noted that the following shall not be permitted:
 1. Showers shall not be authorized as part of the building facilities or on the Travel Center Property.
 2. Overnight truck parking shall not be permitted on the Travel Center Property.

- II. Signage overlay – The McKinney Sign Ordinance, Section 134 of the Code of Ordinances shall be applicable except for the following provisions which shall be applied property covered by these regulations:
 - A. Combining the two frontages of Hwy 75 and Wilmeth Rd into a single “pole sign” shall allow said sign to be a maximum of 225 SF per side (two sides). The height of said sign shall be a maximum of 65 feet.
 - B. A single ground sign up to a maximum of 100 SF shall be allowed and shall meet the design criteria of the sign ordinance.