

Planning and Zoning Commission Meeting Minutes of September 11, 2018:

Alternate Commission Member Franklin stepped down on the following item due to a possible conflict of interest.

18-0107Z Conduct a Public Hearing to Consider/Discuss/Act on a Request to Rezone the Subject Property from "PD" - Planned Development District, "REC" - Regional Employment Center Overlay District and "CC" - Corridor Commercial Overlay District to "PD" - Planned Development District and "CC" - Corridor Commercial Overlay District, Generally to Allow for Communication Tower, Utility Substation, and Commercial Uses, Located on the Southwest Corner of McKinney Ranch Parkway and State Highway 121 (Sam Rayburn Tollway). Mr. David Soto, Planner I for the City of McKinney, explained the proposed rezoning request. He stated that the applicant is requesting to rezone the property to "PD" – Planned Development District to allow for a utility substation, communications tower, and commercial uses. Mr. Soto stated that the current "PD" – Planned Development District zoning also allows commercial uses; however, requires the property to develop in accordance with the existing layout exhibit that designates specific non-residential (office and retail uses) and multi-family residential uses in certain locations on the property. He stated that while the "REC" – Regional Employment Center Overlay District is no longer in effect moving forward, the intent of the existing "PD" – Planned Development District is still applicable today. Mr. Soto stated

that it was meant to create a mixed-use development at a key intersection and entry point of the City. Mr. Soto stated that the City is paying particular attention to the development patterns that are emerging in this area. He stated that recent projects such as the McKinney Independent School District's Stadium and HUB 121 have set the stage for a mixed-use environment that focuses on retail, office, and entertainment uses. Mr. Soto stated that there are two substations to the west along State Highway 121 (Sam Rayburn Tollway). Mr. Soto stated that although Staff understands the demand for utility services in the area, it is also Staff's opinion that the proposed utility substation may reduce the capacity for commercial uses, impede meaningful development, and encourage further utility and incidental uses in this location. He stated that with these factors in mind, Staff recommends denial of the proposed rezoning request and offered to answer questions. Commission Member McCall asked if the residents in the adjacent multi-family development were contacted about this request. Mr. Soto stated that all property owners within 200' of the subject property were sent a notification in the mail. Ms. Samantha Pickett, Planning Manager for the City of McKinney, clarified that the property owner would have received the notification and not the individual tenants. Mr. Martin Sanchez, Sanchez and Associates, 2000 N. McDonald Street, McKinney, TX, explained the proposed rezoning request. He stated that they had been working on this location for approximately two years. Mr. Sanchez stated that the plat for the subject

property was approved about a month ago. He stated that the current zoning on the property was approved in 2002 and back then the protocol was to attach a sketch to the subject zoning. Mr. Sanchez stated that over the years the sketch has taken on a different life and now confuses the issue of what is and isn't allowed on the property. He stated that Staff suggested that the property be rezoned and the sketch removed. Mr. Sanchez pointed out the area where Grayson-Collin Electric Company (GCEC) has to provide electricity to in this area. He stated that the current substation provides electricity to the McKinney Independent School District (MISD) Stadium, two multi-family developments nearby, and all future commercial developments. Mr. Sanchez stated that Grayson-Collin Electric Company (GCEC) is doing this off of a meter from Oncor. He stated that Oncor has notified Grayson-Collin Electric Company (GCEC) that they need their own substation due to them exceeding their utility capabilities to service these areas. Mr. Sanchez stated that we might not like or want it in this area; however, it is needed here for future development to occur. He stated that there is an elementary school on Hardin Boulevard just north of McKinney Ranch Parkway that is serviced by Grayson-Collin Electric Company (GCEC). Mr. Sanchez stated it also provides electricity to the lift station that manages all of the sewers in that drainage basin. He stated that they proposed the facility as close to the overhead powerlines as possible and behind the multi-family parking. Mr. Sanchez felt that this would be the least obtrusive location for the utility

substation. He stated that the proposed communication tower is for the sole use of the electric company. Commission Member McCall asked if they had looked for other locations for the utility substation. Mr. Sanchez stated that they had looked for other locations; however, he felt this was the best location available to minimize the impact. He explained how the proposed utility substation was initially proposed on the site and why they tilted it to help minimize the view as much as possible. Mr. Sanchez stated that they were requesting straight zoning and the only concession that they were asking for was the utility substation to provide electricity to the area. He offered to answer questions. Commission Member McReynolds asked what other locations had they considered for the utility substation. Mr. Sanchez stated that they had considered the site on the west side of power poles. He stated that would have located the substation on Collin McKinney Parkway. Mr. Sanchez stated that it would have been against an arterial with the same challenges as the current site. He stated that they had also considered sites along Lake Forest Drive; however, that also had the same issues. Mr. Sanchez stated that his client is having to purchase approximately 8,000 square feet of property adjacent to the subject property to have access to the power poles. Commission Member McReynolds asked how much would be buildable on the remaining property. Mr. Sanchez stated that they should be able to have a pad site to the south of the proposed utility substation and there would be lots of room to the east for future development. He stated that he is hoping for a

future hotel development at the hard corner of the southbound feeder road to U.S. Highway 75 (Central Expressway) and McKinney Ranch Parkway. Mr. Sanchez stated that a restaurant or two could be located next to the future hotel. Commission Member McReynolds asked what people might see as they drove by the proposed utility substation. Ms. Sanchez stated that landscaping would be located up front with an 8' masonry screening wall. He stated that they proposed additional trees where they could on the property. Mr. Sanchez stated that the proposed communications tower would be located in the northern area of the property. He stated that people will see the face of a substation. Mr. Sanchez gave the example of the substation west of Custer Road and some located in Frisco where you see them on the overpasses. He stated that we have to have electricity to these areas. Commission Member McReynolds asked for the height of the tower. Mr. Sanchez stated that the proposed ordinance states that it would be no greater than 80', which is roughly three stories. He stated that the tower had not been designed as of yet and that he did not believe that the tower would be 80' tall. Commission Member McReynolds asked what could be seen over the 8' tall screening fence. Mr. Sanchez stated that there would be some electrical equipment that would be taller than 8' and would connect to the nearby powerlines that would be visible. He stated that there would not be an office for the utility substation, additional buildings, and no employees would be working there on a full-time basis. Commission Member McReynolds asked if a

restaurant or commercial building was built in front of the utility substation what might still be visible. Mr. Sanchez stated that if the lot to the south was developed that it would help minimize the impact of the utility substation. He stated that a building located in front would help mask a utility substation building behind it; however the tower would still be visible. Vice-Chairman Mantzey wanted to clarify that McKinney Independent School District would still be able to play football games at night and there would be sewer in the area without the proposed utility substation. Mr. Sanchez said yes; however, they are almost out of power. Vice-Chairman Mantzey wanted to clarify that they are not currently out of power. Mr. Sanchez stated that they are not out of power as of yet. Vice-Chairman Mantzey asked if nothing could be built on this corner without additional capacity. He stated that no, not without additional electrical capacity. Vice-Chairman Mantzey asked if this capacity would be for the Allen mixed-use development to the south. Mr. Sanchez stated that was on a different substation. He stated that everything in green on his Grayson-Collin Electric Company (GCEC) presentation were where the proposed utility substation would provide power. Mr. Sanchez reiterated that Oncor was telling Grayson-Collin Electric Company (GCEC) that they are almost out of power. Commission Member Smith asked how long they had been favoring this site for the utility substation. Mr. Sanchez stated that for approximately 16 – 18 months they have been working on this site. Commission Member Smith asked if the whole time they had been working

on the site if they had been receiving a negative recommendation from Staff. Mr. Jennifer Arnold, Interim Director of Planning for the City of McKinney, stated that when Mr. Sanchez speaks about working on the site for approximate two years that Staff had not received a submittal during that whole two years. She stated that the Grayson-Collin Electric Company (GCEC) visited with City Council at a Work Session in February 2017 to discuss the possibility of a utility substation on this site; however, Staff did not receive a submittal for this location until approximately three months ago. Mr. Sanchez stated that a plat submittal for the property was prepared during the last quarter of 2017; however, due to some delays from the buyer and seller of the property, the plat did not move forward. Mr. Sanchez stated that they started back up on the project in March 2018. He stated that the plat was approved 6 – 8 weeks ago. He stated that he and Staff decided to rezone the whole property to clean it up. Mr. Sanchez stated that Staff notified him approximately 6 – 8 weeks ago that they still had a policy issue regarding the proposed utility substation and would not be able to recommend approval of it. He stated that Staff, for all logistical reasons, understood why a utility substation was needed. Mr. Sanchez asked Ms. Arnold if he misstated something with this comments. Ms. Arnold stated that it was a fair representation. Chairman Cox asked if anybody from Grayson-Collin Electric Company (GCEC) was present to answer questions. Mr. Sanchez said no. Chairman Cox opened the public hearing and called for comments. There being none, on a motion by Vice-

Chairman Mantzey, seconded by Commission Member McCall, the Commission voted to approved the motion to close the public hearing with a vote of 6-0-1. Alternate Commission Member Franklin abstained. Commission Member McReynolds asked how the issue of possibly running out of electricity in this area was presented to the City. Ms. Arnold stated that typically Staff is approached when they are requesting a Specific Use Permit (SUP) or rezoning to allow for a utility substation. She stated that each case is different. Ms. Arnold stated that most times when there is a provider looking to add a facility somewhere, it is because they need to add new capacity or they are running out of capacity for an existing service area. She stated that Grayson-Collin Electric Company (GCEC) did come to the City of McKinney approximately a year ago to get an idea from City Council regarding their thoughts for a utility substation in this location. Ms. Arnold stated that there was open discussion at a City Council Work Session; however, Grayson-Collin Electric Company (GCEC) was not asking for any action at that time. She stated that City Council did not favor one way or the other at that time if the utility substation should be located in this area. Ms. Arnold stated that City Council had a number of questions for Grayson-Collin Electric Company (GCEC) that were mostly centered around compatibility with the surrounding development. Ms. Arnold stated that Mr. Sanchez moved forward with a preliminary-final plat, site plan, and then discussion regarding a Specific Use Permit (SUP) verses rezoning the subject

property. She stated that this discussion led them to request a rezone on property. Commission Member McReynolds asked if City Staff researches into whether or not additional power is actually needed when the utility company submits a request. Ms. Arnold stated that City Staff does not necessarily do that. She stated that a lot of times Staff has to rely on the utility company's expertise. Ms. Arnold stated that they provide their service areas to Staff. She stated that Staff looks at where the other nearby substations are located and asks questions to verify that what they are requesting is actually needed. Commission Member Smith stated that she has concerns about the suitability of the use to the requested location. She stated that she heard their arguments that we are at a critical juncture with having an inability to provide electrical service if we do not position a utility substation at a promenade gateway to the City of McKinney. Commission Member Smith stated that she understands that this is a preferred site for the applicant; however, she was not convinced that it is the only location possible in order to provide service to the area. She stated that this location was a prime location at State Highway 121 (Sam Rayburn Tollway) and U.S. Highway 75 (Central Expressway), and reiterated that it is a gateway to our City. Commission Member Smith stated that she would support Staff's recommendation of denial for the proposed rezoning request. Commission Member McCall concurred with Commission Member Smith's comments. He stated that he did not agree with putting a utility substation at this prime location. Vice-Chairman

Mantzey stated that City Council would be better prepared with due diligence with making the final decision on this request. He stated that since there was no Grayson-Collin Electric Company (GCEC) representative present to answer questions, and that the Planning and Zoning Commission received limited information related to the power needs for the area, he had to fall back on Staff's recommendation of denial for the proposed rezoning request. Vice-Chairman Mantzey stated that City Council would take deep consideration into if in fact this utility substation is warranted to meet the needs of the people in this location. Commission Member McReynolds concurred with Vice-Chairman Mantzey's comments. He stated that he did not feel that he had enough information to say one way or the other. Commission Member McReynolds stated that he would also support Staff's recommendation for denial of the proposed rezoning request. Commission Member Kuykendall concurred with the comments made by the Commission Members. She stated that she would be supporting Staff's recommendation for denial of the propose rezoning request. Chairman Cox stated that he sees a fast growing city in need of power. He stated that we are limited with there not being a Grayson-Collin Electric Company (GCEC) representative present at the meeting to answer questions. Chairman Cox stated that he also understands Staff's concerns. He stated that when you look at the letter of intent provided for this request there are several uses included that have been the topic of conversations

that are automobile related that could be built on the site. Chairman Cox stated that he was assuming that those uses would go away. He stated that Staff has worked hard with the applicant. Chairman Cox stated that it sounded like the momentum was not working in Mr. Sanchez's favor for this request. He stated that there were some uses listed in the letter of intent that would be prohibited for Tract 1 and Tract 2. Chairman Cox asked Mr. Sanchez if the listed uses were even realistic given the dimensions of the property. Mr. Sanchez stated that some of those uses were realistic on the overall property. He stated that they wanted to show the City that they were after commercial development for the balance of the property. Mr. Sanchez stated that they were trying to clean up the ordinance and focus on the uses they that really want. He stated that there is currently a drainage ditch that runs along the western side of the property that would limit what could be developed in this area of the property. Mr. Sanchez stated that he understands the Planning and Zoning Commission's concerns. He stated that there is power to the McKinney Independent School District (MISD) stadium and it is not likely it is going away. Mr. Sanchez stated that they would need to find another site somewhere near overhead powerlines that they can tap into. He stated that Grayson-Collin Electric Company (GCEC) should be better at responding into this question. Commission Member McReynolds asked if there is any location within this area that the utility substation might be located where it would not be visible to the public right-of-way. Mr.

Sanchez said no, that it would be visible from the highway. He stated that the closer they get the utility substation to the overhead powerlines, the less additional overhead powerlines will be required to tie into it. Mr. Sanchez stated that they were trying to avoid additional overhead powerlines. Commission Member McReynolds asked if there was a reason that Grayson-Collin Electric Company (GCEC) did not wish to be present at this meeting. Mr. Sanchez said no and usually at this point it is not about the technicalities of the power needed; however, it was more about the site plan and land development issues. He stated that Grayson-Collin Electric Company (GCEC) representatives gave two or three presentations to City Council previously to explain the power issues and the needs. Mr. Sanchez stated that the service areas were determined by the State of Texas and the Public Utility Board and not by the City of McKinney. He stated that some areas it is overlapped and other areas only one utility company provides service. Commission Member McReynolds wanted to clarify that if the Planning and Zoning Commission recommend denial of the proposed rezoning request that it would still go to City Council for a final decision. Ms. Arnold stated that it would go on to City Council and would require a supermajority of City Council to approve the request. Commission Member McReynolds asked if Grayson-Collin Electric Company (GCEC) would be present at the City Council meeting. Mr. Sanchez stated that he would recommend that they be present at the City Council meeting with their technical and legal teams

to explain all of the issues in much more detail. On a motion by Commission Member Smith, seconded by Commission Member Kuykendall, the Commission voted to recommend denial of the proposed rezoning request as recommended by Staff, with a vote of 6-0-1. Chairman Cox stated that the recommendation of the Planning and Zoning Commission would be forward to City Council at the September 18, 2018 meeting.

Alternate Commission Member Franklin Returned to the meeting.