PLANNING & ZONING COMMISSION MEETING OF 10/23/12 AGENDA ITEM #12-093Z4

AGENDA ITEM

TO: Planning and Zoning Commission

THROUGH: Brandon Opiela, Planning Manager

FROM: Alex Glushko, Planner II

SUBJECT: Conduct a Public Hearing to Consider/Discuss/Act on the Request by Douglas Properties, Inc., on Behalf of David Huang (Trustee) and Seminole Bloominfive L.P., for Approval of a Request to Rezone Approximately 112.89 Acres from "AG" – Agricultural District to "PD" – Planned Development District, Generally to Allow for Single Family Residential and Commercial Uses, Located on the Southwest Corner of F.M. 543 and State Highway 5 (McDonald Street).

APPROVAL PROCESS: The recommendation of the Planning and Zoning Commission will be forwarded to the City Council for action at the November 6, 2012 meeting.

STAFF RECOMMENDATION: Staff recommends denial of the proposed rezoning request due to a lack of conformance with the Comprehensive Plan.

However, if the rezoning request is to be approved, the following special ordinance provisions shall be applicable:

1. The use and development of the residential portion of the subject property shall conform to the regulations of Section 146-73 ("RS 60" – Single Family Residence District) of the Zoning Ordinance, and as amended, except as follows:

    a. The subject property shall be subject to the attached development regulations.

2. The use and development of the portion of the subject property identified as "BN" – Neighborhood Business District shall conform to the regulations of Section 146-84 ("BN" – Neighborhood Business District), and as amended

3. The use and development of the portion of the subject property identified as "C" – Planned Center District shall conform to the regulations of Section 146-86 ("C" – Planned Center District) of the Zoning Ordinance, and as amended.

4. The subject property shall generally develop in accordance with the attached Zoning Exhibit.

APPLICATION SUBMITTAL DATE: April 23, 2012 (Original Application)
May 7, 2012 (Revised Submittal)
September 10, 2012 (Revised Submittal)
September 24, 2012 (Revised Submittal)

ITEM SUMMARY: The applicant is requesting to rezone approximately 113 acres of land, located on the southwest corner of F.M. 543 and State Highway 5 (McDonald Street), from "AG" – Agricultural District to "PD" – Planned Development District, to allow for "RS 60" – Single Family Residential (approximately 84 acres), "BN" – Neighborhood Business District (approximately 3 acres), and "C" – Planned Center District (approximately 26 acres) uses. The applicant is proposing a rezoning request that includes the original tract (approximately 65 acres) in addition to the northern adjacent tracts (approximately 48 acres).

On March 6, 2012, the City Council denied a similar rezoning request for a portion of the subject property by the applicant. With that rezoning request (case #11-191Z), the applicant was requesting to rezone the south half of the subject property (approximately 65 acres) for single family residential uses.

Subsequent to that City Council meeting, the applicant submitted a new proposed rezoning request that included 3.62 acres of land for retail uses leaving about 61.6 acres for residential uses. The revised rezoning request was then considered by the Planning and Zoning Commission at the May 22, 2012 meeting where the Commission voted to table the item to the in order to give the applicant additional time to confer with adjacent property owners. On June 12, 2012 the Planning and Zoning Commission, after no significant discussion, voted unanimously to table the item indefinitely.

Subsequent to this meeting, the applicant met with the adjacent property owner to discuss their plans for developing their property. It was later determined that the original 65 acres should be included with the adjacent northern 48 acres to comprise a single rezoning request, which is what is currently being proposed by the applicant.

PLATTING STATUS: The subject property is currently unplatted. A record plat or plats, subject to review and approval by the Director of Planning, must be filed for recordation with the Collin County Clerk, prior to issuance of a building permit. The plat is also subject to review and approval by the Director of Engineering as necessary to address the significant drainage and floodplain issues that are present on the subject property.

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: "AG" – Agricultural District

North	"AG" – Agricultural District, "PD" – Planned Development District Ordinance No. 1640, and "PD" – Planned Development District Ordinance No. 2002-05-041 (single family residential and commercial uses)	Undeveloped Land and Single Family Residences
South	"AG" – Agricultural District; "ML" – Light Manufacturing District; "ML" – Light Manufacturing District Ordinance No. 2007-10-106, and "PD" – Planned Development District Ordinance No. 1451 (industrial uses)	Undeveloped Land and an Industrial Facility
East	"AG" – Agricultural District; "PD" – Planned Development District Ordinance No. 2005-02-015 (commercial uses); and "PD" – Planned Development District Ordinance No. 2005-05-048 (commercial uses)	Undeveloped Land and Single Family Residences
West	"AG" – Agricultural District	Undeveloped Land and Undeveloped City Owned Land

PROPOSED ZONING: The applicant is requesting to rezone the subject property generally to allow for the development of a single family residential neighborhood and approximately 28.7 acres of commercial uses. The applicant has proposed a land plan indicating how the subject property will generally develop and has also provided a list of additional development regulations that the applicant believes will ensure that a high quality residential product is built within a high-quality residential neighborhood. The proposed land plan (proposed Zoning Exhibit) and additional development regulations (proposed Development Regulations) are attached for reference.

The Director of Engineering has significant concerns regarding the drainage associated with and affecting the subject property. Moreover, the applicant has not satisfied the drainage and storm water requirements of the City of McKinney. Also, the Subdivision Ordinance requires that each lot have at least 80 feet of depth that is free of drainage and floodplain encumbrances. Some of the proposed lots may not be developable as they are adjacent to an existing creek/channel. Upon completion of the necessary engineering, these lots may be useable but at the present time the applicant has not provided information validating the usability of said lots. As such, Staff recommends that

prior to submitting a record plat for review and approval the applicant revise the plat so that each proposed lot has a minimum of 80 feet of depth clear of drainage easements and floodplain limits and further revise the plat as necessary to address the significant drainage, erosion hazard setbacks, and floodplain issues that are present on the subject property, subject to review and approval by the Director of Engineering. If, after the proper amount of engineering has been done, the affected lots cannot meet the City's requirements, these lots must be dedicated as common areas, to be owned and maintained by the homeowners' association.

Staff recommends denial of the proposed rezoning request due to a general lack of conformance with the vision outlined for industrial uses by the City of McKinney's Comprehensive Plan. The non-conformities of the proposed rezoning request are discussed in more detail below.

CONFORMANCE TO THE COMPREHENSIVE PLAN: The Future Land Use Plan (FLUP) designates the subject property for heavy manufacturing uses. The FLUP modules diagram designates the subject property as industrial 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 not in conformance with the goals and objectives of the Comprehensive Plan. In particular, the proposed zoning change does not help the community attain the goal of "Land Use Compatibility and Mix" through the stated objective of "land use patterns that optimize and balance the tax base of the City." Another goal of the Comprehensive Plan that is not accomplished is "Economic Development Vitality for a Sustainable and Affordable Community" by allowing for "business and industrial parks."

  Additionally, the proposed rezoning request does not help to further a strong, balanced economy, which is a stated strategic goal of the City Council. Nearly three quarters of the City's ad valorem tax base comes from its residential housing stock. In order to balance this tax base, more non-residential uses are needed. Zoning property that is designated by the Comprehensive Plan for industrial uses as residential uses will not help to balance the ad valorem tax base nor will it help to increase the amount of revenue that is generated through sales taxes.

- Locational Criteria: The industrial future land use plan module does not reflect an allowance for residential uses. As such, this proposal is not in conformance with the vision outlined by the Comprehensive Plan. Furthermore, the Comprehensive Plan states that the impact of potential industrial uses on adjacent residential uses and environmentally sensitive areas should be considered when determining the appropriate intensity of uses for particular areas. If the proposed rezoning request were approved, it may make the development of future industrial uses in the area more difficult in turn further

eroding the possibility for a strong industrial tax base in the area. Also, while not industrial in nature, the "C" – Planned Center District that is being proposed by the applicant does allow for a variety of high intensity non-residential uses including, but not limited to a halfway house, a hospital, automobile repair, sexually oriented businesses, and a cleaning plant. All of these uses have the potential to be incompatible with the residential land uses being proposed by the applicant. If the proposed rezoning request is to be approved, a commercial zoning district with a lighter non-residential impact like "BN" – Neighborhood Business District might be more appropriate.

- Impact on Infrastructure: 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 Future Land Use Plan (FLUP) designates the subject property generally for industrial uses. While residential uses generally place a slightly smaller demand on the sanitary sewer systems than industrial uses would, the proposed rezoning request for residential uses may have a negative impact on the existing and planned water and thoroughfare systems in the area as single family residential uses generally place a higher burden on planned and existing water and transportation systems than do industrial uses. Furthermore, commercial uses also generally place greater demands on the thoroughfare, water, and sanitary sewer systems than do industrial uses. As such, Staff does not recommend approval of the proposed rezoning request.

- Impact on Public Facilities/Services: 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 Future Land Use Plan (FLUP) designates the subject property generally for industrial uses. The proposed rezoning request will have a negative impact on public services, such as schools, fire and police, libraries, parks and sanitation services as single family residential uses generally place a higher burden on public facilities/services than industrial uses do. As such, Staff does not recommend approval of the proposed rezoning request.

- Compatibility with Existing and Potential Adjacent Land Uses: The properties located adjacent to the subject property are zoned for agricultural, single family residential, commercial, and industrial uses. The subject property has direct frontage on to McDonald Street and Bloomdale Road and is mostly surrounded by vacant land that, per the Comprehensive Plan, is designated for industrial uses. The Bray Central industrial development, Blockbuster, and the Collin County Service Center and Medical Examiner's office are all in close proximity to the subject property, further enhancing the area's suitability for industrial uses. To the north of Bloomdale Road, an approximately 210 lot, single family residential development already exists. Located directly to the west of the subject property is approximately 100 acres of undeveloped City owned land.

  If the proposed rezoning request is approved, Staff can foresee market pressures to rezone properties located near the subject property for residential uses.

Approval of the proposed rezoning request would likely result in a domino effect of property that has been designated and reserved for industrial land uses by the Comprehensive Plan being zoned and used for residential uses.

When the City of McKinney's Comprehensive Plan was updated in 2004, the Future Land Use Plan was modified to ensure that if land was developed in accordance with the Plan, a near-balanced tax base would be achieved. If the proposed rezoning request were approved, over 100 acres of nearby land that was designated for industrial land uses would likely be lost to residential land uses and the tax implications would be increasingly more difficult to overcome as there is little area left in the City of McKinney that is as well suited to accommodate industrial land uses as this area.

Furthermore, the subject property and the immediate area are served by a number of major arterial roadways (ultimate 6-lane configuration) and a major regional highway including Wilmeth Road, Bloomdale Road, F.M. 543, and McDonald Street (State Highway 5). These roadways will provide easy access to Central Expressway (US 75) to the west and State Highway 121 to the north. The type of vehicular access that is provided to this area of McKinney is ideal for industrial uses as it will allow tractor-trailer trucks easy and quick access to major transportation corridors. Furthermore, the area's close proximity to the Collin County Regional Airport makes it an ideal location for future corporate headquarters.

Finally, the applicant is requesting to rezone approximately 25.9 acres of land for "C" – Planned Center District uses. The uses allowed within this district are generally high-intensity commercial uses which are not typically compatible with adjacent single family residential land uses. Ideally, a property with "C" – Planned Center zoning district would be located along a major regional highway rather than a series of smaller arterial and collector roadways adjacent to land which the applicant is proposing to rezone for residential purposes.

- Fiscal Analysis: The attached fiscal analysis shows a positive net cost benefit of $402,120 using the full cost method if the proposed rezoning request is approved. The full cost method of calculating public service cost is useful for citywide modeling and forecasting. This method takes the entire city budget into account, including those costs that cannot be attributed to any one project such as administrative costs and debt service on municipal bonds. Because the full cost method takes into account all costs, it is useful in tracking the city budget to determine if the citywide tax revenue is sufficient to pay for the operating costs to the city.

  Staff has also prepared a fiscal analysis showing the projected fiscal impact if the property were rezoned to an industrial zoning classification. This attached fiscal analysis shows a positive net cost benefit of $664,255 using the full cost method. The difference in financial impact between the applicants request and a rezoning

request for industrial purposes (in conformance with the Comprehensive Plan) indicates that the City would lose approximately $262,135 in potential revenue per year.

- Concentration of a Use: The proposed rezoning request should not result in an over concentration of residential or retail land uses in the area. Currently, the surrounding properties are zoned generally for commercial, industrial, and agricultural uses.

OPPOSITION TO OR SUPPORT OF REQUEST: At the May 22, 2012 Planning and Zoning Commission meeting, the applicant provided the Commission and Staff with copies of several letters of support for the previous proposal (approximately 65 acres) as well as a petition of support from residents of the nearby Trinity Heights residential neighborhood. Staff has received one letter indicating opposition to the proposed rezoning request. Staff has received no other comments or phone calls in support of or opposition to this request.

ATTACHMENTS:

- 5/22/12 PZ Minutes
- Location Map and Aerial Exhibit
- Letter of Intent
- Fiscal Impact Analysis (Rezone to Residential/Retail)
- Fiscal Impact Analysis (Rezone to Industrial)
- Proposed Planned Development District Regulations
- Proposed Zoning Exhibit
- Letters of Opposition and Support
- PowerPoint Presentation