

**AGENDA ITEM**

**TO:** Planning and Zoning Commission

**THROUGH:** Samantha Pickett, Planning Manager

**FROM:** Melissa Spriegel, Planner I

**SUBJECT:** Conduct a Public Hearing to Consider/Discuss/Act on a Request to Rezone the Subject Property from “PD” – Planned Development District to “C2” – Local Commercial District and “TH” – Townhome Residential District, Located Approximately 1,200 Feet East of Custer Road and on the South Side of Eldorado Parkway

**APPROVAL PROCESS:** The recommendation of the Planning and Zoning Commission will be forwarded to the City Council for final action at the March 21, 2017 meeting.

---

**STAFF RECOMMENDATION:** Staff recommends denial of the proposed rezoning request due to lack of conformance with the City of McKinney’s Comprehensive Plan and City Council’s goal of preserving and developing the non-residential tax base.

**However, the applicant is requesting approval of the following special ordinance provisions:**

1. The use and development of Tract 1 (approximately 5.02 acres) shall develop in accordance with Section 146-112 (“C2” – Local Commercial District) of the Zoning Ordinance, and as amended.
2. The use and development of Tract 2 (approximately 13.80 acres) shall develop in accordance with Section 146-108 (“TH” – Townhome Residential District) of the Zoning Ordinance, and as amended.

**APPLICATION SUBMITTAL DATE:** January 30, 2017 (Original Application)  
February 13, 2017 (Revised Submittal)

**ITEM SUMMARY:** The applicant is requesting to rezone approximately 18.82 acres of land from “PD” – Planned Development District to “C2” – Local Commercial District and “TH” – Townhome Residential District, generally for commercial and townhome uses.

**ZONING:**

| Location         | Zoning District (Permitted Land Uses)                                       | Existing Land Use                                |
|------------------|---|--|
| Subject Property | "PD" – Planned Development District Ordinance No. 97-12-66 (Office Uses)    | Undeveloped Land                                 |
| North            | "PD" – Planned Development District Ordinance No. 2014-03-017 (Retail Uses) | Undeveloped Land                                 |
| South            | "PD" – Planned Development District Ordinance No. 2003-02-015 (Office Uses) | Experian Data Center                             |
| East             | "PD" – Planned Development District Ordinance No. 2005-10-110 (Retail Uses) | Undeveloped Land and Stonebridge Assisted Living |
| West             | "PD" – Planned Development District Ordinance No. 2003-02-015 (Office Uses) | Torchmark Corporation                            |

**PROPOSED ZONING:** The applicant is requesting to rezone approximately 18.82 acres of land from "PD" – Planned Development District to "C2" – Local Commercial District and "TH" – Townhome Residential District, generally for commercial and townhome uses. Of the existing 18.82 acres zoned for office uses, approximately 5.02 will be preserved along Eldorado Parkway for commercial uses. The remainder of the property, approximately 13.80 acres, will be used for single family attached (townhome) residential uses.

While Staff recognizes that approximately 19 acres of office uses may be challenging to develop in the near future, the proposed rezoning request does not help to further a strong, balanced economy. As this is a stated strategic goal of the City Council, Staff recommends denial of the rezoning request. 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. Rezoning approximately 14 acres of an approximately 19-acre property designated for office uses to single family attached (townhome) 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. Additionally, the development of residential uses on a tract completely surrounded by office and non-residential uses does not promote an appropriate transition of uses between residential and non-residential uses.

**CONFORMANCE TO THE COMPREHENSIVE PLAN:** The Future Land Use Plan (FLUP) designates the subject property for office uses. The FLUP modules diagram designates the subject property as Suburban Mix 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 not in conformance with the goals and objectives of the Comprehensive Plan, particularly “Land Use Compatibility and Mix,” specifically through the objective of “land use patterns that optimize and balance the tax base of the City.”
- Impact on Infrastructure: The proposed rezoning request may have an impact on the existing and planned water, sewer and thoroughfare plans in the area since the land use would change from office to residential uses.
- Impact on Public Facilities/Services: The proposed rezoning request should have an impact on public facilities and service, such as schools, fire and police, libraries, parks and sanitation services, as the land use will change from office to residential uses requiring additional public services.
- Compatibility with Existing and Potential Adjacent Land Uses: The properties located adjacent to the subject property are zoned for office and commercial. The proposed rezoning request will alter the land use from what has been planned for the subject property. Given that the residential portion of the property would be completely wrapped by office and non-residential uses, the proposed request may not be compatible with the surrounding land area.
- Fiscal Analysis: Staff performed a fiscal analysis for this case as the rezoning request would allow the subject property to develop for single family residential uses. The attached fiscal analysis shows a negative cost benefit of \$43,205 using the full cost method if the property were to develop for single family attached residential uses.

The attached “Land Use and Tax Base Summary” shows that Module 36 is currently comprised of approximately 53% residential uses and 47% non-residential uses (including mixed-use, institutional and agricultural uses). The proposed rezoning request will have an impact on the anticipated land uses in this module. Estimated tax revenues in Module 36 are comprised of approximately 80% from residential uses and 20% from non-residential uses (including mixed-use, institutional and agricultural uses). Estimated tax revenues by type in Module 36 are comprised of approximately 94.5% ad valorem taxes and 5.5% sales and use taxes.

- Concentration of a Use: The proposed rezoning request should not result in an over concentration of commercial land uses in the area.

**OPPOSITION TO OR SUPPORT OF REQUEST:** Staff has received no comments or phone calls in support of or opposition to this request.

**ATTACHMENTS:**

- Location Map and Aerial Exhibit
- Letter of Intent
- Comprehensive Plan Maps
- Fiscal Analysis
- Land Use and Tax Base Summary
- Land Use Comparison Table
- Existing “PD” – Planned Development District Ordinance No. 97-12-66
- Proposed Zoning Exhibit
- PowerPoint Presentation