

**AGENDA ITEM**

**TO:** Planning and Zoning Commission

**THROUGH:** Brandon Opiela, Planning Manager

**FROM:** Samantha Pickett, Planner II

**SUBJECT:** Conduct a Public Hearing to Consider/Discuss/Act on a Request to Rezone a Portion of the Property from “AG” – Agricultural District, “PD” – Planned Development District and “CC” – Corridor Commercial Overlay District to “SF5” – Single Family Residential District and “CC” – Corridor Commercial Overlay District; and Rezone a Portion of the Property from “PD” – Planned Development District and “CC” – Corridor Commercial Overlay District to “C2” – Local Commercial District and “CC” – Corridor Commercial Overlay District, Located Approximately 1,100 Feet West of Custer Road and on the South Side of U.S. Highway 380 (University Drive)

**APPROVAL PROCESS:** The recommendation of the Planning and Zoning Commission will be forwarded to the City Council for final action at the November 18, 2014 meeting.

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**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, should the rezoning request be approved, the applicant is requesting approval of the following special ordinance provisions:**

1. The use and development of Tract 1 (approximately 47.01 acres) shall conform to the regulations of Section 146-106 (“SF5” – Single Family Residential District) of the Zoning Ordinance and “CC” – Corridor Commercial Overlay District, and as amended.
2. The use and development of Tract 2 (approximately 12.81 acres) shall conform to the regulations of Section 146-112 (“C2” – Local Commercial District) of the Zoning Ordinance and “CC” – Corridor Commercial Overlay District, and as amended.

**Professionally speaking, Staff has no objections to the proposed rezoning request as development of the entire property for non-residential uses may be**

challenging due to its limited access from multiple street frontages, the property's mid-block location, and the natural lake/drainage feature bisecting the property, making a large portion of the property more conducive to residential uses. Additionally, the applicant has preserved a portion of the property along the U.S. Highway 380 frontage for non-residential uses.

**APPLICATION SUBMITTAL DATE:** June 9, 2014 (Original Application)  
July 7, 2014 (Revised Submittal)  
August 25, 2014 (Revised Submittal)  
October 13, 2014 (Revised Submittal)  
October 16, 2014 (Revised Submittal)

**ITEM SUMMARY:** The applicant is requesting to rezone approximately 47.01 acres (Tract 1) for single family residential uses and is also requesting to rezone approximately 12.81 acres (Tract 2) for commercial uses.

In September of 2007, the City Council approved a rezoning request for the subject property, tying down a general layout for approximately 8.95 acres of retail uses, approximately 7.32 acres of self-storage uses and approximately 43.27 acres of office uses (see attached PD Ordinance).

On July 22, 2014 the Planning and Zoning Commission voted 6-0-0 to table the item indefinitely in order to give the applicant time to work with Staff to address the Commission's concerns. At the meeting, three residents spoke in opposition to the request, expressing concerns with maintenance of existing easements on the property and the proximity of residential uses to the airport (see attached PZ Minutes 07.22.14).

On September 9, 2014, the Planning and Zoning Commission voted 7-0-0 to close the public hearing and table the item indefinitely per the applicant's request.

Prior to the October 28, 2014 Planning and Zoning Commission meeting, the applicant revised the rezoning request to increase the area for commercial uses from approximately 6 acres to approximately 13 acres, in response to the Commission's discussion on July 22, 2014.

**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 (Agricultural Uses), "PD" – Planned Development District Ordinance No. 2007-09-092 (Office, Retail, and Commercial Uses) and "CC" – Corridor Commercial Overlay District

North	City of Prosper	Rodman Stone Yard, Prosper Plaza, and Undeveloped Land
South	“PD” – Planned Development District Ordinance No. 2008-11-106 (Hangar and Townhome Uses), “PD” – Planned Development District Ordinance No. 98-08-44 (Single Family Residential Uses), and “AG” – Agricultural District (Agricultural Uses)	Aero Country East, Virginia Hills Subdivision, Aviator Park, and Undeveloped Land
East	“PD” – Planned Development District Ordinance No. 2004-10-109 and “CC” – Corridor Commercial Overlay District (Commercial Uses)	Wal-Mart and The Shops at Eagle Point
West	City of McKinney Extraterritorial Jurisdiction	University Business Plaza

**PROPOSED ZONING:** The applicant is requesting to rezone approximately 59.82 acres for single family residential detached and commercial uses. Of the existing 16.27 acres currently zoned for retail and self-storage uses, approximately 12.81 acres along U.S. Highway 380 (University Drive) will be maintained for retail uses. The applicant is also requesting that the remainder of the property, approximately 47.01 acres, currently zoned for office, retail, self-storage and agricultural uses, be zoned for single family detached residential uses. The applicant has also provided a conceptual layout plan (informational only) showing how the property could potentially develop.

This rezoning request has been difficult for Staff to evaluate as there are challenges to developing the property for either non-residential or residential uses. Developing the entirety of the subject property for non-residential uses may be hindered by the property’s mid-block location, the lack of access to multiple roadway frontages, and the challenges faced by developing non-residential uses around the existing natural lake/drainage feature bisecting the property. Alternatively, Staff has concerns with the potential negative impact of residential uses developing in such close proximity to the Aero Country Airport and feels that non-residential uses in such close proximity to a major commercial node (U.S. Highway 380 and Custer Road) should be preserved. Ultimately, Staff feels as though the challenges presented by developing a large portion of the property for non-residential uses may be challenging due to the development factors discussed above, and has no objection to the proposed land use designations.

**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 Regional Commercial 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 uses patterns that optimize and balance the tax base of the City”.

While Staff recognizes that approximately 60 acres of office and commercial 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 is unable to support the 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 47 acres of an approximately 60 acre property designated for office and commercial uses to single family detached 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.

- Impact on Infrastructure: The proposed zoning 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. Staff is unable at this point in time to determine the exact difference in the impact on infrastructure as the wide range of non-residential uses currently allowed could impact the infrastructure more or less than the impact of the proposed development.
- Impact on Public Facilities/Services: The proposed zoning 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 commercial and 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 and/or used for commercial, industrial and residential uses, and as such the request should be compatible with the existing surrounding development.
- Fiscal Analysis: The fiscal analysis shows a negative cost benefit of \$191,717 using the full cost method.
- Concentration of a Use: The proposed rezoning request should not result in an over concentration of commercial or residential land uses in the area.

**CONFORMANCE TO THE MASTER PARK PLAN (MPP):** The proposed rezoning request does not conflict with the Master Park Plan.

**CONFORMANCE TO THE MASTER THOROUGHFARE PLAN (MTP):** The proposed rezoning request does not conflict with the Master Thoroughfare Plan.

**OPPOSITION TO OR SUPPORT OF REQUEST:** Staff has received three letters in support of and two letters in opposition to this request (attached).

**ATTACHMENTS:**

- PZ Minutes 09.09.14
- PZ Minutes 07.22.14
- Location Map and Aerial Exhibit
- Letter of Intent
- Letters of Support
- Letters of Opposition
- Comprehensive Plan Maps
- Fiscal Analysis
- Existing Planned Development Ordinance No. 2007-09-092
- Proposed Zoning Exhibit – Boundary
- Proposed Concept Plan – Informational Only
- PowerPoint Presentation