

A | R | B | H

ABERNATHY ROEDER BOYD HULLETT

EST. 1876

Robert H. Roeder
roeder@abernathy-law.com

1700 Redbud Boulevard, Suite 300 | McKinney, Texas 75069
Main: 214.544.4000 | Fax: 214.544.4044

May 25, 2018

City of McKinney
Planning Department
221 N. Tennessee
McKinney, Texas 75069

Re: Revised Letter of Intent supporting request for a zoning change for approximately 55.545 acres in the Thomas Phillips Survey, Abstract No. 717, the John Phillips Survey, Abstract No 718, North Texas Athletic Center Addition, City of McKinney, Collin County, Texas (the "Property")

Dear Planners:

This revised letter of intent is submitted in response to the various meetings held with staff regarding the proposed land uses within the Property and incorporates by reference the information contained in the application of December 7, 2017, filed heretofore, as amended hereby.

The Owner has created a revised Zoning Exhibit attached hereto as **Exhibit "A"** which depicts and identifies by metes and bounds five (5) tracts and an interior park system, all of which comprise the Property described in the application.

The Owner has revised its Regulating Plan, attached hereto and to the Development Regulations as **Exhibit "1"**, to provide for five (5) tracts within the Property, as well as the interior park system. Tracts 1, 2 and 3 are oriented towards Collin-McKinney Parkway; Tracts 4 and 5 are situated in the northeast quadrant of Alma Road and Henneman Way and extend from Alma Road to the western edge of the McKinney Soccer Complex. The interior park system consists of two (2) linear parks and a central park which provide a connection from Alma Road to the eastern edge of the Property adjacent to the western edge of the McKinney Soccer Complex.

After consultation with the staff, the Applicant requests that the existing PD be amended to permit the uses and incorporate the development standards set forth in the Development Regulations attached hereto as **Exhibit "B"**. In general, the Applicant seeks to incorporate the uses permitted under the C-2 (Local Commercial District) zoning classification of the City's Zoning Ordinance across the entire Property, with hotel/motel and outdoor amusement limited to

miniature golf as additional permitted commercial uses and prohibiting automotive and other uses specified therein. Further, high density (urban) multi-family with a density of up to 65 units per acre not to exceed 2300 units total is specified as an additional permitted residential use on Tracts 4 and 5 only.

All of the proposed commercial and residential uses historically have been permitted uses for the Property and are generally allowed under the existing zoning of the Property; however, the existing regulations for multi-family development on the Property do not recognize current market trends and demands. The proposed Development Regulations include a revised set of regulations for the development of the high density (urban) multi-family that create an urban environment in keeping with the existing development within Craig Ranch.

In support of the high-density (urban) multi-family additional use within Tracts 4 and 5, the Applicant submits the following:

1. The immediate areas to the west of the intersection of Alma Road and Henneman Way have been developed as an urban village with HUB 121 as the commercial/entertainment/retail focal point, existing and planned urban elements as the residential component and the McKinney Corporate Center as the work component. The potential of urban multi-family within Tracts 4 and 5 expands the immediate consumer base within the urban village, thereby increasing the utilization and economic viability of the HUB 121 businesses, which in turn generates more sales tax revenue to the City and its development corporations. Further, the introduction of additional affordable living space within walking distance of the corporate center expands the immediately available work force sought by corporate relocations which work force is being rapidly priced out of the single family market space.
2. From a macro geographical perspective, Tracts 4 and 5 are located immediately adjacent to the McKinney Soccer Complex (for which plans are underway to expand its utility as a regional park), across Alma Road from the 9+ acre Crossroads Neighborhood Park and future community center developed and maintained by the Craig Ranch Community Association, and HUB 121. Tracts 4 and 5 are connected to the Craig Ranch master development and its integrated park system via existing and planned walkways and hike and bike trails.
3. The pedestrian connectivity for Tracts 4 and 5 is further enhanced by the proposed linear park and trail system providing a direct connection between the Alma Road and the eastern edge of the Property adjacent to the McKinney Soccer Complex, into which is incorporated a central park that serves as a significant open space.
4. The potential utilization of Tracts 4 and 5 for high density (urban) multi-family would have a significantly positive impact on the ad valorem value of the Property, outpacing virtually every existing permitted use. For example, the latest CAD valuations of the Parkside Apartments across Alma Road range from over \$60 million for a 7.4 acre phase containing approximately 300 units to over \$49.5 million for a 5.7 acre phase containing approximately 280 units. Based upon a general analysis, I

believe it safe to expect that high density (urban) multi-family development on Tracts 4 and 5 could garner a valuation for tax purposes in excess of \$8 million per acre, or roughly \$286+ million for approximately 35.7 acres. Compared to the CCAD 2017 value of the Barclay's building located in the McKinney Corporate Center at Craig Ranch at \$18.8 million on 8.78 acres, the assessed value of high density (urban) multi-family will significantly outpace any anticipated commercial uses presently allowed in the current zoning for the Property.

5. Unlike suburban apartments, high density (urban) multi-family complexes attract a wide spectrum of residents from young singles and marrieds, to the millennial and older work force, to retirees who want to be in a vibrant environment without the hassles of home and yard upkeep. That demographic typically requires fewer city services and relies on the amenities within its immediate surroundings and nearby venues. Further, unlike typical suburban apartments and even single family residences, high density (urban) multi-family complexes traditionally have a much lower population of children, which is borne out by a recent demographic study performed for Frisco ISD that reported a range of 0.05 students per unit for the 600 unit Legacy North apartment complex in Plano to 0.13 students per unit for the 313 unit Times Square Apartments at Craig Ranch, with an average across 1,480 high density (urban) multi-family units within the Frisco ISD of 0.086 students per unit.

The Applicant cites the linear and central park system with the hike and bike trail between Tracts 4 and 5, the 10' wide concrete hike and bike trail adjacent to the eastern edge of Tracts 2, 4 and 5 and the increased masonry percentage required on commercial buildings on Tracts 1, 2 and 3, all as described in the Development Regulations, as components of exceptional quality and innovation required under the City's Zoning Code for a planned development.

The Applicant has included herewith for informational purposes only a map entitled "Craig Ranch Existing, Required and Proposed Trail System" to illustrate the pedestrian connectivity within Craig Ranch.

The Applicant requests an appearance before the Planning and Zoning Commission and the City Council at the earliest possible dates.

In the even that any other information is required for this Letter of Intent, please refer to the application previously filed.

Yours truly,



Robert H. Roeder