



17-244Z

TITLE: Conduct a Public Hearing to Consider/Discuss/Act on a Request to Rezone the Subject Property from “PD” - Planned Development District to “PD” - Planned Development District, Generally to Allow Commercial, Single Family Attached Residential and Multi-Family Residential Uses, Located on the Southwest Corner of Eldorado Parkway and Stonebridge Drive, and Accompanying Ordinance

COUNCIL GOAL: Direction for Strategic and Economic Growth

MEETING DATE: October 17, 2017

DEPARTMENT: Planning

CONTACT: Brian Lockley, Director of Planning, AICP, CPM
Samantha Pickett, Planning Manager, AICP
Melissa Spriegel, Planner I

RECOMMENDED CITY COUNCIL ACTION: Staff recommends denial of the proposed rezoning request due to lack of conformance with the Multi-Family Policy and the erosion of the non-residential tax base.

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

1. The subject property shall be zoned “PD” - Planned Development District and shall be subject to the following special ordinance provision:
 - a. The subject shall be developed in accordance with the attached development regulations and exhibit.

PLANNING AND ZONING COMMISSION RECOMMENDATION: The Planning and Zoning Commission recommended approval of the applicant’s request (4-2-0) with the following conditions, to which the applicant agreed:

1. No less than 80% masonry per elevation on non-residential buildings;

2. Uniform signage throughout the development;
3. Uniform, decorative low-level lighting fixtures and poles;
4. Revise the multi-family residential setbacks from “maximum” to “minimum”;
5. Revise the proposed zoning exhibit to label distances.

Please see the attached PZ Minutes from September 26, 2017 for additional details.

APPLICATION SUBMITTAL DATE: August 15, 2017 (Original Application)
August 31, 2017 (Revised Submittal)
September 11, 2017 (Revised Submittal)
September 15, 2017 (Revised Submittal)
September 22, 2017 (Revised Submittal)
September 28, 2017 (Revised Submittal)

ITEM SUMMARY: The applicant is requesting to rezone approximately 37.36 acres of land from “PD” - Planned Development District to “PD” - Planned Development District, generally to allow commercial, single family attached residential, and multi-family residential uses. More specifically, the proposed rezoning request adds additional uses to the proposed base zoning district of “C2” - Local Commercial District and modifies the development standards, including, but not limited to, lot area, width, and depth, maximum height, density, and setbacks, as detailed in the attached development regulations.

The PZ Staff report for the September 26, 2017 Planning and Zoning Commission meeting reflects a Staff recommendation of denial for this case, as it was Staff’s professional opinion that there was a significant number of modifications (see attached redline of the previous version of the development standards) that needed to be made to ensure a high quality development could be achieved and that the regulations could be administered by Staff. The applicant acknowledged at the meeting that the proposed regulations required additional changes and requested that the item continue to City Council, due to timing limitations for acquisition of the property.

During the Planning and Zoning Commission meeting, the applicant proposed several changes to the proposed development regulations and zoning exhibit, to which the Commission agreed, including but not limited to: no less than 80% masonry on non-residential buildings, uniform signage throughout the development, uniform low level lighting fixtures and poles, revisions to the multi-family setbacks, and revisions to the proposed zoning exhibit. While Staff believes the newly proposed regulations could potentially work for the development, Staff has had insufficient time to review the regulations to ensure that a high standard of quality is met.

On October 3, 2017, the City Council voted 6-0-0 to table the item to the October 17, 2017 City Council meeting in order to allow Staff to provide City Council with additional

information regarding the uses allowed by right under the existing zoning on the property. Following that meeting, Staff and the legal team determined that “PD” - Planned Development Ordinance No. 2003-02-015 amends the original zoning (PD Ord. No. 1621) to clarify that a Specific Use Permit is required for multi-family dwellings in R-2 districts. As a result, Staff amends their recommendation of this rezoning request to denial due to lack of conformance with the Multi-Family Policy.

Additionally, the proposed request reduces the non-residential tax base. The challenge for the City of McKinney is to not only remain financially solvent, but also to maintain the programs and services at a level the residents of McKinney expect. To that end, City Council adopted goals that include Direction for Strategic and Economic Growth and Financially Sound Government. Associated strategies that facilitate these goals are: “Provide a strong city economy by facilitating a balance between industrial, commercial, residential and open space”; and “Balance resources generated by property taxes, sales taxes and fees”. The proposed request, while establishing non-residential uses along the street frontage, reduces the potential from a guaranteed 50% non-residential uses to approximately 35%. As such, Staff cannot support the request.

ZONING:

Location	Zoning District (Permitted Land Uses)	Existing Land Use
Subject Property	“PD” - Planned Development District Ordinance No. 2005-10-110 (Commercial Uses) and “PD” - Planned Development District Ordinance No. 2003-02-015 (Office Uses)	Undeveloped Land
North	“PD” - Planned Development District Ordinance No. 2008-08-076 (Office Uses), “PD” - Planned Development District Ordinance No. 2004-09-101 (Office Uses), “PD” - Planned Development District Ordinance No. 2014-03-017 (Commercial Uses)	Baybrooke Village, Methodist McKinney Hospital, Undeveloped Land
South	“PD” - Planned Development District Ordinance No. 2005-10-110 (Commercial Uses) and “PD” - Planned Development District Ordinance No. 2003-02-015 (Office Uses)	Experian Data Center, Stonebridge Assisted Living
East	“PD” - Planned Development District Ordinance No. 2005-11-114 (Commercial Uses), “PD” - Planned Development District Ordinance No. 2007-05-046 (Office Uses)	Xplor Daycare, Undeveloped Land

West	"PD" - Planned Development District Ordinance No. 2003-02-015 (Office and Industrial Uses)	Torchmark Corporation
------	--	-----------------------

PROPOSED ZONING: The applicant is requesting to rezone approximately 37.36 acres of land from "PD" - Planned Development District to "PD" - Planned Development District, generally to allow commercial, single family attached residential, and multi-family residential uses.

Staff has significant concerns with the proposed rezoning request moving forward as the proposed development regulations have multiple issues, listed below and discussed in further detail in the attached development regulations. While Staff feels the majority of the issues could be resolved with time, the applicant has indicated they are on an extremely aggressive timeline, and as such, has chosen to continue moving forward despite Staff's outstanding concerns.

The following provisions are difficult for Staff to enforce due to their lack of detail or specificity, or are generally unclear:

- *Commercial Development Standards*
 - *"Prior to, or contemporaneous with, the submittal of the first site plan for the subject property, detailed drawings illustrating the aforementioned enhancements will be provided for city review and approval."*
 - *"Complementary stone accents consistent with the monumentation will be incorporated into the building design of each structure to unify the overall development."*

During the September 26, 2017 Planning and Zoning Commission, the applicant proposed revising the above standards to the following, which is contained in the attached development regulations:

- i. All elevations of buildings will be finished with a minimum of 80% stone and/or brick, with the remainder including one or more of the acceptable exterior finishing materials set forth for *Other non-residential uses in non-industrial districts* in Section 146-139(f)(8);
- ii. Uniform, decorative, low-level fixtures and poles will be provided along all public streets in accordance with City Design Standards (fixture to be selected from utility service provider standard options and subject to review and approval by the City Engineer); and,
- iii. All free-standing signage shall be of a uniform and consistent design, subject to Chapter 134 (Signs) of the Code of Ordinances.

- *Single Family Attached Lot Development Standards*
 - *"No single family attached lots shall be permitted within 225' of the*

Eldorado Parkway Right-of-Way.”

During the September 26, 2017 Planning and Zoning Commission, the applicant proposed revising the above standard to define the allowed locations on the proposed zoning exhibit with defined measurements rather than through language. The revised exhibit meets these requirements.

- *Multi-Family Residential Development Standards*
 - *“No single family attached lots shall be permitted within 225’ of the Eldorado Parkway Right-of-Way.”*
 - *“Front build-to zone: 25’ back from the build-to line within which the balance of the façade must occur”*

During the September 26, 2017 Planning and Zoning Commission, the applicant proposed revising the first standard to define the allowed locations on the proposed zoning exhibit with defined measurements rather than through language. The revised exhibit meets these requirements. The language for the second provision was not discussed during the meeting; however, the applicant has since submitted language to clarify this standard.

The following provisions are not needed within the development regulations, as they are already stipulated in and/or required by the Zoning Ordinance:

- *Commercial Development Standards*
 - *“The Development will incorporate stone monumentation at entry and other strategic points along the Eldorado Parkway frontage in order to identify the development.”*

During the September 26, 2017 Planning and Zoning Commission, the applicant proposed revising the above standard to:

- i. All free-standing signage shall be of a uniform and consistent design, subject to Chapter 134 (Signs) of the Code of Ordinances.

The following provisions are those that Staff cannot support:

- *Multi-family Development Standards*
 - *“Maximum side yard: 5 feet”*
 - *“Maximum rear yard: 5 feet”*

During the September 26, 2017 Planning and Zoning Commission, the applicant proposed revising the above standards to be “minimum” setbacks instead of

“maximum”. The applicant has since submitted language to clarify this standard.

Section 146-94 (“PD” - Planned Development District) of the Zoning Ordinance states that no proposed PD District may be approved without ensuring a level of exceptional quality or innovation for the associated design or development. The applicant has indicated to Staff that this will be achieved by providing stone monumentation and complementary stone on the buildings. However, stone monumentation and masonry finishing materials on the buildings are required per the Zoning Ordinance and not unique to the proposed development. More specific standards should be provided with regards to unifying the overall development in order to meet the requirements of the PD provision.

The applicant also indicated that the stated enhancements will be detailed in the site plan review process, but they would be difficult to enforce at the zoning level given the broad nature of the provisions. The lack of specificity may cause interpretation issues during the site plan process. It is Staff’s opinion that these provisions do not add an exceptional quality that would enhance the project in a manner that could visually enhance the City.

Lastly, the exhibit provided by the applicant does not include metes and bounds descriptions of the two tracts separating the commercial-only portion of the development from the interior of the property that allows for residential uses. The proposed exhibit conflicts with the proposed development regulations regarding a depth of 225’ from Eldorado Parkway, as the exhibit shows additional depth provided at the intersection of Eldorado and Stonebridge. As such, Staff is of the opinion that the lack of conformance between the proposed development regulations and the proposed exhibit will lead to issues of interpretation during the development process.

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 in conformance with the goals and objectives of the Comprehensive Plan. In particular, the proposed zoning change would help the community attain the goal of “Land Use Compatibility and Mix” by creating a “mix of land uses that provides for various lifestyle choices”.
- Impact on Infrastructure: The proposed rezoning request may have an impact on the existing and planned water, sewer and thoroughfare plans in the area.
- Impact on Public Facilities/Services: The proposed rezoning request may have an impact on public services, such as schools, fire and police, libraries, parks and sanitation services.

- Compatibility with Existing and Potential Adjacent Land Uses: The properties located adjacent to the subject property are zoned for similar commercial and office uses. The proposed rezoning request should be compatible with the existing surrounding development.
- Land Use and Tax Base Summary: Module 36 is currently comprised of approximately 52.8% residential uses and 47.2% non-residential uses (including institutional 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 86% from residential uses and 14% from non-residential 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 and residential land uses in the area.

CONFORMANCE TO THE MULTI-FAMILY POLICY: The current multi-family policy was adopted by City Council in May of 2015. In reviewing requests to rezone property for multi-family uses, Staff evaluates the request for conformance to the policy criteria listed in the Comprehensive Plan.

Multi-family developments serve an important function in McKinney. Multi-family developments function as housing for young professionals who are not ready to own homes, as well as housing for citizens who are relocated on a regular basis by their employer. Multi-family also provides housing for retirees who seek low maintenance living and, in some cases, they serve as affordable housing for those who cannot meet the expense of home ownership. While the City of McKinney recognizes the importance of multi-family land use, attention should be given to how it is developed. For this reason, the following are the design and location parameters that apply to multi-family developments in McKinney.

1. Multi-family developments shall be subject to architectural standards as provided for in Section 146-139 of the Zoning Ordinance.
2. Multi-family uses should not be located in large, high-density concentrations and clusters, but rather dispersed in small groupings around the city in a balanced manner that provides a mix of uses and densities.
3. Multi-family developments should generally be no greater in size than either 20 acres or 400 units.
4. Multi-family developments shall be located at major thoroughfare intersections rather than between intersections (i.e., not mid-block).

5. Multi-family uses shall be located on only one corner of a major intersection, unless they are constructed as part of a mixed-use vertical development.
6. New multi-family zoning shall not be located within 1,320 feet (one-quarter mile) of any other multi-family zoning district.
7. In each of the six planning sectors, the number of multi-family units generally should not exceed 10% of the total number of existing or estimated future residential housing units.
8. If the total estimated number of future residential multi-family units in a planning sector exceeds 10%, a new location should be proposed for rezoning. Staff will evaluate any new locations to determine whether a recommendation for an amendment to the future land use plan should be made.
9. Vertical mixed-use developments may be allowed even if multi-family housing in the sector exceeds 10% of the existing and zoned housing units, and shall not count towards the multi-family percentage. A vertical mixed-use area shall be defined as one with non-residential uses on the ground floor and in some cases lower floors, with residential uses on the upper floors. The City encourages the vertical mixing of rental units with other land uses.
10. Urban multi-family developments may also be allowed even if multi-family housing in the sector exceeds 10% of the existing and zoned housing units. For the purposes of this section, urban multi-family development shall mean a multi-family residential development which incorporates, at a minimum, the following urban design elements:
 - a. structured and/or tuck-under garage parking for no less than 80% of the total required parking for the development;
 - b. ground floor units adjacent to a public right-of-way are designed and constructed to permit commercial uses with a minimum 12 feet clear ceiling height;
 - c. meaningful, centrally located internal open spaces (parks, plazas, courtyards, and squares) offering public gathering areas; and
 - d. 10 foot wide public sidewalks adjacent to all public roadways.

At the time the Multi-Family Policy was adopted in 2015, all of the sectors of the City were above the allotted 10% and the applicant's request to allow new multi-family zoning will only make these percentages increase. The Multi-Family Policy also states that if the Future Land Use Plan does not designate the property for multi-family, then the request will be recommended for denial. As such, the proposed rezoning request is

not in conformance with the Multi-Family Policy and Staff recommends denial of the rezoning request.

OPPOSITION TO OR SUPPORT OF REQUEST: Staff has received one letter in opposition to this request.

BOARD OR COMMISSION RECOMMENDATION: At the September 26, 2017 Planning and Zoning Commission meeting, the Commission voted 4-2-0 to recommend approval of the applicant's request with conditions (see PZ Minutes, attached).

SUPPORTING MATERIALS:

[CC Minutes DRAFT](#)

[PZ Minutes](#)

[Location Map and Aerial Exhibit](#)

[Letter of Intent](#)

[Letter of Opposition](#)

[Comprehensive Plan Maps](#)

[Land Use and Tax Base Summary](#)

[Ex. PD Ord. No. 1621](#)

[Ex. PD Ord. No. 2003-02-015](#)

[Ex. PD Ord. No. 2005-10-110](#)

[Redlines Presented at PZ](#)

[Prop. Ordinance](#)

[Prop. Exhibits A-D](#)

[PowerPoint Presentation](#)