18-0008M



TITLE: Conduct a Public Hearing to Consider/Discuss/Act on a Request by the City of McKinney to Amend Chapter 146 (Zoning Regulations), Section 146-84 (BN - Neighborhood Business District), Section 146-85 (BG - General Business District), Section 146-86 (C - Planned Center District), Section 146-90 (ML - Light Manufacturing District), Section 146-91 (MH - Heavy Manufacturing District), Appendix B-2 (Regional Employment Center - Overlay Urban Design Standards) and Appendix F-4 (Schedule of Uses), of the Code of Ordinances, and Accompanying Ordinance

COUNCIL GOAL: Direction for Strategic and Economic Growth

(1C: Provide a strong economy by facilitating a balance between

industrial, commercial, residential and open space)

MEETING DATE: August 21, 2018

DEPARTMENT: Planning

CONTACT: Jennifer Arnold, AICP, Interim Director of Planning

Samantha Pickett, AICP, Planning Manager

RECOMMENDED CITY COUNCIL ACTION: Staff recommends approval of the proposed amendments.

ITEM SUMMARY: At the June 4, 2018 City Council Work Session, Staff presented an analysis of zoning districts throughout the City, specifically focusing on two primary issues:

- 1. Motor vehicle sales and dealerships
- 2. Non-residential districts that permitted residential uses

City Council discussed concerns with the potential loss of commercial tax base, properties not developing as envisioned, and protecting key properties to attract business development, and requested Staff to look at potential solutions. As such, Staff has prepared several amendments to the Zoning Ordinance in response to Council

direction. These amendments are generally meant to update antiquated and outdated regulations, rectify inconsistencies, and potentially increase commercial development by modifying the Zoning Ordinance to limit the sale of motor vehicles and remove residential uses from non-residential districts.

This item is replacing 18-0007M (withdrawn on this agenda); on July 24, 2018, the Planning and Zoning Commission voted 4-2-0 to continue the public hearing and table the item to the August 14, 2018 meeting in order to give the public more time to become informed about the amendments. Following that meeting, Staff revised the amendments to include modifications to motor vehicles sales, and published a new legal notice accordingly. Additionally, a memo and redlines were posted to the City of McKinney website, and an email with the same information was sent to all planning applicants registered in our system.

At the August 6, 2018 City Council meeting, the associated item (18-0007M) was tabled indefinitely.

BACKGROUND INFORMATION: In March of 2014, City Council adopted a series of Zoning Ordinances changes, including the adoption of 14 new zoning districts to better align development with the current market, and the suspension of 18 of the existing districts, which prohibits (re)zoning to any of these districts as of July 1, 2014, while still allowing development on properties that already have this zoning. While these additional districts made significant improvements to the Zoning Ordinance, no modifications were made to any existing districts, and thus the two issues below still exist.

Since the last major update to the Zoning Ordinance in 1981, motor vehicle sales (including automobiles, motorcycles, boats, recreational vehicles, and trucks) have been allowed by right in "BG" - General Business District, "C" - Planned Center District, "BC" - Commercial Business District, "ML" - Light Manufacturing District, and "MH" - Heavy Manufacturing District, as well as in the "REC" - Regional Employment Center Overlay District (adopted in 2001). Several districts, especially "C", were designed to provide high concentrations of shopping and retail along major thoroughfares, and as such are prevalent along these roadways. That said, motor vehicles sales have increased in size and scale over the last several decades and now often include additional uses such as service, repair and rental. Consequently, the intensity of these uses may not be appropriate in all locations where these zoning districts occur.

Similarly, residential uses have been allowed, either by right or by specific use permit (SUP), in "BN" - Neighborhood Business District, "BG" - General Business District, "C" - Planned Center District, "ML" - Light Manufacturing District, and "MH" - Heavy Manufacturing District for the same period of time. The City of McKinney's Zoning Ordinance is based on traditional, pyramid, or hierarchical zoning, where each district builds in intensity and allowed uses from the less intense zoning district are permitted in the more intense zoning district. As such, it's common to find less intense uses (such as residential) in higher intensity districts (such as "MH").

PROPOSED AMENDMENTS:

- Proposed Changes to Sections 146-84 through 146-86 and 146-90 through 146-91 (BN Neighborhood Business District, BG General Business District, C Planned Center District, ML Light Manufacturing District and MH Heavy Manufacturing District): These sections are being modified to update allowed and prohibited land uses, remove redundant or circular provisions, and clarify the regulations. These changes should eliminate issues caused by the pyramidal zoning scheme currently in place that allows residential uses in non-residential districts.
- Proposed Changes to Appendix B-2 (Regional Employment Center Overlay Urban Design Standards) and Appendix F-4 (Schedule of Uses): With the current Schedules of Uses, residential districts allow the fewest uses while industrial districts allow the most uses. The biggest problem with this scheme is that less intense uses are allowed in commercial and industrial districts, which is not ideal from a land use compatibility standpoint. Additionally, changes in the way certain uses function, such as auto dealerships, has led to the need to reassess use classification and appropriate districts. Ideally, residential uses would only be allowed in residential districts, industrial uses would only be allowed in retail districts, and so on.

The proposed amendments are intended to bring the older zoning districts into closer alignment with this ideal while also more closely aligning with the newer zoning districts adopted in 2014 by removing residential uses from non-residential districts, and allowing for discretionary consideration of motor vehicle sales on a case-by-case basis via specific use permit. Overall, the proposed amendments to the Schedules of Uses should improve the schedules' ease of use, reduce inconsistencies in where certain land uses are allowed, and result in a more ideal land use development pattern.

OPPOSITION TO OR SUPPORT OF REQUEST: Staff has received several emails expressing concern or in opposition to the proposed amendments (see attached).

BOARD OR COMMISSION RECOMMENDATION: On August 14, 2018, the Planning and Zoning Commission voted 5-2-0 to recommend approval of the proposed amendments.

SUPPORTING MATERIALS:

18-0008M PZ Minutes DRAFT Feedback Letters 146-84 - BN Redlines 146-85 - BG Redlines

146-86 - C Redlines

<u>146-90 - ML Redlines</u>

146-91 - MH Redlines

18-0008M Appendix B-2 Redline

Appendix F-4 Redlines

18-0008M Proposed Ordinance

Proposed Exhibits A-B