20-0140Z2



TITLE: Conduct a Public Hearing to Consider/Discuss/Act on a Request to Rezone the Subject Property from "C2" - Local Commercial District to "PD" - Planned Development District, Generally to Modify the Development Standards and to Allow Multi-Family Uses, Located on the Southeast Corner of Hardin Boulevard and Virginia Parkway, and Accompanying Ordinance

COUNCIL GOAL: Direction for Strategic and Economic Growth

(1C: Provide a strong city economy by facilitating a balance between industrial, commercial, residential and open space)

MEETING DATE: February 2, 2021

DEPARTMENT: Development Services - Planning Department

CONTACT: Jennifer Arnold, AICP, Director of Planning

Kaitlin Gibbon, Planner II

RECOMMENDED CITY COUNCIL ACTION: Staff recommends denial of the proposed rezoning request due to concerns regarding the multi-family use in this location.

However, if the applicant's request is approved, the following special ordinance provisions shall apply:

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

APPLICATION SUBMITTAL DATE: December 8, 2020 (Original Application) January 4, 2021 (Revised Submittal)

ITEM SUMMARY: The applicant is requesting to rezone approximately 12.64 acres of land, generally for multi-family uses and to modify the development standards. More specifically, the proposed rezoning request modifies the height, setbacks, and parking requirements for multi-family residential uses.

A similar request was brought before the Planning and Zoning Commission and City Council in 2020 and was ultimately withdrawn by the applicant (case number 2020-0006Z). This new request includes many of the same features of the previous one, with the exception of a modification to the placement of the required screening device.

EXISTING ZONING AND LAND USES:

Location	Zoning District (Permitted Land Uses)	Existing Land Use
,	"C2" - Local Commercial District (Commercial Uses)	Undeveloped Land
	Ordinance No. 2008-04-037 (Commercial Uses), "AG" - Agricultural District	Walmart Neighborhood Market, SK Family Dental, Avalon Nail Spa, Great Clips, Pepe's Tacos y Mas, Bonnie Wenk Park
	"PD" - Planned Development District Ordinance No. 2014-11-086 (Residential Uses)	Sorrellwood Terrace
East	"AG" - Agricultural District (Agricultural Uses)	Bonnie Wenk Park
West	"C2" - Local Commercial District (Commercial Uses)	Single Family Home

PROPOSED ZONING: The applicant is requesting to rezone the subject property generally for multi-family residential uses and to modify the development standards, as further described below.

Multi-Family Residential Uses

- Currently, the property is zoned "C2" Local Commercial District for commercial uses. The applicant proposes to rezone the property to "PD" -Planned Development District with a base zoning of "MF-3" - Multiple Family Residential - Medium-High Density District generally to allow for multi-family uses.
- Staff has concerns with rezoning this property to allow the use of multifamily. Given its location at the corner of two major arterials, this site is opportune for commercial uses. Rezoning the property for residential uses could eliminate that opportunity and erode the city's desire to grow its commercial tax base.

Building Height

• The current zoning on the property of "C2" - Local Commercial District

limits the maximum building height to 45'. The maximum building height permitted in the "MF-3" Multiple Family Residential - Medium-High Density District is two stories (35 feet).

- The applicant requests an increased height to 55 feet, which would allow for four stories. To mitigate for any negative impact to the existing neighborhood, the applicant proposes a height limit of three stories (42 feet in height) for any building within 100 feet of the southern boundary line.
- The proposed building height of 55' for a multi-family development is typically seen in more urban development patterns. As such, Staff has concerns with the request given the sites' close proximity to more traditional residential neighborhoods and uses. Although the surrounding area includes a variety of different single-family residential product types, its overall character is not inherently urban. Therefore, Staff does not feel that a 4-story (55') height multi-family product is appropriate.

Density and Lot Area

- The "MF-3" Multiple Family Residential High Density District currently allows 20 units per gross acre. The applicant has requested to increase the density to 22 units per gross acre.
- The applicant has also requested that the minimum lot area per unit be reduced to 2,030 square feet instead of the 2,100 square feet that is typically required in the "MF-3" - Multiple Family Residential - High Density District.
- Although Staff is not supportive of the multi-family uses in this location, we have no objections to the proposed density and lot area.

Setbacks

- The current setback requirements for "MF-3" Multiple Family Residential
 High Density District are as follows: 35 foot front yard; 20 foot side yard,
 unless adjacent to residential, which requires a 45' setback; 25 foot rear
 yard, unless adjacent to residential, which requires a 45' setback.
- The applicant is proposing to reduce the front yard setback to 30 feet, but is proposing to increase the side yard setback to 30 feet and maintain the required 45 feet setback when adjacent to residential.
- The required setbacks of the "MF-3 Multiple Family Residential High Density District" are intended to ensure an appropriate buffer between more intense uses and existing small-scale neighborhoods. The applicant

is continuing to maintain a 45-foot setback to any single family use or zone. The reduction of the front yard from 35 feet to a 30-foot setback would allow the development to construct 3-4 story buildings closer to the right-of-way, which is concerning to Staff given the overall proposed building heights.

Parking

- While the current required parking ratio for multi-family uses is one parking space for each dwelling unit plus half of a space for each bedroom in all dwelling units, the applicant has requested a modified parking ratio of one space per bedroom with an additional 0.2 spaces per unit.
- In looking at similar developments that have used a similar or even lesser ratio, Staff found that the reduced ratio did not create issues with parking for these developments.

Enclosed Parking

- Currently, no less than 50% of the units shall have an enclosed parking space. However, the applicant has requested a modified parking standard that no less than 30% of the units have an enclosed parking space and 20% of the units can be carport covered parking spaces. If a 20-foot driveway is not provided with the required enclosed parking, the applicant asks that the additional 0.5 parking space not be required.
- In looking at similar developments that have used carports instead of enclosed spaces, Staff found that the request still provides a covered parking space product and is not detrimental to the development.

Screening

- Where the screening device for multi-family is currently required on the property line, the applicant has requested that the screening device on the southern property be relocated north of the proposed Existing Tree Zone, which is further described below.
- Staff has no objections to this proposed request.

With "PD" - Planned Development District requests, projects must provide a feature(s) to ensure exceptional quality or demonstrate innovation. The applicant is proposing to create an Existing Tree Zone to serve as a 30-foot tree perimeter zone adjacent to the southern boundary line of the property and outside of the floodplain. Within this zone, all trees with a 6-inch caliper or greater will be preserved and canopy trees shall be planted on 30-foot centers to supplement areas where there are no existing trees.

Construction within this zone shall be prohibited except for utilities and public infrastructure. The applicant is also proposing that 30 percent of the street yard along Virginia Parkway and Hardin Boulevard, that is not within the floodplain, be devoted to landscaping and supplemented with two flowering ornamental trees that would be planted per 60 linear feet.

Staff has concerns with rezoning this commercial property to allow for a residential development. The property is located at the hard corner of two major arterials and was just recently zoned to "C2" - Local Commercial District in 2019 to allow for commercial uses. Given the stated goal of the City Council to preserve as much meaningful commercial opportunity as possible, Staff is unable to support the request. In addition to our concern about the proposed use in this location, Staff also has concerns with the requested increase in height and reduced setbacks. Given these factors, Staff is unable to support the rezoning request.

CONFORMANCE TO ONE MCKINNEY 2040: A key aspect of the ONE McKinney 2040 Comprehensive Plan is to provide direction related to the desired development patterns and to inform decisions related to the timing and phasing for future infrastructure investments in the City. To assist in guiding these decisions, the Preferred Scenario and series of Land Use Diagrams establish distinctive districts, each with a clear intent and market focus that are reinforced through character-defining placetypes.

Per the Preferred Scenario, the subject property is located in the <u>Established Community District</u> and is designated as the 'Urban Living' placetype. General placetypes also included in this district are Suburban Living, Employment Mix, Commercial Center, Neighborhood Commercial, and Professional Campus.

- <u>Guiding Principles</u>: The proposed rezoning request is generally in conformance with Guiding Principle of "Diversity (Supporting our Economy and People)" established by the Comprehensive Plan. In particular, the proposed request has the potential to provide "private development, public investments, and community engagement support the people of McKinney by making available housing options and neighborhood choices that are accessible, attainable and appealing to people at all stages of their lives."
- <u>Land Use Diagram Compatibility</u>: In evaluating development requests, the City should determine that a project meets the majority of the established criteria to be considered compatible with the Land Use Diagram. The proposed rezoning request to "PD" Planned Development District with a base zoning of "MF-3" Multiple Family Residential-Medium-High Density District generally aligns with the Urban Living placetype.

Although the Urban Living placetype is intended to provide a range of housing options that offer choices for McKinney residents, it also calls for local commercial, retail and services to serve the surrounding neighborhoods. Given that this property is on the corner of major arterials, Staff feels as though it

should be preserved for these types of commercial uses.

- <u>Fiscal Model Analysis:</u> The attached fiscal analysis projects that the proposed multi-family zoning would result in a fiscal deficit of \$40,421 per year in annual operating expenses. Some key takeaways for this include:
 - The existing zoning of "C2" Local Commercial is expected to result in a fiscal surplus of approximately \$1.28M and has the potential to capture roughly 9% of the city's overall retail market share.

OPPOSITION TO OR SUPPORT OF REQUEST: Staff has received 12 letters of support and 27 letters in opposition to this request.

BOARD OR COMMISSION RECOMMENDATION: On January 12, 2021, the Planning and Zoning Commission voted 4-3-0 to recommend approval of the proposed zoning request. As part of the recommendation for approval, the Planning and Zoning Commission and the applicant proposed to include a unit cap of 250 units, to limit the western most building to three stories, and to require a 100-foot setback to the southern property line.

SUPPORTING MATERIALS:

PZ Minutes

Location Map and Aerial Exhibit

Letter of Intent

Letters of Support

Letters of Opposition

Comprehensive Plan Maps

Established Community District

Placetype Definitions

Fiscal Analysis

Land Use Comparison Table

Layout - Informational Only

Proposed Ordinance

Proposed Exhibits A-D

Presentation

Applicant Presentation - 20-0140Z