



CITY OF McKINNEY, TEXAS

Legislation Text

File #: HP2019-0022, **Version:** 1

Consider/Discuss/Act on a Request by Boilermaker Rockhill LLC, for the Waiver of Roadway Impact Fees in Accordance with the Neighborhood Empowerment Zone Impact Fee Waiver Program for the Proposed Multi-Family Project Located at the Southeast Corner of Rockhill Road and Wilson Creek Parkway

COUNCIL GOAL: Enhance the Quality of Life in Downtown McKinney
(6A. Maximize Partnerships Between the City of McKinney and Private Industry)

MEETING DATE: December 3, 2019

DEPARTMENT: Development Services - Planning

CONTACT: Mark Doty, Assistant Director of Planning
Guy R. Giersch, Historic Preservation Officer

RECOMMENDED CITY COUNCIL ACTION:

- Staff recommends approval of the Impact Fee Waiver request through the NEZ Program.

ITEM SUMMARY:

- In accordance with Ordinance No. 2013-11-110, Section 98-84-8 Neighborhood Empowerment Zone (NEZ), the applicant is requesting roadway impact fee waivers for the multi-family project, consisting of 354 multi-family units located at the southeast corner of Rockhill Road and Wilson Creek Parkway.
- Approval of the impact fee waiver will result in the City forgoing \$1,376,628.12 in roadway impact fee revenues.
- The property is owned by Boilermaker Rockhill LLC, and the current estimated assessed ad valorem value of the property by CCAD is \$2,565,703.
- Impact fees are paid up front by the developer and reimbursed upon completion and inspection of the project for compliancy.

CRITERIA FOR ELIGIBILITY:

- In order for the project to be eligible to receive roadway impact fee waivers the design and completion of the new construction should be general compatible with the massing, size,

scale, and architectural features of the surrounding neighborhood. The guidelines require that new, multi-family property within the NEZ to meet three criteria as outlined in the Ordinance.

- The project qualifies based on the following:
 - *Height:* The buildings within the project will be three story which is complimentary to some of the building heights of the surrounding neighborhood.
 - *Proportion of the buildings' front facades:* The varying, but dominant, low and long character of the buildings within the project reflects the proportions of building façades in the surrounding neighborhood.
 - *Proportion of openings within the facades:* The proportion of façade openings for buildings within the Project is generally a 1:1 ratio which is comparable to the proportions found in similar project types in the surrounding neighborhood.
 - *Rhythm of solids to voids:* Comparable to similar project types in the surrounding neighborhood, the buildings within the Project express a unique rhythm of solids and voids due to differing unit designs arranged to form buildings of varying size and shape.
 - *Relationship of materials:* The predominant material will be brick to reflect the character of the surrounding neighborhood. The brick color, stucco, large masonry blocks, metal panel and cementitious siding are similar to materials found in the historic downtown; while the accent materials, including Austin stone and wood trim, are influenced by the immediate context of the adjacent single family residences.
 - *Relationship to roof shapes:* The predominant roof shapes in the neighborhood are medium to low-slope pitch roofs with a combination of hip and some gable ends as reflected in the Project buildings. In addition, the eave treatment of the Project buildings is soffit with fascia as typically found in the neighborhood. A few tower soffits are accentuated with wood outriggers to reflect the influence of the neighboring single family residences.
 - *Relationship to architectural details:* The low-slope metal awning and metal panels above the leasing entry are influenced by the metal awnings and metal panels found on the historic downtown retail buildings. In addition, the wood outriggers and columns reflect the architectural details within the neighborhood.
 - *Scale:* The large scale building to large lot ratio planned for the Project is a similar proportionate ratio typically found in the surrounding neighborhood.
 - *Massing:* The massing of the buildings creates a hierarchy and order which is expressed by important features, building entries and unit balconies being pulled out from the face of the building and terminus towers. The use of select materials helps emphasize the established hierarchy and differentiates the massing from other building elements.
 - *Directional expression of the front elevation:* The predominant feel of directional expression of front elevation for buildings within the neighborhood is a horizontal

orientation with which the buildings within the Project conform.

- *Rhythm of spacing and setbacks:* Setbacks for the Project are largely dictated by the regulating zoning district; however, a deeper setback is projected along the eastern portion of the Rockhill Road frontage to acknowledge the setbacks for the single family residences across the street and along Wilson Creek Parkway to acknowledge an existing 50' utility easement.
- *Variation of styles:* The Project is a single-phase with all buildings expressing a contemporary style to create a unified harmonious environment.

BACKGROUND INFORMATION:

- The Neighborhood Empowerment Zone Program (NEZ) was expanded in 2013 to provide a complimentary tool to address infill projects within the Town Center.
- Roadway impact fees and utility impact fees are imposed by the City on all "New Development" in order to generate revenue for funding or recouping the capital costs of roadway and utility system improvements for each service area, which are necessitated by the new development in that service area for a period not to exceed 10 years.
- New Development is defined as any project "involving the subdivision of land and/or the construction, reconstruction, redevelopment, conversion, structural alteration, relocation, or enlargement of any structure, or any use or extension of the use of land which has the effect of increasing the requirements for capital improvements, measured by an increase in the number of service units to be generated by such activity, and which requires either the approval and filing with Collin County of a plat pursuant to the City's subdivision ordinance or the issuance of a building permit (or connection to the City's water or wastewater system)."
- Per Ordinance 2013-11-110, roadway impact fee waivers may be granted under Sec. 98-84 (8). *The Neighborhood Empowerment Zone (NEZ) is created wherein development projects in the defined geographic area may receive impact fee waivers based on specified criteria.*

Multi-family: Within the NEZ, new multi-family construction, being three or more dwelling units on a single lot and commencing on a lot of record, is eligible to receive roadway impact fee waivers only, provided that the design and completion of the new construction is generally compatible with the massing, size, scale, and architectural features of the surrounding neighborhood. Prior to construction, an application shall be made to the HPO, who will present an eligibility determination for roadway impact fee waivers to the city council for approval or denial based on the proposed construction. The city council shall determine eligibility for impact fee waivers based, in part, on the "Guidelines for New Construction in the NEZ". All impact fees shall be collected at the time of building permit issuance and remitted to the owner upon completion and final inspection of compliant construction.

- The NEZ program began in 2009. As part of the program to date; four (4) multi-family properties have been awarded estimated roadway impact fee waivers that total \$652,987.78.

FINANCIAL SUMMARY:

- The current assessed ad valorem value of the property by the Collin Central Appraisal District (CCAD) is approximately \$2.5 million. Following construction of the proposed multi-family project, the new construction valuation of the property is estimated to \$65 million, with an estimated ad valorem value of approximately \$55 million.
- Approval of the impact fee waiver will result in foregone estimated roadway impact fee revenues of \$1,376,628.12.

BOARD AND COMMISSION RECOMMENDATION: N/A