



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 20-1014, **Version:** 1

Consider/Discuss/Act on an Amendment to the Declaration of Restrictions for the McKinney Corporate Center at Craig Ranch

COUNCIL GOAL: Enhance the Quality of Life in McKinney
(5F: Maximize partnerships between the City of McKinney and private industry)

MEETING DATE: November 10, 2020

DEPARTMENT: Development Services

CONTACT: Michael Quint, Executive Director of Development Services

STAFF RECOMMENDATION:

- Should the City Council approve the associated rezoning request, Staff recommends approval of this item. However, should the City Council deny the associated rezoning request, Staff recommends denial of this item. By approving this agenda item, the City Council will be approving both sets of deed restrictions as referenced herein.

ITEM SUMMARY:

- On July 14, 2020, the applicant representing the owners of the land within the McKinney Corporate Center at Craig Ranch (the "Corporate Center") submitted a request to rezone (case no. 20-0066Z) a portion of the Corporate Center to allow a mixture of office, residential and stand-alone retail buildings.
- The current deed restrictions governing the Corporate Center prohibit stand-alone retail and residential uses and includes minimum building square footages which conflict with the proposed rezoning request.
- Given the conflict between the applicant's proposed rezoning request and the existing deed restrictions governing the property, modifications to the deed restrictions are warranted. The aforementioned rezoning request will be considered by the City Council concurrently with this agenda item.
- Generally speaking, if this item is approved by the City Council then the Corporate Center will be governed by two sets of deed restrictions. The existing deed restrictions' boundary and acreage, which currently govern the entire Corporate Center (134.473 acres), will be reduced in size by approximately 19.97 acres (Tracts A, B, C, and D as reflected on the attached zoning regulating plan) and a new set of deed restrictions will be created to govern a portion of the land (Tracts B and C totaling 11.634 acres as shown on the attached zoning regulating plan) that's being removed from the existing deed restrictions.

- A summary of the proposed deed restrictions are provided below:
 1. Proposed “revised deed restrictions” (modifications to the existing deed restrictions and removing Tracts A, B, C, and D):
 - a. Tracts A (3.765 acres) and D (4.571 acres), as reflected on the attached zoning regulating plan, are removed from the Corporate Center’s deed restrictions as they will be zoned for free-standing retail (Tract A) and residential uses (Tract D);
 - b. Tracts B (6.144 acres) and C (5.490 acres), as reflected on the attached zoning regulating plan, are removed from the “revised deed restrictions” and will now be governed by the “new deed restrictions;”
 - c. Three “zones” are established governing minimum required building square footage and other development criteria:
 - Zone 1: Minimum 60,000 square feet of floor area.
 - Zone 2: Minimum 90,000 square feet of floor area unless located on a lot fronting Henneman Way in which case shall be a minimum of 100,000 square feet of floor area, a minimum of four stories in height, and 80% of parking shall be structured.
 - Zone 3: Minimum of 120,000 square feet of floor area and 80% of parking shall be structured.
 2. Proposed “new deed restrictions” (governing only Tracts B and C):
 - a. No building permits for multi-family units may be issued until the City has approved a site plan for at least 120,000 square feet of office buildings within the larger Corporate Center;
 - b. No certificate of occupancy for any multi-family residential units on this property shall be issued until at least 120,000 square feet of office buildings within the larger Corporate Center have been issued a building permit and a linear park as reflected on the attached regulating plan has been constructed; and
 - c. Upon satisfaction of the requirements of these deed restrictions, they may be automatically terminated upon written request.
- Because the Corporate Center’s deed restrictions are only needed to accommodate changes to the property’s zoning, the proposed rezoning request and this agenda item are associated. As such, Staff recommends approval of this item should the City Council approve the associated rezoning request. However, Staff recommends denial of this item should the City Council deny the associated rezoning request.
- By approving this agenda item, the City Council will be approving both sets of deed restrictions (“revised deed restrictions” and “new deed restrictions”).

BACKGROUND INFORMATION:

- In February of 2010, the McKinney Economic Development Corporation (MEDC) issued a Request for Qualifications (RFQ) for a corporate office park master developer. In January of 2011, the Craig Ranch Corporate Center was identified by the MEDC as the Qualified Respondent to the RFQ.
- On January 23, 2012, the City Council adopted a resolution formally recognizing the “Craig Ranch Corporate Center” as the Qualified Respondent for Master Developer of a corporate office park in McKinney. The goal of this resolution was to enhance economic development opportunities through the recognition of certain areas in the city as “corporate centers.”
- On November 6, 2012, as part of the partnership to initiate construction of the Corporate Center, the City Council adopted a Chapter 380 Economic Development Agreement to outline an incentive package and to establish the parameters which would further define the partnership.
- In this agreement, the City offered grants totaling \$5,042,034 in addition to a portion of the first office building’s ad valorem taxes in exchange for the construction of an office building with a construction value of at least \$10,000,000, construction of public infrastructure to support the Corporate Center, and the establishment of deed restrictions governing aspects of the Corporate Center’s development.
- The existing deed restrictions generally outline prohibited land uses which include stand-alone retail uses and residential uses but also includes minimum square footages for buildings within the Corporate Center. These existing deed restrictions were to govern the corporate center for 50 years from November 26, 2012.