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January 15, 2025

Via Online Submittal

Planning Department
City of McKinney
221 N. Tennessee St.
McKinney, TX 75069

Re: Letter of Intent for an application to zone +/- 37.4063 acres located at 6423 County Road 161 McKinney, TX 75071, 6551 County Road 161 McKinney, TX 75071, 6665 County Road 161 McKinney, TX 75071 and property with the following legal description: ABS A0205 D M Crutchfield Survey, Tract 19 McKinney, TX 75071 (the "Property") as MF36 – Multi-Family Residential

To Whom It May Concern:

QZ Ranch Trust, Bernd Fitzau, Valerie A. Fitzau, Flint Loughridge, Regina Loughridge, and Loughridge Living Trust are the respective owners of the Property ("Owners") and are pleased to submit this letter of intent with the zoning application for a request to zone the Property to MF36 – Multi-Family Residential ("MF36")

Summary

This request is to zone the Property to MF36 (after the Property is annexed into the city limits of the City of McKinney, Texas (the "City") pursuant to a separate application filed with the City). Zoning the Property to MF36 will allow for the development of multi-family residential uses on the Property, including related resident amenities, property enhancements and the reservation of approximately thirteen (13) acres of the Property for open space/green space areas.

In addition to the proposed development of multi-family residential uses, the Developer intends to (1) preserve and enhance native site features and green space on the Property, including existing ponds, (2) add trails throughout the proposed development, (3) enhance and widen County Road 161 which will include approximately 1,530 linear feet of two through lanes and an 8-foot

sidewalk, and (4) extend approximately 920 linear feet of a 12” PVC water pipe and upsize approximately 1,490 linear feet of a 12” PVC water pipe (upsized from an 8” line). Both of these water improvements are on the City’s Capital Improvements Plan map.

Additionally, a portion of the Property currently operates as an active airplane runway and helicopter pad. Upon approval of the proposed zoning and development, the airplane runway would be made inactive and, after obtaining any required City permits, the helicopter hanger would be redeveloped to be used as an indoor amenity center for the future multi-family development. This will provide a quieter and more enjoyable living experience for the surrounding single-family neighborhoods and the future residents of the proposed development.

Zoning Justification/Narrative

The proposed zoning and development will provide additional housing options to families desiring to live in McKinney and, despite differing from the placetype designation on the City's Comprehensive Plan, accomplish the intent and the goals underlying the Comprehensive Plan by providing appropriate transitional multi-family uses, landscaping throughout the Property, including incorporation of native plants within open space areas, activated green space along Stover Creek, and public infrastructure improvements to spur continued residential and non-residential development of the surrounding areas.

The developer plans on building a neighborhood and community-centric development that utilizes and enhances the natural environment and topography of the Property. As noted above, there are two ponds onsite that will be preserved and improved with landscaping to become central water features for the proposed development and the land near Stover Creek will be turned into an amenity for residents. The project will construct over a mile of integrated walking and running trails throughout the Property that will help connect the proposed development. The project will feature amenities exceeding the minimum amount required in the MF36 district for a project this size (a maximum of 600 units), including:

- (1) A minimum 10,000 square foot Amenity Center, including:
 - a. a clubhouse lounge with private dining areas (an example of a potential design is shown in the Amenity Center rendering below);
 - b. a gaming area;
 - c. a boutique fitness center, including a gym area and a separate area for group fitness and/or yoga;
 - d. a co-working space;
 - e. a speakeasy themed resident lounge; and
 - f. individual mail and package rooms with cold storage.
- (2) A resort style pool with (3) lounge seating and an outdoor kitchen (an example of a potential design is shown in the Pool Amenity Deck rendering below);
- (4) An outdoor co-working and/or social area with available group seating;
- (5) A dog park;
- (6) A dog spa for residents;

- (7) An outdoor fireside lounge with fire pits and communal seating;
- (8) Approximately 13 acres of open space/green space incorporating native plantings (including the over mile long trail that will connect through the Property, referenced above), including floodplain area;
- (9) EV charging stations; and
- (10) A 3,500 square foot indoor pickleball court.



Amenity Center



Pool Amenity Deck

It has yet to be determined whether the proposed development will be a single- or multi-phase project. However, if it is developed in multiple phases, the developer will complete construction of the amenity center prior to 50% of buildings receiving a certificate of occupancy and will complete construction of all other amenities prior to the issuance of the certificate of occupancy for the last multifamily building. The Developer is willing to commit to providing the specific amenities, open space, and, timing for completion of such amenities and open space in the related, forthcoming development agreement.

The proposed development currently consists of roughly 14 dwelling units per acre of land within the overall Property, well under the density permitted by MF36 and the developer intends to commit to a maximum of 16 dwelling units per acre within the related development agreement. The proposed development will cater to households with moderate to high incomes that may not be able to afford the current single-family home prices in the area or households that choose to forego homeownership altogether for the benefits of living in an amenitized development with the wide range of nearby retail and employment options. To attract this demographic, the developer plans to build larger units (as described below) compared to current market offerings and incorporate a mix of building types, including townhome-style multi-family units with an average unit size of over 2,000 square feet, elevator-served residential uses with conditioned corridors, and walk-up residential uses. A majority of the units will be one and two bedroom units. One-bedroom units will be an average of 800 square feet and two-bedroom units will be an average of 1,315 square feet. There will be a smaller percentage (roughly 10 percent) three-bedroom units. Approximately 50 private resident yards will be provided and incorporated throughout the multi-family buildings. Where feasible, the project will provide limited ground mounted HVAC units (the majority are planned to be mounted on the roof). The interior finish level of the units will mimic those found in single-family developments, providing large kitchens with premium countertops, frameless showers, soaker tubs, large walk-in closets and full-size washers and dryers in a separate, designated laundry room. The developer intends to commit to the aforementioned unit square footages, private yards, and unit finishes within the related development agreement. The larger-than-average units paired with these finishes and amenities create a comparable living

experience to that provided by a typical single-family home. As such, the proposed development will provide a compatible transition to single-family communities in the area and will offer future residents a transitional platform to the area's single-family housing when desirable.

As part of the overall package of development, the developer plans to expand County Road 161 along the Property's frontage from one lane to two lanes and improve this portion of the road by upgrading the paving material from asphalt to concrete. Additionally, two right-hand deceleration lanes will be constructed, one of which will serve as a future extension for Fremont Drive. These expansions and improvements are designed to alleviate traffic concerns brought by new development and provide updated paving material to create a safer and more durable thoroughfare for motorists and pedestrians. The developer also plans to upsize an existing water line from an 8" pipe to a 12" pipe and extend water service infrastructure to the south along County Road 161 from its current location, which could spur future development in this area and will enable the City to provide adequate water service to any future development in this area.

Should the proposed zoning application be approved, the developer anticipates the proposed development and related improvements will create an economic impact of roughly \$100,000,000.

We are requesting MF36 zoning based on prior feedback from City planning staff indicating a preference for straight zoning rather than a Planned Development district, if possible/if we were able to comply with the base zoning in the UDC. Our design team reviewed and confirmed that we can design the project in accordance with the MF36 base zoning. MF36 is the only zoning district that appears to allow multi-family zoning other than the mixed-residential district which did not fit this proposed development. The proposed lower density multi-family development on this Property allows for the ability to showcase and preserve the site's natural features in a way that other development types may not be able to.

The City's Comprehensive Plan currently designates the Property's character defining placetype as "Suburban Living" within the Northridge District which promotes single-family uses and subdivision orientation as its identifying features. However, this placetype also "supports preservation of natural features" within new neighborhoods (as-is proposed with this project), offers that "timing and phasing of [infrastructure] systems will be an important aspect of assuring a steady, fiscally-sustainable level of growth over time", and provides that those single-family uses should be self-contained with a buffer from non-residential developments through transitional uses and landscaped areas. The developer intends to provide these transitional uses through the proposed development by offering a mix of multi-family building types (including a townhome-style multifamily concept, elevator served buildings, and walk-up style units), a trail system, extensive open space, landscaping, and amenities that will create a buffer between future retail and commercial developments and the surrounding single-family uses. The proposed infrastructure improvements, in addition to a strong customer base provided by the proposed development and the surrounding neighborhoods, will provide a foundation and incentives for the development of retail services and restaurants in the Neighborhood Commercial designation north of the Property at the intersection of Bloomdale Road and Ridge Road and the Commercial Center designation southwest of the Property. The details of the proposed development, combined with the Property's proximity to Stover Creek, a designated Neighborhood Commercial area, and a designated Commercial Center area, provide a unique situation where a deviation from the Comprehensive Plan's placetype designation will be beneficial for the growth and continued development of the

surrounding area and the City as a whole. The Unified Development Code acknowledges that “the MF30 zoning district may exist in the Suburban Living placetype in unique circumstances.”

We feel that MF36 zoning, the proposed development, the related amenities, and public improvements collectively allow for alignment with the overall intent of the Comprehensive Plan's goal for the Property and the surrounding area by providing housing for family-oriented residents, a wide range of indoor and outdoor amenities, trail systems to activate green space along Stover Creek, and improvements to the surrounding water and roadway infrastructure to incentivize further development of the surrounding area, including within the Neighborhood Commercial and Commercial Center designations located in close proximity to the Property.

As noted above, the Unified Development Code acknowledges that “the MF36 zoning district may exist in the Suburban Living placetype in unique circumstances.” In sum, for the reasons discussed in more detail above, we believe such requirement of unique circumstances exist for this request due to (i) the lower density multi-family development and amenities proposed; (ii) the Property's proximity to designated Neighborhood Commercial and Commercial Center areas; (iii) the mix of different types of multi-family residential structures which provide an appropriate transition to nearby single-family developments; (iv) the unique topography of the site – which slopes towards the creek – meaning that most buildings will be depressed from the street, giving a similar appearance in scale to single-family developments; (v) the Property's adjacency to Stover Creek allowing the development to integrate this natural amenity with the planned resident amenities and trails; (vi) the preservation of natural features and provision of expansive open space (roughly one-third of the total acreage of the site will be provided as open space/green space); (vii) public infrastructure improvements noted above including improvements to County Road 161 and water improvements on the City's Capital Improvements Plan; and (viii) the Property's proximity to the future 380 bypass that will be constructed along Stover Creek on the east side of the site.

Sincerely,

A handwritten signature in black ink, appearing to read "Jesse Copeland", written over a horizontal line.

Jesse Copeland