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Conduct a Public Hearing to Consider/Discuss/Act on a Request to Rezone the Subject Property from “PD” – Planned Development District to “PD” – Planned Development District, Generally to Modify the Development Standards and to Allow for Multi-Family Residential Uses, Located on the Southwest Corner of McKinney Ranch Parkway and Collin McKinney Parkway

..Summary

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: September 26, 2023

DEPARTMENT: Development Services - Planning Department

CONTACT: Araceli Botello, Planner I
Caitlyn Strickland, AICP, Planning Manager
Jennifer Arnold, AICP, Director of Planning

APPROVAL PROCESS: The recommendation of the Planning and Zoning Commission will be forwarded to the City Council for final action at the October 2, 2023 meeting.

STAFF RECOMMENDATION: Staff recommends denial of the proposed rezoning request due to lack of conformance with the Comprehensive Plan and concerns regarding the proposed development standards for multifamily residential uses.

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 subject to the following special ordinance provision:
 - a. The subject property shall develop in accordance with the attached development regulations; and
 - b. The maximum number of units shall be 385 units.

APPLICATION SUBMITTAL DATE: June 22, 2023 (Original Application)
July 28, 2023 (Revised Submittal)
August 7, 2023 (Revised Submittal)
August 25, 2023 (Revised Submittal)

ITEM SUMMARY: The applicant requests to rezone approximately 18.22 acres of land, generally to allow for multi-family residential uses. As part of the rezoning request, the applicant also proposes to modify the density, parking, and screening requirements typically required for multi-family residential uses.

EXISTING ZONING AND LAND USES:

Location	Zoning District (Permitted Land Uses)	Existing Land Use
Subject Property	“PD” – Planned Development District No. 2008-05-046 (Agricultural Uses)	Undeveloped Land
North	“AG” –Agricultural District (Agricultural Uses) and “PD” - Planned Development No. 1606 (Commercial and Residential Uses)	City Pump Station and Undeveloped Land
South	“PD” – Planned Development District No. 2008-05-046 (Agricultural Uses)	Oncor Substation
East	“PD” – Planned Development District Ordinance No. 2003-04-033 and 2013-03-025 (Multifamily Uses)	Post Oak Apartments
West	“C” – Planned Center (Commercial Uses)	Undeveloped Land

PROPOSED ZONING: The applicant requests to rezone approximately 18.22 acres for generally for multi-family residential uses and modified development standards, as further described below:

- Multifamily Residential Uses
 - Currently, the property is zoned “PD” – Planned Development District and allows for agricultural uses. The applicant proposes to rezone the property to “PD” – Planned Development District to allow for multi-family residential uses.

A full list of the proposed uses can be found in the proposed development standards.

- Staff has concerns that the multi-family residential uses proposed do not align with the Entertainment Center placetype or the intent of the Collin McKinney Commercial District (from the ONE McKinney 2040 Comprehensive Plan) for this area to realize shopping, dining and entertainment choices that support McKinney residents.
 - Although some residential uses are contemplated in the Entertainment Center placetype, Staff notes that the immediate area is already home to over 1,800 existing or planned multifamily units, but no notable retail or service uses. The tract immediately southeast of the subject property was also recently rezoned to allow commercial uses and a 4- to 6- story multi-family development. With its proximity to SH 121 and the anticipated extension of Collin McKinney Parkway through the tract, it is our professional opinion that the subject property should be preserved for commercial opportunities that better align with the placetype and vision described for the area in the ONE McKinney 2040 Comprehensive Plan.
- Density
 - The newly adopted Unified Development Code (UDC) includes a modernized multi-family zoning district that has a maximum density of 30 units per acre (“MF30” – Multiple Family District). The “MF30” – Multiple Family District and associated density was designed to allow for development of traditional, non-urban multi-family projects in McKinney. The density allowed was established by looking at recently approved/completed multi-family projects in McKinney and by looking at standard multi-family zoning districts in comparable cities in Collin County. For reference, typical traditional, non-urban multi-family densities in McKinney range from 22 to 28 units per acre. Whereas, recently approved/completed urban multi-family projects such as Collin Square, Parkside, and Ballfields range between 35 to 65 units per acre.
 - The applicant proposes to increase the maximum density from 30 to 38 units per acre and has cited several reasons for this request. Most notably, the applicant indicates that the future extension of Collin McKinney Parkway will bifurcate the tract in a manner that makes it difficult to develop the southern portion of the property. The applicant also notes that floodplain along the southern portion of the property (approximately 4 acres) also makes development difficult.

- Their conceptual plan (not tied to this zoning) envisions 385 multi-family residential units all located on the north side of future Collin McKinney Parkway. The anticipated alignment of Collin McKinney Parkway through the subject property would create an approximately 8.5-acre tract on the north side of the roadway, which could allow a maximum of 255 units under the typical density of 30 units per acre. An increase in density to 38 units per acre would allow a maximum of 323 residential units to the acre. While the alignment of Collin McKinney Parkway could change slightly to increase the resulting size of the northern tract, a shifted alignment has not been formally reviewed or agreed upon. Furthermore, the applicant's request to rezone the entire property for multi-family uses would still allow for the developable portions south of future Collin McKinney Parkway to develop for multi-family at a density of 38 units per acre.
- Staff recognizes the impact that right-of-way dedications and floodplain can have on a property's developability. However, it is worth noting that right-of-way dedication is a standard requirement for all development projects and the anticipated dedication of 70 feet for Collin McKinney Parkway on this property is not extraordinary in nature. Collin McKinney Parkway is a master planned arterial that has been shown on the city's Master Thoroughfare Plan since at least 2010. For reference, properties along not-yet-constructed arterials typically dedicate anywhere from 50-70 feet of right-of-way for roadway infrastructure. With this in mind, we are concerned about the potential precedent that could be set by allowing increases in densities due to standard dedication requirements for master planned roadways or other utilities. As such, Staff does not believe that the extension of Collin McKinney Parkway is a constraint that should be considered for increasing the density beyond the typical allowance of 30 units per acre.
- It is also worth noting that the city's maximum density calculations for residential uses are based on the gross area of a tract. Therefore, the presence of floodplain does not negatively impact the overall unit counts that could be achieved across an entire tract. As such, Staff does not believe that the floodplain is a constraint that should be considered for increasing the density beyond the typical allowance of 30 units per acre.
- Height
 - The applicant proposes a maximum building height of 4 stories, not to exceed 55 feet.
 - Although Staff is not supportive of multi-family residential uses on the subject property, we have no objection to the proposed building height as it aligns with the height allowances in the "MF30" – Multiple Family District.

- Screening

- Typically, multi-family residential uses require a 6-foot masonry screening wall along all rear and side property lines.
- As part of the rezoning request, the applicant proposes to utilize a 6-foot tubular steel or wrought iron fence with masonry columns as well as evergreen screening shrubs rather than a 6-foot masonry wall.
- Deviations from the screening requirement are typically only considered when the proposed screening is adjacent to floodplain, is uniquely abutting another existing multifamily development, or when the project is building in an urban manner within an urban area.
- As proposed, Staff doesn't note any special considerations for why the typical screening requirement could not be met for the proposed development.
- We also note that the subject property will have frontage along McKinney Ranch Parkway and the future extension of Collin McKinney Parkway, so the masonry screening requirement only be applicable along the western boundary of the tract, where adjacent to undeveloped, commercial property and the Oncor substation.
- As such, Staff is not supportive of the reduction in screening proposed with this rezoning request.

- Parking

- For multi-family developments, the Unified Development Code (UDC) requires 2 parking spaces per dwelling unit, with a minimum of 30% enclosed spaces.
- The applicant proposes to provide 1.6 parking spaces per dwelling unit.

The current parking requirements for multifamily developments were recently adopted as part of the Unified Development Code (UDC). This ratio was established by considering recently rezoned and/or completed multifamily projects in McKinney, the parking ratios of our sister cities, and consideration for established national standards from published manuals like the Institute of Transportation Engineers Parking Generation Manual.

- Given these factors, Staff is not supportive of the reduction in parking proposed with this rezoning request.

- Exceptional Quality
 - With “PD” – Planned Development District requests, projects must provide a feature(s) to ensure exceptional quality or demonstrate innovation. To that end, the applicant proposes the following:
 - The applicant proposes to provide electric vehicle (EV) charging stations inside at least 50% of the private garages as an added amenity, under the requirements of the UDC. Although EV charging stations can be used to satisfy the amenity requirement, they must be in a centralized location on-site for residents. As proposed, the EV charging stations in private garages would not meet the amenity requirement of the UDC.
 - The applicant also proposes to provide one landscaped median at the proposed entrance on McKinney Ranch Parkway frontage. They have noted their intent to use Collin McKinney as an ‘exit-only’ access point for the development with no landscaped median. Typically, multifamily residential developments are required to provide landscaped medians for all entrances of the development. Although Staff has no objection to the proposed request, it would not meet the standard for exceptional quality as defined by the UDC.

Given the number of concerns regarding the proposed multi-family residential use and reductions to the development standards outlined above, Staff recommends denial of the request.

CONFORMANCE TO THE ONE MCKINNEY 2040 COMPREHENSIVE PLAN: A key aspect of the ONE McKinney 2040 Comprehensive Plan is to provide direction related to desired development patterns in the city and to inform decisions related to the timing and phasing of future infrastructure investments. To assist in guiding these decisions, the plan includes a set of Guiding Principles that provide overall guidance and a Preferred Scenario and Land Use Diagram that illustrates the desired development patterns in the city. The Preferred Scenario and Land Use Diagram are built upon a series of distinctive districts, each with a specific purpose, focus and market. Each district consists of a mix of placetypes that identify the predominate land uses and desired pattern of development for the district.

- Guiding Principles:
The proposed rezoning request is generally in conformance with the 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.”

- Preferred Scenario and Land Use Diagram Characteristics:

Per the Preferred Scenario and Land Use Diagram, the subject property is located in the Collin McKinney Commercial District and is designated as the Entertainment Center placetype.

The Entertainment Center placetype generally provides for emerging commercial centers planned or developed with large-scale master plans. These centers include a horizontal mix of uses including destination retail, restaurants, employment opportunities, and commercial uses that serve a regional scale. Residential uses support these destination developments and offer a variety of urban housing products. The master plan for a regional entertainment center reinforces the interdependence of uses to create an experience for visitors in the development.

- Land Use Diagram Compatibility:

When considering land use decisions, the City should determine that a project aligns with the Land Use Diagram and/or meets a majority of the plan’s established criteria to be considered compatible with the Land Use Diagram. The proposed rezoning request **does not align** with the Entertainment Center placetype of the Collin McKinney Commercial District. In order to be considered compatible with the comprehensive plan, the project should meet a majority of the established criteria below:

1. Help McKinney achieve the Comprehensive Plan’s Vision and Guiding Principles;
2. Advance the District’s intent;
3. Demonstrate compatibility with the District’s identity and brand;
4. Include uses compatible with the Land Use Diagram;
5. Leverage and protect natural and built amenities and infrastructure;
6. Strengthen or create connections to activity centers within and beyond the District;
7. Create a positive fiscal impact for the City through the timeframe of the Plan (2040);
8. Demonstrate that the project’s travel demand estimates can be accommodated by the planned transportation network;
9. Demonstrate that the project’s demand on other public infrastructure can be accommodated by planned facilities; and
10. Demonstrate that the life-cycle costs to the public of constructing, maintaining and operating infrastructure included in the project is consistent with this plan’s [Comprehensive Plan] fiscal responsibility policies.

Staff does not feel that the proposed rezoning request substantially advances a majority of the decision-making criteria above to be considered compatible with the comprehensive plan.

Fiscal Model Analysis: The attached fiscal analysis shows a potential overall deficit of \$43,223 for the 18.22-acre property, which should not contribute to achieving an overall fiscal balance in the city.

OPPOSITION TO OR SUPPORT OF REQUEST: Staff has received no letters of support to this request and no letters of opposition. This does not include emails or letters that may have been sent directly to members of the Council or Commission. As part of the Planning and Zoning Commission Public Hearing, Staff has not received any comments through the online comment portal.

BOARD OR COMMISSION RECOMMENDATION: On September 12, 2023, the Planning and Zoning Commission voted 7-0-0 to table the item indefinitely.