22-0015Z2



- **TITLE:** Conduct a Public Hearing to Consider/Discuss/Act on a Request to Rezone the Subject Property from "PD" - Planned Development District and "REC" -Regional Employment Center Overlay District to "PD" - Planned Development District, to Allow Multi-Family Uses and to Modify the Development Standards, Located on the Northeast Corner of Lake Forest Drive and Future Collin McKinney 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: June 21, 2022
- **DEPARTMENT:** Development Services Planning Department
- CONTACT: Jennifer Arnold, AICP, Director of Planning Caitlyn Strickland, Planning Manager Kaitlin Sheffield, CNU-a, Planner II

RECOMMENDED CITY COUNCIL ACTION: Staff recommends denial of the proposed rezoning request due to concerns regarding the multi-family use on the subject property.

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: February 14, 2022 (Original Application) April 1, 2022 (Revised Submittal) May 18, 2022 (Revised Submittal) May 26, 2022 (Revised Submittal) **ITEM SUMMARY:** The applicant is requesting to rezone approximately 10.8 acres of land, generally for multi-family uses and to modify the development standards. More specifically, the proposed rezoning request modifies the setback and screening requirements 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 Ordinance No. 2000-09-066 (Commercial Uses)	Undeveloped Land
North	"TH" - Townhome Residential District (Single Family Residential Uses), "SF5" - Single Family Residential District (Single Family Residential Uses)	Lake Forest Addition
South	"PD" - Planned Development District Ordinance No. 2000-09-064 (Commercial Uses), "PD" - Planned Development District Ordinance No. 2013-09-082 (Commercial Uses)	Undeveloped Land, Utility Substation
East	"PD" - Planned Development District Ordinance No. 2000-09-065 (Single Family Residential Uses)	City Parkland
West	"C1" - Neighborhood Commercial District (Commercial Uses)	Shipley Do-Nuts, Illume Dental of McKinney

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 "PD" Planned Development District with a base zoning district of "C" - Planned Center to allow for commercial uses. The current zoning specifically prohibits residential uses. The applicant proposes to rezone the property to "PD" - Planned Development District generally to allow for multi-family uses.
 - Staff is not supportive of rezoning the property from a commercial zoning to a residential zoning. The tract is located at the future corner of two major arterials (Collin McKinney Parkway and Lake Forest Drive) and has close proximity to the SH 121 corridor.

- With these things in mind, it is our professional opinion that there is commercial development potential on this tract either in this market cycle or a future market cycle. As such, Staff recommends that the tract be preserved for commercial uses.
- Space Limits
 - The city's typical multi-family zoning districts require a 35-foot front yard setback and a 45-foot rear and side yard setback when adjacent to a single family use or zone.
 - The applicant requests to reduce the front yard, side yard, and rear yard setback to 25 feet. The applicant is also proposing to limit the number of dwelling units per building to two units.
 - Although Staff is not supportive of residential uses on the subject property, we do not have any concerns with reducing the front yard or the side yard setback on the eastern boundary of the subject property given that the adjacent property is City Parkland.
 - However, Staff does have concerns with reducing the setback requirement from 45 feet to 25 feet on the north boundary of the subject property due to the existing single family residents and the close proximity of uses and heights.
- Screening
 - Typically, multi-family developments are required to provide a 6-foot masonry screening wall on the rear and side property lines. If parking is visible from any adjacent right-of-way, a 6-foot berm, masonry wall, or wrought iron or tubular steel fence with masonry columns and evergreen shrubs is also required.
 - The applicant is proposing a 6-foot-tall masonry wall along the majority of the northern property line, but is proposing a tubular steel or wrought iron fence on the portions of the northern and eastern property lines that are adjacent to the existing common area and floodplain. The applicant also proposes to utilize a living screening to screen parking from Lake Forest Drive and future Collin McKinney Parkway.
 - Although Staff is not supportive of residential uses on the subject property, we do not have any concerns with the applicant's request to utilize wrought iron in certain locations due to the fact that these locations are adjacent to existing floodplain and city parkland. Staff also does not have any concern with the request to utilize living screening to screen the parking from the rights-of-way.

With "PD" - Planned Development District requests, projects must provide a feature(s) to ensure exceptional quality or demonstrate innovation. To that end, the applicant is proposing to provide enhanced landscaping in the form of additional canopy or ornamental trees planted between access drives and residential units for at least 60% of the total number of units. With the proposed density of 10 units to the acre, three amenities would typically be required for the development. The applicant is proposing to provide 5 amenities including a fitness center, a swimming pool, a grilling area, a dog park, and a clubhouse. The full list of the proposed development regulations, attached.

Staff is unable to support rezoning the subject property from commercial uses to residential uses.

As part of an overall development plan for the original ≈93 acres between McKinney Ranch Parkway, Lake Forest Drive, and future Collin McKinney Parkway, this property was originally zoned in 2000 for commercial uses and specifically prohibited residential uses. The intent of this was to take advantage of the arterial frontage provided by Lake Forest Drive in order to provide retail and commercial services supportive of the many anticipated residents in the area.

In 2015 and 2019, a total of 64 acres of the original commercial zoning was rezoned to allow for single family detached uses and townhomes - leaving only the hard corners of Lake Forest/McKinney Ranch Parkway and Lake Forest/Collin McKinney Parkway for commercial development. During these residential rezoning requests, Staff was supportive of introducing residential uses due to the mid-block locations of those properties and because the hard corners were being preserved for commercial uses and services.

Tonight's rezoning request now proposes to rezone the commercial corner of Lake Forest Drive (a Major 6-lane Arterial) and future Collin McKinney Parkway (a Greenway 4-lane Arterial) for residential uses. Although not constructed yet, Collin McKinney Parkway is an active Capital Improvements Plan (CIP) project of the city and is expected to be complete by summer 2023. Staff fears that rezoning the property for residential uses now will prematurely eliminate the commercial potential that this tract may have in the future.

As such, Staff is unable to support the rezoning 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 that 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.

• <u>Guiding Principles</u>:

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 "[...]housing options and neighborhood choices that are accessible, attainable and appealing to people at all stages of their lives."

• <u>Preferred Scenario and Land Use Diagram Characteristics</u>: Per the Preferred Scenario and Land Use Diagram, the subject property is located in the Collin McKinney District and is designated as the Urban Living placetype.

Urban Living supports a mix of housing options in a walkable development pattern. Urban neighborhoods are relatively compact and easy to get around by car, bike, or walking. They may contain one or more of the following housing types: small lot, single-family detached, townhomes, duplexes, condominiums, or apartments. The design and scale of the development in an urban neighborhood encourages active living, with a complete and comprehensive network of walkable streets. *Although minimal, urban residential neighborhoods provide a small amount of local retail and services that serves the smaller and low intensity neighborhoods*.

 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 **aligns** with the Urban Living placetype of the Collin McKinney District so could be seen as being in conformance with the Land Use Diagram.

Although the Urban Living placetype in intended to support a range of housing options that offer choices for McKinney residents, it also encourages neighborhood-serving non-residential or public uses supportive of the scale and design of the overall area. 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 net surplus of approximately \$147,000 per year in annual operating summary while the existing zoning would result in approximately \$643,000 per year.

OPPOSITION TO OR SUPPORT OF REQUEST: Staff has received two letters in support to this request and no letters in opposition.

BOARD OR COMMISSION RECOMMENDATION: On June 16, 2022, the Planning and Zoning Commission voted 6-1-0 to recommend approval of the proposed rezoning request.

SUPPORTING MATERIALS:

Draft PZ Minutes 06.14.2022 Location Map and Aerial Exhibit Letter of Intent Letters of Support Comprehensive Plan Maps Collin McKinney Commercial District Placetype Definitions Fiscal Analysis Land Use Comparison Table Ex. PD Ord. No. 2000-09-066 Proposed Ordinance Proposed Exhibits A-D Presentation Applicant Presentation