

DOWNTOWN REDEVELOPMENT
OPPORTUNITIES

CITY-OWNED PROPERTIES

Prepared by City of Plano
Planning Department
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PURPOSE:

This report presents alternative approaches to long term utilization of properties located in Downtown Plano and owned by the City. Plano's Downtown is undergoing changes that involve the preservation of its historic business district and infill and redevelopment of many of the surrounding properties. As a major downtown property owner, the City has played and will continue to play a significant role in the area's transformation to a major transit-oriented development. Examples of how Plano's property holdings could continue to be a part of this transformation are described in this document.

BACKGROUND:

The City of Plano has made a significant investment and commitment to Downtown Plano over the years in the construction and upgrading of public facilities and infrastructure, property purchases, public-private partnerships, and financial incentives for private development. The City currently owns 19 properties in Downtown Plano containing nearly 33 acres of land, nearly 200,000 square feet of building area, and almost 1,100 parking spaces. This does not include land that is part of a long term lease for the EastSide Village I mixed-use development or the City's joint venture with the Plano Independent School District (PISD) for the Courtyard Theater and the Cox School Building.

Because of its sizeable investment in Downtown Plano, the City should continue to monitor and evaluate its role as a property owner with a focus on the following critical themes:

1. Ensuring the City's ability to effectively and efficiently deliver services and oversee public operations from its facilities within the area;
2. Providing for the long term viability of public and private development and redevelopment in the area; and
3. Maintaining a strong and positive public presence in the area.

PREVIOUS PLANNING EFFORTS:

Downtown Plano is part of the 110.7 acre Business Government (BG) District established in 1991 to promote a pedestrian oriented environment consisting of retail, office, governmental, cultural, entertainment, and residential uses. The district's standards have been amended over the years, but they have remained true to the concept of preserving Plano's original business district and ensuring that development and redevelopment complement its historic character. The Downtown Development Plan established a series of goals and objectives for the Downtown area and led to its rezoning. In the late 1990's DART began developing plans for the extension of its light rail operations to Plano. Initially, a passenger platform was proposed for special event use in Downtown Plano, but eventually a fully functional "kiss and ride" facility was planned for the area. In 1999, a supplemental report entitled "Downtown Plano: A Vision and Strategy for Creating a Transit Village" was prepared to address the specific challenges and opportunities presented by the placement of a DART light rail station in Downtown Plano. In June of 2006, the Downtown Plano Retail Action Plan was prepared in response to the concerns about the impact of various changes in the downtown area on its retail market.

The following recommendations from these documents are applicable to the Master Facilities Plan:

1. Redevelop key sites through financial incentives and acquisition where necessary. (Transit Village Report)
2. Develop a parking program that eliminates or significantly reduces the need for private parking. (Transit Village Report)
3. Develop specific information about vacant buildings and redevelopment sites. (Retail Action Plan)
4. Pursue the location of special facilities such as library, theater, museum, or retirement housing in the Business/Government (BG) District. (Downtown Development Plan)

Business/Government zoning applies to the study area and provides for a broad range of uses that can be readily integrated into a compact, densely developed neighborhood organized around a public transit facility. This form of development is commonly referred to as a “Transit-Oriented Development” (TOD). The BG district has reduced parking requirements including the ability to substitute available public parking for on-site parking. It provides for no setbacks, full lot coverage, and four story building height. One of the limiting factors of BG zoning is that buildings within 200 feet of single- and two-family zoning districts are restricted to two stories in height

A small three block area of downtown represents Plano’s original business district and has been designated as the Downtown Heritage Resource District. Two properties within the district are individually designated and ten more are recommended for individual designation by the City’s Preservation Plan. Properties within a heritage district are subject to additional design review by the Heritage Commission when significant changes are proposed for the exterior of structures. Structures which contribute to the historic character of the district are eligible for property tax exemptions of 38% of the structure value, while the exemption rate is 50% for individually designated structures. The City of Plano owns the Interurban Museum which is adjacent to the Downtown Heritage District. It is locally and state designated and was recently added to the National Register of Historic Places. The Courtyard Theater and the Cox School Building, which are jointly operated by the City and the School District, are also local Heritage Resources.

CURRENT CITY PROPERTIES IN DOWNTOWN PLANO:

The primary City facilities in Downtown Plano are the Municipal Center, which houses the primary administrative functions of the organization, and the Police and Courts Building. These two facilities encompass more than 170,000 square feet of floor area. Removing either of these facilities from the downtown area

would do irreparable harm to its economic viability. The Courtyard Theater, the Cox Building, and Haggard Park are major quality of life contributors to Downtown Plano and the City as a whole. These five public facilities and EastSide Village I, a public/private joint venture, are essential mainstays in planning for the long term well being of Downtown Plano. The buildings are either reasonably new structures (less than thirty years in age) or they have gone through major renovation in the last five years.

The Technology Services/Print Shop Complex and Municipal Center South, located in downtown, do not offer the same advantages as the other buildings. They are older, smaller and less flexible in design and configuration than the Municipal Center and Police and Courts Building. They are also less efficient from an operations and maintenance standpoint. The former includes two one story buildings facing 15th Street that previously housed City Hall and the Central Fire Station. The latter previously housed a bank and the Parks and Recreation Department currently occupies the one and one-half story building.

The City also owns a variety of properties. Some are currently leased to retail and office tenants to provide a revenue source while long term options are evaluated. Others properties are undeveloped or provide surface parking for City facilities and/or downtown businesses. Tenant relocation and parking replacement should be factored in to redevelopment of these properties.

REDEVELOPMENT SCENARIOS:

The scenarios below are examples of how City-owned properties might support future redevelopment projects in Downtown Plano. (More detailed information, a map, and three-dimensional illustrations are provided in the Appendix.) Some of them can be wholly accomplished using property currently owned by the City; others would require additional property acquisitions.

Project A

Project A is proposed for the block bounded by 18th Street, L Avenue, Municipal Drive, and K Avenue. The block currently includes a surface parking lot facing Municipal and a small retail center facing K Avenue owned by the City of Plano. Three residential structures face L Avenue; the U.S. Post Office faces 18th Street and two other retail and office properties face K Avenue.

Redevelopment of this area in its current ownership configuration would be piecemeal and disorganized at best. If the block were redeveloped in its entirety, it could become a major mixed-use development consisting of retail, office, and residential uses. The Post Office operations could be incorporated into the first floor of one of the new buildings in the complex. A five-level parking garage could jointly serve the uses within this development and replace the surface parking lot for the Municipal Center. A portion of this block will be limited to two stories in height because it is within 200 feet of a single-family residential district located south and east of the intersection of L Avenue and 16th Street.

Another use that may be appropriate for this block is a 20-30,000 square foot market/pharmacy to serve the needs of persons living in walking distance of downtown Plano. If necessary, it could be placed on the bottom floor of the parking garage. When considering the acquisition or consolidation of property in the downtown area, the City should take advantage of limited opportunities to create a site large enough to accommodate this type of use.

Project B

The City's Technology Services Department and Print Shop occupy the two buildings at the northwest corner of 15th Street and Municipal Drive. The Technology Services Building is crowded and in need of major investment if it continues to function in its current role. If another location can be found for the Print Shop, it could be moved and Technology Services could occupy both

buildings. This may be the best near and long term utilization of this property; however, redevelopment options should not be overlooked

If redeveloped, the Technology Services/Print Shop complex would be limited to two stories in height due to residential setback requirements. It could support a significant two-story office structure for public or private use. A three to four level parking structure may be required on the site of the east parking lot of the Municipal Center to support redevelopment of this site.

Project C

The one and one-half story configuration of Municipal Center South does not take full advantage of the land area or visibility offered by its prime location at the northeast corner of 14th Street and K Avenue. If supported by the market, it could be redeveloped into a three or four story retail and office building and enhance the mass and presence already created by EastSide Village II on the east side of K Avenue. If necessary, a two- or three-level parking structure could be constructed on the City's surface parking lot at the southwest corner of 14th Street and K Avenue.

Redevelopment of this facility for private use would require relocation of the Parks and Recreation Department. This would involve an evaluation of the necessity for the department to be located in proximity to the Municipal Center and the City functions that are carried out there. The department's impact on the economic viability of downtown is considerably less than that of the Municipal Center with a larger employee population and a broader range of services and activities. If the Technology Services/Print Shop were redeveloped as proposed in Project B, it may be possible to relocate the Parks and Recreation Department into a portion of that facility.

Project D

Another significant redevelopment opportunity would require the combining of City owned property with that of a private owner. The City currently owns a narrow tract along the east side of I Avenue between 14th and 15th Streets, across from the Police and Courts Building. The property includes a small retail center and police parking lot. A similar sized tract housing a skateboarding facility lies between the City's property and the DART right-of-way. Neither tract can be readily redeveloped by itself, but combining the two significantly improves the situation. An "L-shaped" configuration of two-story retail/office buildings facing 15th Street and the rail line could be created with a parking garage facing I Avenue. The parking facility could jointly serve City employee parking and the retail/office buildings.

This joint public/private redevelopment project would place additional emphasis on DART rail line where it would be readily visible to transit riders. It would also be readily visible and accessible from both 14th and 15th Streets and would help fill in the gap between recent residential development at G Avenue and 15th Street and the downtown core.

RECOMMENDATIONS:

Downtown Plano is the original center of the community and though its role has changed over the years, it still provides a unique character and sense of place that is not available in other parts of the City. Over the last 15 years, the City has been instrumental in redefining that role and reinforcing the area's significance to the community. In continuation of these efforts, the following recommendations are proposed in relation to current and future City facilities and property holdings in Downtown Plano:

1. Maintain the City's primary administrative, police, and courts functions in Downtown Plano.
2. Maintain and enhance public facilities in Downtown Plano that serve as public gathering places and cultural centers.

3. Conduct a comprehensive assessment of City facilities and properties in Downtown Plano to determine how they can be utilized to meet short and long term needs of municipal operations and contribute to the economic vitality of the area over time. This will involve a multi-discipline approach including experts in the fields of architecture, real estate, and marketing.
4. When funding is available, acquire downtown properties when one or more of the following possibilities exist:
 - a. The property is adjacent to or positioned in conjunction with another City property to accommodate expansion or a more orderly alignment of City facilities (i.e. provide parking or other amenities in closer proximity to a public building).
 - b. The acquisition facilitates the consolidation of smaller individual tracts of land into sites that can efficiently accommodate infill and/or redevelopment.
 - c. The acquisition is necessary to preserve an existing or potential “Heritage Resource” (as identified in the City’s Preservation Plan) or to protect the historic integrity of existing or potential “Heritage Resource Districts.”
5. Do not use “Eminent Domain” as a standard method for acquiring property in Downtown Plano as it may prevent the short or long term use of a property for purposes related to economic development.

APPENDIX

City-Owned Properties Downtown Redevelopment Scenarios

Project A

Location:

Block bounded by 18th Street, L Avenue, Municipal Drive, and K Avenue

Current Uses:

- U. S. Post Office facing 18th Street
- Three single family homes (one or two possibly used for business purposes) facing L Avenue
- Municipal Center surface parking facing Municipal Drive
- Small retail strip and two retail pad sites facing K Avenue

Ownership:

- The City owns strip center and surface parking
- The U. S. Postal Service owns its facility
- Multiple private entities and individuals own remaining properties

Redevelopment Components:

- Combine all properties in the block under a single owner
- Remove existing structures and build mixed-use development wrapping the block on three sides with a five-level parking deck and open space area on the interior.
- Four-story retail and residential structures face Municipal Drive and K Avenue (one story of retail and three stories of residential). The Post Office could be relocated into one of the new buildings.

- Two story residential structures face L Avenue. A 200 foot setback is required from single family and multi-family residential with two story height limits before a development can exceed two stories in height.
- A five level parking deck could provide enough parking to serve the new development plus 470 spaces of parking for Municipal Center and other users in the area.
- This site offers one of the few remaining opportunities for a 20-30,000 square foot grocery/pharmacy operation. It may be necessary to revise the layout to accommodate this type of use or add it to the first floor of the parking garage.

Project B

Location:

Northwest corner of 15th Street and Municipal Drive

Current Uses:

Two one story attached buildings currently house the City's Technology Services Department and the Printing and Publishing operations for the Public Information Department.

Ownership:

This property is part of the Municipal Center Complex owned by the City of Plano. The lot to the west houses major communications switching operations is unlikely to become available for consolidation into the remainder of property.

Redevelopment Concepts:

- Remove the two one-story structures and replace them with a two-story office/retail structure facing 15th Street with head-in parking along the street.

- The structure could approach 60,000 square feet in size requiring 200 parking spaces which could utilize existing spaces in the Municipal Center lot and making it necessary for most Municipal Center employees to park in the garage proposed in Project A. A structured parking facility could replace the current surface parking lot on the east side of the Municipal Center. (Recent changes in the Business/Government zoning would allow the increased height because the property is separated from residential zoning by a Type “D” thoroughfare. Previously, it would have been limited to two levels which may not have been economically feasible to construct.)
- Depending on the determination made in regard to the future location of Technology Services and Public Safety Communications Departments, this new facility could possibly house them, Parks and Recreation (if it were relocated), and Printing and Publishing. This would create the possibility for redeveloping Municipal Center South for a more productive and useable public or private facility (see Project C). The other alternative is to relocate these operations to other sites and make this new facility available for private development.

PROJECT C

Location:

Northwest corner of 14th Street and K Avenue

Current Uses:

1 ½ story structure housing the administrative functions of the Parks and Recreation Department

Ownership:

The City of Plano owns the building site and the parking lot immediately west of it.

Redevelopment Concepts:

- Consider sale of the site to a private developer who could remove it and construct a 3- or 4-story office/retail building.
- If necessary, add structured parking at the southwest corner of the intersection to ensure that parking is adequate.

PROJECT D

Location:

The block bounded by 15th Street, the DART rail right-of-way, 14th Street, and I Avenue

Current Uses:

A skating park adapted from an old lumber yard, small strip center and a surface parking serving the Police and Courts Building.

Ownership:

- The skating park and old lumber yard property along the DART right-of-way is privately owned.
- The parking lot and the small strip center are owned by the City.

Redevelopment Concepts:

- Consolidate all properties in the block under a single owner.
- Redevelop with a series of 2-story office/retail structures of approximately 104,000 square feet of floor area facing the DART line and 15th Street.

- A 5-level parking garage is proposed adjacent to 14th Street which is classified as a Type “E” thoroughfare and serves as adequate separation from the residential district to the south. The garage could accommodate 540 parking spaces, including more than 190 spaces to serve the Police and Courts Building and other users in the area.

Summary Table

Project/ Building	Description	Height	Retail Floor Area	Office Floor Area	Parking Floor Area	Parking Spaces	Resid. Floor Area	Units
A	Post Office Block							
1	Retail/Resid.	4	22,950	NA	NA	NA	68,850	69
2	Retail/Resid.	4	20,414	NA	NA	NA	61,242	61
3	Resid.	2	NA	NA	NA	NA	62,305	62
4	Resid.	2	NA	NA	NA	NA	53,983	54
5	Parking Garage	5 (levels)	NA	NA	394,225	986	NA	NA
	Total - A		43,364	NA	394,225	986	NA	246
B								
1	Office	2	58,720	NA	NA	NA	NA	NA
C								
1	Retail/Office	3	41,592	NA	NA	NA	NA	NA
D								
1	Retail/Office	2	18,900	18,900	NA	NA	NA	NA

2	Retail/Office	2	18,800	18,800	NA	NA	NA	NA
3	Retail/Office	2	14,400	14,400	NA	NA	NA	NA
4	Parking Garage	4 (levels)	NA	NA	216,000	540	NA	NA
Total - D			52,100	52,100	216,000	540	NA	NA

Assumptions:

- Buildings of more than one story with retail and another use called out would include retail on first floor and other use on remaining floors so square footage would be calculated accordingly (i.e. - A-1 would have first floor retail and remaining 3 floors as residential)
- Parking spaces are calculated at 1 per 400 square feet in the parking garages.
- Dwelling units are calculated at one per 1000 square feet of residential floor area.

Other Redevelopment Considerations

The Downtown area will continue to expand and evolve over time. The Business/Government was extended northward beyond 18th Street and southward beyond 14th Street. The City should explore the potential for extending the urban character represented by Downtown Plano southward between Municipal Drive and the DART rail line to the Cottonbelt Railroad (also owned by DART) and beyond, as well as northward toward the Parker Road Transit Station. This effort should identify key opportunities for redevelopment and facilitate their activation.

Examples of locations outside of the BG district where significant redevelopment projects might be achievable include:

1. J Avenue, south of 14th Street - A surface parking area is located within DART's right-of-way, adjacent to the light tracks, and is currently used for overflow parking for the 15th Street Station. This parking could also benefit from redevelopment on the east side of J Avenue for residential, office, retail, or combination of uses.
2. South couplet entrance - The City owns a small triangular tract of land at the southern end of the K Avenue couplet that includes a landscaped entry feature. Immediately north of this property is an infill property that, if properly developed, could further enhance the southern entrance into Downtown Plano. Depending on how the property is developed, it could also negatively impact one's initial perception of Downtown Plano. The critical location of this site suggests that it should be considered for purchase by the City to ensure that its future development complements redevelopment efforts in Downtown Plano.

There are a number of other properties that are strategically located, or which have special attributes such as historic significance, that the City should consider for acquisition for land banking or holding purposes until the timing is appropriate for public or private reinvestment. A proactive approach in the near term may lead to more effective utilization of Downtown properties in the future and help protect the City's existing investment in the area.

Illustration I – Map of Proposed Redevelopment Scenarios

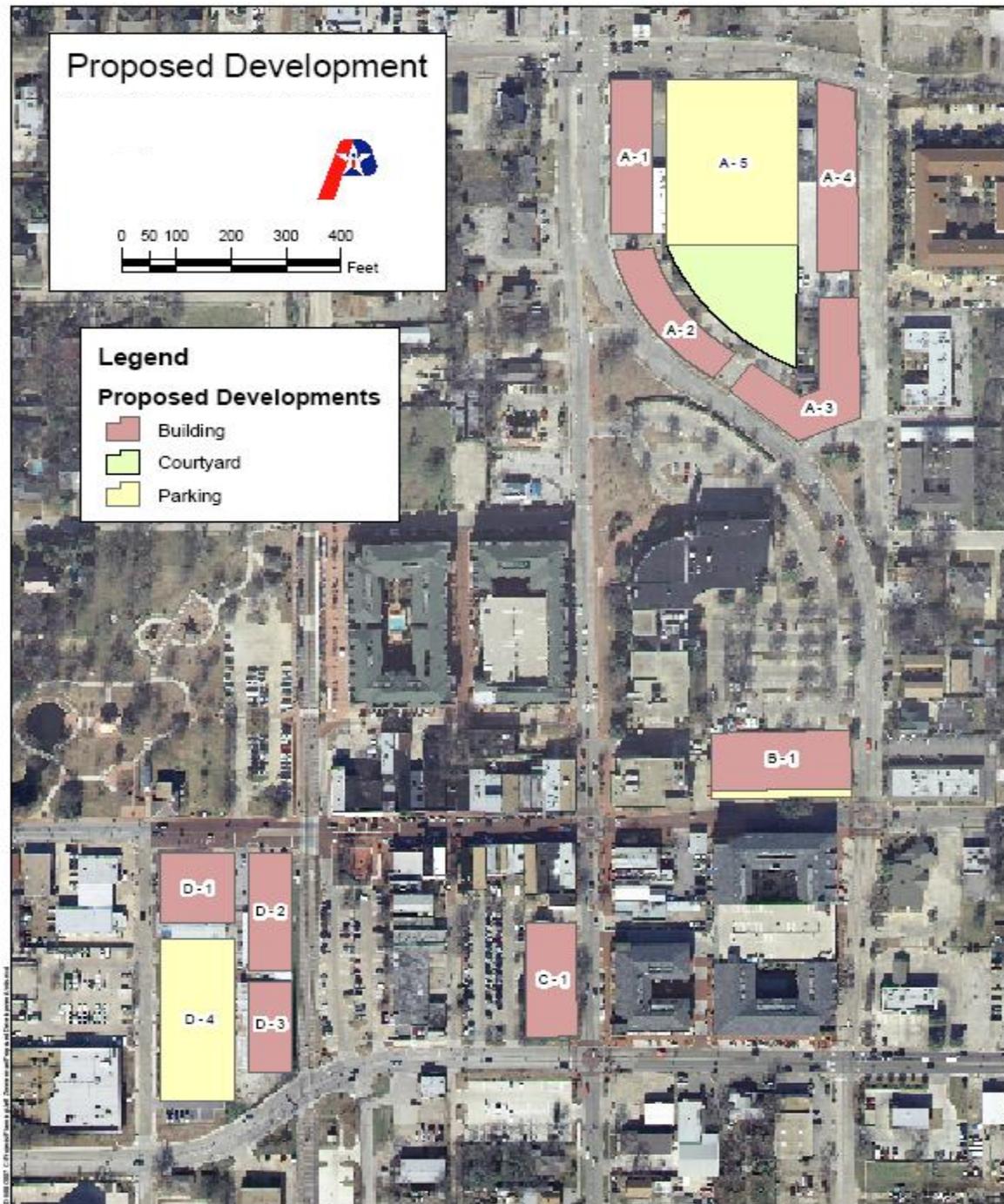


Illustration II – 3-D Map of Project A



Illustration III – 3-D Map of Projects A and B

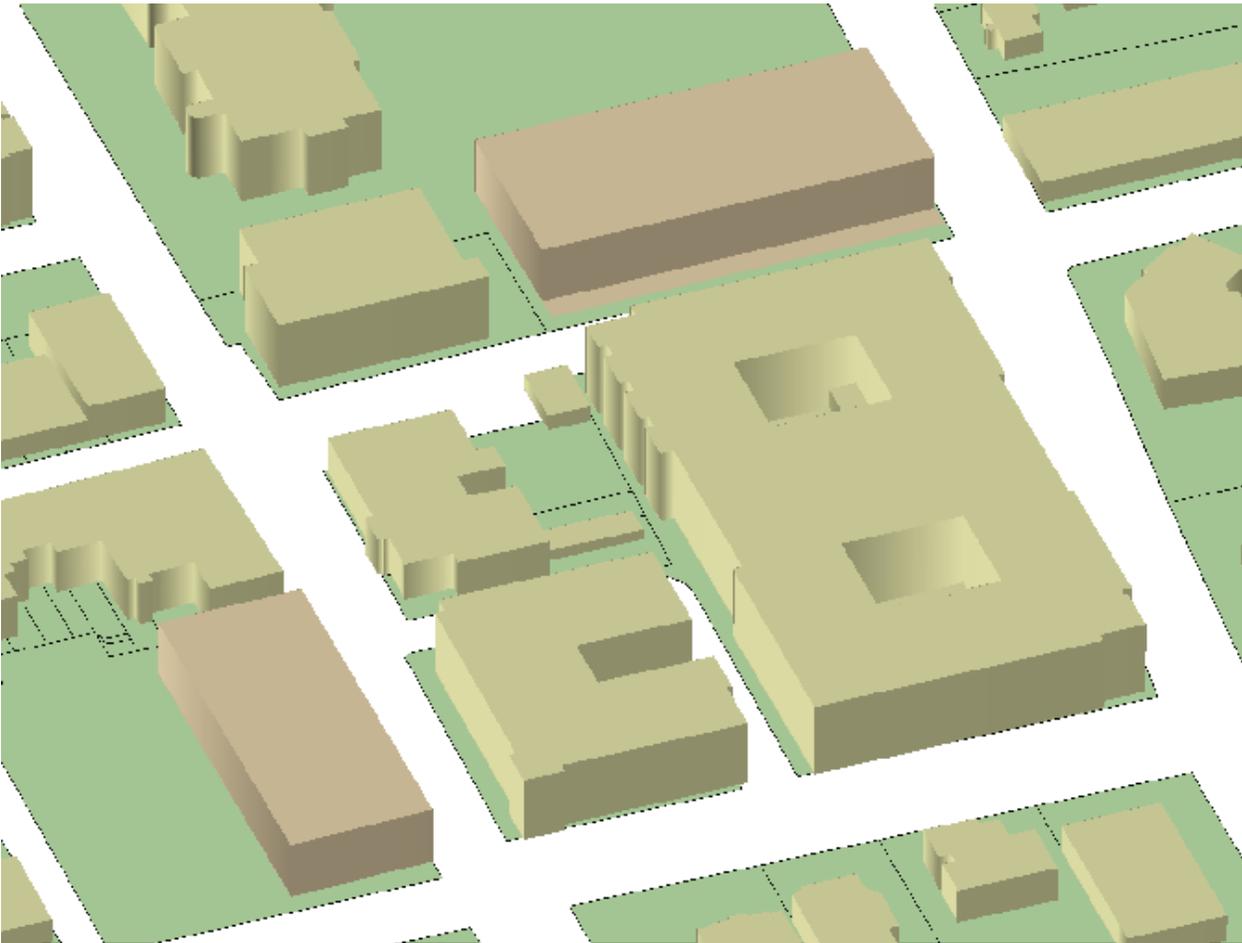


Illustration IV – 3-D Map D

