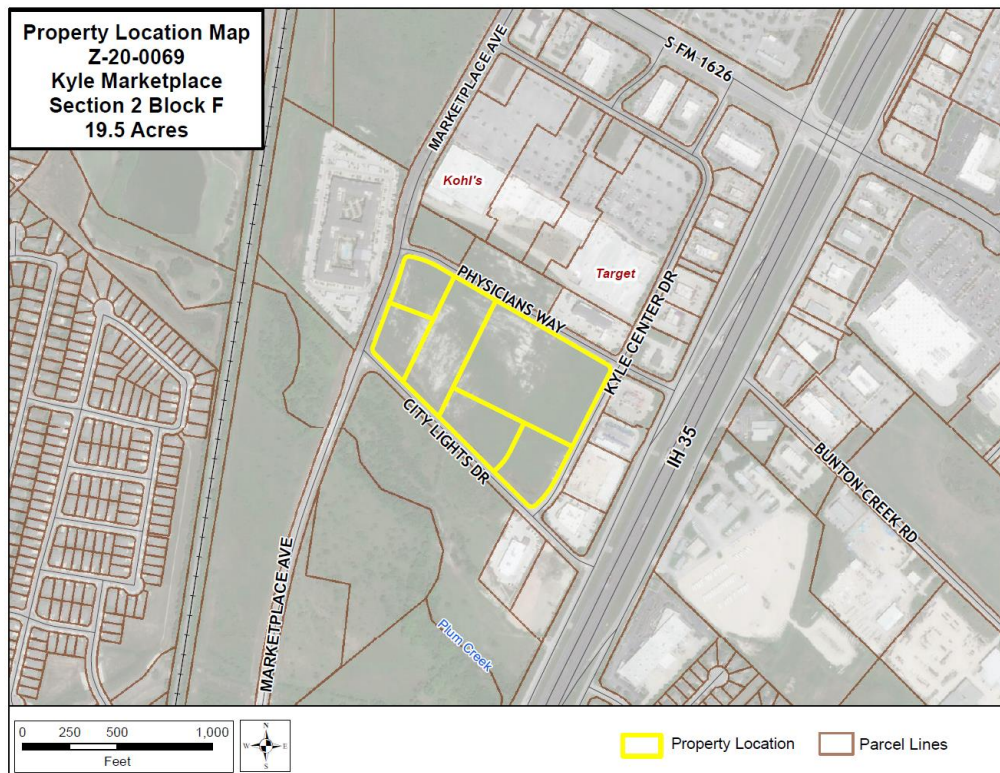


Property Location	Kyle Marketplace Section 2, Lots 1, 1B, 1C, 2, 3, & 4, Block F
Owner	DDR DB Kyle LP. Michael S. Owendoff, Deputy General Counsel 3300 Enterprise Pkwy Beechwood, OH 44122
Agent	Travis Sawvell 1703 W. 5th, Ste. 850 Austin, TX 78750
Request	Rezone 19.4681-Acres "RS" (Retail Services) to "R-3-3" (Apartments Residential 3)

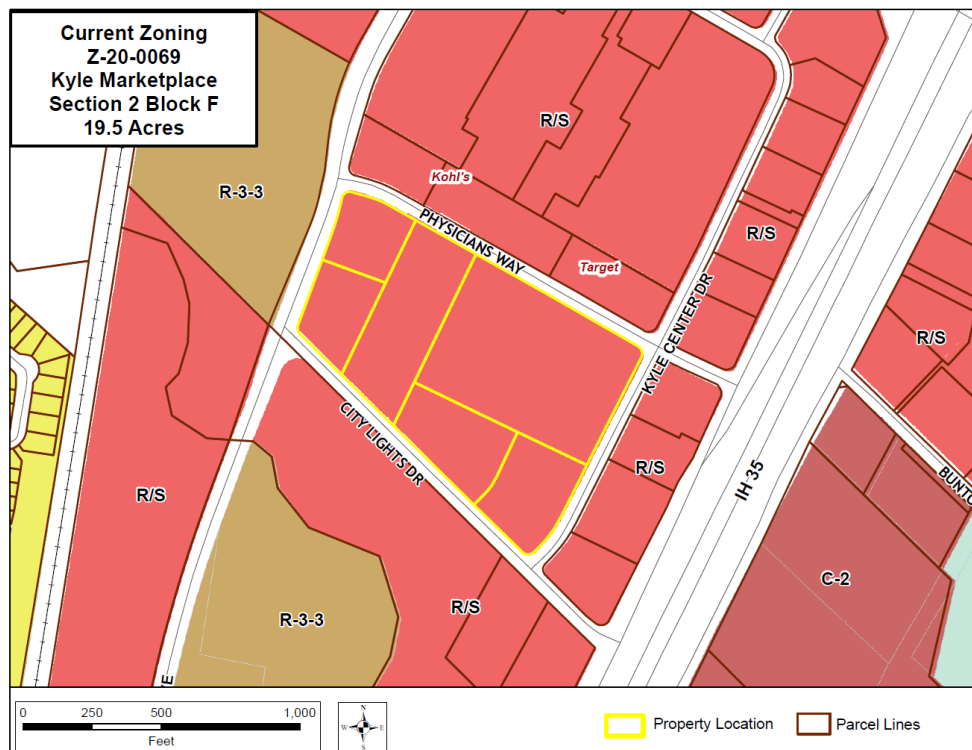
Vicinity Map



SITE DESCRIPTION

The site is located on an undeveloped pad site, surrounded on four sides by public streets (Marketplace Ave., Kyle Center Dr., Physicians Way, City Lights Dr.). The parcel is generally behind the Target/Kohl's shopping center, with the Comfort Suites hotel between the shopping center and the pad site. To the east of the block, are Chicken Express, Rapid Express Car Wash, a two-story office and Kyle ER. To the south lie Caliber Collision and a future fuel station and strip center (under construction). To southwest lies undeveloped land, zoned "RS". To the west is undeveloped land zoned "RS" (across Marketplace Ave.). To the west and northwest lies the Oaks of Marketplace apartment complex (zoned R-3-3).

Current Zoning Map



Existing Zoning

RS (Retail Services District)

Sec. 53-480. - Purpose and permitted uses.

This district allows general retail sales of consumable products and goods within buildings of products that are generally not hazardous and that are commonly purchased and used by consumers in their homes, including most in-store retail sales of goods and products that do not pose a fire or health hazard to neighboring areas, e.g., clothing, prescription drugs, furniture, toys, hardware, electronics, pet supply, variety, department, video rental and antique stores, art studio or gallery, hobby shops and florist shops., and the retail sale of goods and products (in the following listed use areas) to which value has been added on site, including sales of goods and services outside of the primary structure as customary with the uses specifically listed, and the following: Any use permitted in CBD-1 or CBD-2 and RS districts as provided in section 53-1230.

Requested Zoning

R-3-3 (Apartments Residential 3)

Sec. 53-292. - Purpose and permitted uses.

The multifamily residential district R-3-3 permits typical apartment development with buildings not exceeding three stories, nor more than 28 units per buildable acre, and with apartments or units having a minimum living area of 500 square feet; provided that not more than 25 percent of the units in any such apartment development or project shall have less than 750 square feet of living area.

CONDITIONS OF THE ZONING ORDINANCE

Sec. 53-1205 Amendments

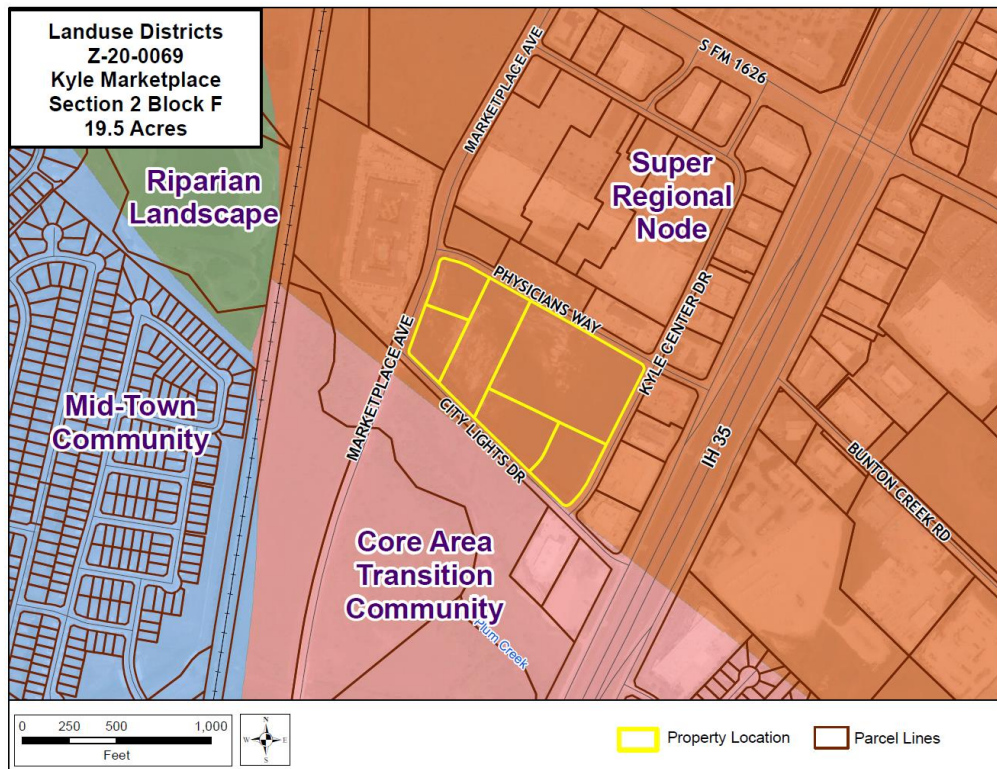
(d)

Referral of amendment to planning and zoning commission. Upon its own motion, a request by the planning and zoning commission, or the receipt of an administratively complete petition and application to zone or rezone a lot, tract or parcel of land, which petition and application has been examined and approved as to form by the city manager, shall be referred to the planning and zoning commission for consideration, public hearing, and recommendation to the city council. The council may not enact a rezoning amendment until the planning and

zoning commission has held a public hearing and made its recommendation to the city council, or has made a final vote on the matter without obtaining a majority, on the zoning or rezoning of the property.

(e)

Action by the planning and zoning commission. The planning and zoning commission shall cause such study and review to be made as advisable and required, shall give public notice and hold a public hearing as provided by state law, and shall recommend to the council such action as the planning and zoning commission deems proper...



COMPREHENSIVE PLAN TEXT

The subject site is located within the “Super Regional Node”. The “R-3-3” zoning district is a recommended district in the “Super Regional Node”.

Recommended: E, HS, R-3-2, **R-3-3**, R/S, MXD, O/I

Conditional: ----

Super Regional Node

'Character': The Super Regional Node should contain large-scale institutional, commercial, retail, and where appropriate, high density multifamily land uses to create the highest classification activity center in Kyle. The Seton Medical Center should serve as the key distinguishing employment component, serving as the primary institutional use in the district upon which support enterprises can base their business locations. The Super Regional Node is in the early stages of development, and care should be taken to ensure that as development processes, it is in keeping with the character and intent outlined below for this Node. Seton Hospital serves as a regional attractor and, in large part, alongside destination retail and business services, defines the Super Regional Node. Associated health providers and goods and service providers should be attracted to this area and encouraged to create a diverse commercial and employment center. The aggregation of commercial square footage in this Node creates a significant commercial destination that will be visible to regional travelers along the I-35 corridor. This proximity to highway infrastructure results in the rare instance of a district primarily designed to be automobile oriented, with patrons arriving and inter-locating primarily by car. The commercial focus of this Node should be on acting as an economic activity center, generating much needed real estate, sales and hotel occupancy tax revenue for the city while fulfilling the retail and service needs of patrons from a targeted distance of no less than 10-15 mile away. Additionally, ancillary entertainment uses, such as movie theaters or bowling alleys, may be appropriate in this Node. This Node should serve as a destination for Kyle, attracting people due to the hospital and/or commercial offerings, and encouraging them to extend their stay due to unique and diverse uses and connections to other areas of Kyle.

'Intent': The purpose of the Super Regional Node is to capture employment opportunities and create a commercial destination within Kyle. Situated at the intersection of I-35 and Texas State Highway 1626, these high classification roadways are best suited to bring in out-of-region patrons with the least impact to Kyle's local street network. This Node should take advantage of the medical center and of I-35 traffic to increase Kyle's competitiveness in the surrounding region. Existing employment opportunities should be referenced when targeting complimentary commercial uses and opportunities for increased value capture. Due to the concentration and diversity of uses in this Node, appropriate land use transitions to adjacent Communities is critical. The anchor of the Super Regional Node should be employment and they daytime population created by those positions, and the Super Regional Node should have the highest level of development intensity of all Nodes.

ANALYSIS

The subject property is located on approximately 19.5-acres, south (behind) of the Target/Kohl's shopping center. It is bounded on four sides by existing streets and has water and wastewater services available to it. The site is currently zoned "RS" (Retail Services), and the "R-3-3" (Apartments Residential 3) is recommended per the "Super Regional Node" land use district.

The 19.5-acre parcel has been vacant for some time. The pad site has never been developed and being setback from both southbound IH-35 and FM 1626, the 19.5-acre site is partially hidden from both of those thoroughfares. This site, however, has received significant interest for multi-family, residential development. In several instances, planning staff has met with potential developers to develop the site with a high-density, mixed-use activity center use in mind.

The R-3-3 district allows for up to 28 residential units per buildable acre, in structures of a maximum of 3-stories and 45-feet in height. Theoretically, this property could develop 546 dwelling units, while in reality building setbacks, surface parking lots and drive aisles, and utility corridors and easements will ultimately mean fewer dwellings will actually be built. That stated, other than vertical mixed-use (MXD zoning), this is the City of Kyle's highest density multifamily zoning category. One item of note is the developer and the City Council are drafting a development agreement to further refine the R-3-3 zoning district. It will mostly relate to building façade requirements and building setbacks. The intent is to make it more of an urban style project.

PLANNING COMMISSION

At the January 12, 2021 Planning & Zoning Commission meeting, the Commission heard this application and held a Public Hearing. One commenter sent in a letter in support of the project; the other commenter, Mike Rubsam (former chair of the P&Z Commission), voice opposition to the project, due to his preference for this area to remain a high-activity area that features vertical mixed-use projects with longer periods of activity and operation that will benefit both Kyle residents and out-of-town patrons. After discussion among the remaining commissioners, most of whom voiced opposition to the idea of this project being developed as solely an apartment complex, the Commission voted 5-1 to **recommend denial** of the rezoning request (Commissioner McCall was the sole dissenting vote). Reasons cited include both a preference for vertical mixed use (MXD zoning) or keep it as retail (RS zoning). The Commission largely believes that the City has an overabundance of multifamily and would like ground floor commercial to activate the streetscapes.

RECOMMENDATION

Because the site has sufficient utilities and road infrastructure, city staff supports the rezoning to R-3-3. City staff asks the Mayor & Council to vote to approve the zoning amendment.

Attachments

- Application
- Location Map
- Current Zoning Map
- Land Use Districts Map