

MINUTES OF SPECIAL MEETING  
May 5, 2020  
PLANNING & ZONING COMMISSION

1. CALL TO ORDER

The meeting was called to order by Chairman Ash at 6:00 p.m.

2. CALL OF ROLL

Commissioners present Chairman Ash, Mr. Bob Galatas, Mr. Wes Stephens , and Mr. Jim Pollard. Also present were Jackie Thompson.

3. CITIZENS FORUM (CALL IN ONLY)

Responses to inquiries are limited by state law to a recitation of existing policy or a statement of specific factual information given in response to the inquiry. Any deliberation or decision by Planning and Zoning Commission shall be limited to a proposal to place that subject on the agenda of a future meeting.

Chairman Ash advised none for the record.

4. Presentation of a Planning and Zoning Commission Preliminary Report regarding the proposed zoning amendment for Special Use Permit Mixed Beverage Restaurant Permit with Food and Beverage Certificate. The proposed zoning amendment is for 1644 Research Forest Dr, Suite 100, Shenandoah, Texas.

Mrs. Thompson stated that Lama Mediterranean Cuisine, located at 1644 Research Forest Drive, Suite 100 has requested a Special Use Permit to allow for a Mixed Beverage (On-Premise) Permit with Food and Beverage Certificate. The Special Use Permit will the following permits be issued to the property. Mixed Beverage Permit(MB) – Permit Authorizes the holder to sell mixed beverages form unsealed containers and wine, beer, ale, and malt liquor in container of any legal size for on-premise consumption. Food and Beverage Certificate (FB) – A Food and Beverage Certificate may be issued to the holder of Beer Retailer’s On-Premise Permit or Wine and Beer Retailer’s Permit if food service is the primary business being operated on the licensed premise or to the holder of a Mixed Beverage Permit or Private Club Permit if food service is available on the premises and the gross receipts of alcoholic beverages do not exceed 50% of total gross receipts. The business is located in the “NS” – Neighborhood Service Zoning District

5. Public Hearing regarding the proposed zoning amendment for Special Use Permit Mixed Beverage Restaurant Permit with Food and Beverage Certificate. The Proposed zoning amendment is for 1644 Research Forest Drive, Suite 100, Shenandoah, Texas.

Chairman Ash opened the public hearing at 6:09 p.m. The Commission discussed the request for mixed beverage being without late hours. Mrs. Thompson confirmed the request is for mixed beverage without late hours.

Chairman Ash asked if there was any other comments or questions and with none closed the Public Hearing at 6:10 P.M.

6. Presentation of an Planning and Zoning Commission Preliminary Report regarding the zoning amendment to amend Special Use Permit Ordinance No. O-18-005 providing for a minimum square footage of retail use, parking structure, and granting and extension to the expiration of the special use permit. The proposed zoning amendment is for 5.1923 acres of land in Restricted Reserve "A" of the Eastwood Village Replat No. 1 recorded on Cabinet Z, Sheet 3434 M.R.M.C.

Mrs. Thompson stated this is the Woodloft project. It is the 5 acres development situated along I-45 , David Vetter & David Memorial. The property currently has a special use permit that would provide for a certain number of retail space on the first floor, parking structural, and a minimum and maximum number of multifamily units on the site. The property currently has a building permit issued. The developer has come back to the City and requested these three amendments be made to their use permit. Increase the square footage from 14,500, minimum retail space to 15,000, and reduce the number of multifamily units from 300 to 285. With this request for amendment they have asked for a six months extension to the current SUP expiration. Which would have their SUP expire January of 2021. The development will look slightly different. The plan is to have free standing retail on the front, one building in the back is the multifamily use. Commissioner Galatas asked if this was the same set of developers that came in a couple of years ago that stated that they were about ready to go. Mrs. Thompson stated that was correct. Chairman Ash stated that we have been dealing with the project for a while, they came in and then it sat for a while, since before 2014? Mrs. Thompson stated that 2014 was the first time a use permit was issued to this site, for the current use. Adding that use permit expired and an application was made in Feb. 2018, the commission granted the use permit alone with City Council, an extension granted in Feb of 2019 to extend until Aug 2020. A building permit has been issued to prolong that SUP. Now the developer has asked for amendments with an extension.

7. Public Hearing regarding the proposed zoning amendment to amend Special Use Permit Ordinance No. O-18-005 providing for a minimum square footage of retail use, parking structure, and granting and extension to the expiration of the special use permit. The proposed zoning amendment is for 5.1923 acres of land is Restricted "A" of the Eastwood Village Replat No. 1 recorded on Cabinet Z Sheet 3434 M.R.M.C.

Open Public Hearing at 6:14 P.M.

Chairman Ash asked what is the motivation or reasoning for the amendment? Zane Segal, Woodloft, with the development partners stated the motivation is the investor group that they were working with was not able to raise the equity because there was some strategic flaws in the plan according to them. The first thing being having apartments on top of retail. Which is not the best solution as it turns out. What they are looking at is if

we much more efficient layout if divide the two uses into apartments in the back and retail in the front with no apartments above it. But this has a couple of affects, one it will all be developed by them, the same development group, but the investor group can be separate groups on these two projects. The second affect is they are simplify the project itself. They are removing the underground parking which was to service the apartments on the front building, those apartments are going away. What they are doing is adding one floor to the apartments in the back. Everything will be the same, adding one floor to the parking and one floor to the apartments. It will be about two hundred eighty five or two hundred seventy five, depending on how it is done. The apartments sizes, the units themselves will be identical to what was previous were. Chairman Ash stated that there will just be fewer of them? Commissioner Galata asked the investor group that approved what you had before is the same they just changed their mind? Zane stated no, that they brought in partner called Juniper Investment, a large owner of apartments in the Texas region that owns about twenty two thousand units, I believe. They came in last September as a joint venture partner. As its co-general partner they are the ones that have access to the equity. There investors told them that this project was too big and too expensive the way its laid out because of the structure parking, podium, and another uses. They are not changing anything, just creating a simpler project. Commissioner Galata asked if the original investors gone and have a new group of investors? Kevin Kirton, Woodlofts, stated no, that they have a chunk of equity invested in the deal that was used to buy the site to begin with. They only anticipated bringing in some additional LP equity investors and they have a chunk of that money available, but they could not get enough of equity raised to cover the whole cost of seventy eight million dollar proposal because of the problems that were disused. They now have enough money raised to accomplish the development as shown in the new package. Dividing it up they can internally handle the resale portion of it. And have raised enough money to do the back portion of it. In addition they have the debt that is ready to go on it. Commissioner Galata asked if they have any retail planned to be in it? Mr. Kirton stated that they did at one time when they looked at doing a standalone retail piece in the front, they do not anticipate any problems. The fact that stand alone retail lease is better too, then the mix use retail, because of the way the property can use the circulation. You can have a drive thru on the endcap pieces. It's just simpler an easier for people to see to get in and out & utilize the retail that way. You will have some utilization of the retail with the apartments in the back. Commissioner Galata asked how many retail spots to you have to sell? Mr. Kirton stated based on information when the site was set out before & consulted with big named business in the market, one large restaurant and bar around five thousand square feet, several smaller pieces, around three thousand square feet for maybe a coffee shop. Mr. Segal stated that they had five or six letters of intent when they were looking to do this a couple of years ago. But they felt at the time they could pull off the full project the way it was conceptualize, it would have been more profitable for them. But once the investor community said it's too complicated, they just want to simplify it. Matthew Morgan, Woodlofts, stated that there multifamily investors group does not want to do retail investors. The multifamily community as a whole kind of

frown's upon doing retail with the multifamily use. What they are trying to do is approach this project as a single project, but try do it into two different investments. Retail investments group can be handled internally, be financed inhouse. By breaking the retail out in the manner in the presentation that was submitted. That brings the overall project size down to around fifty million dollars. And they have raised the common equity together to be able finance that size multifamily project, which are two hundred eighty five units. It would be two different investor groups and two different standalone buildings. Commissioner Galata asked if they say yes to the redraw, do they have the money in place to start going? Mr. Morgan stated that yes they do, that they need to get the redraw done and resubmitted & repermited. The back building operates almost in of itself as presently designed, so it want take the design team much time. It's the same building all of the amenity's for the multifamily use are located in that building as is now. They are not starting from scratch from a design standpoint. Somewhere between fifty to ninety days to have the design revisions completed and resubmitted. Kevin stated that they have documents for the loan from the bank they are using. They were confident that they were going to raise the rest of the equity. Seth Morland, Woodlofts, stated that they have done their best to get the equity raised with the mix use project and the feedback that they got back from there investor group was they were getting heartburn over the mix use model and the separation of use. Commissioner Galata asked Jackie what does the City think? Mrs. Thompson stated there has been discussion with Zane when the application came in. It's always nice to have additional retail and with the traffic concerns, & reduce number in the multifamily would alleviate maybe some traffic concerns or added traffic if you're looking at two hundred eighty five verses three hundred fifteen units. What was stated early, we were very up front with Zane there is a concern getting the project pushed forward, since it has been ongoing for a while, to start seeing some movement forward. With construction with on that site, in that area they are putting in sidewalks to connect to some of the amenities that are already over there. So we would like to see the project as a whole to move forward so we could get those put in. Commissioner Galata asked Jackie is she like the redraw and what they are proposing? Mrs. Thompson stated that she hasn't seen plans on those. The use that they are speaking of, fits within the zoning district the use is allowed over there. The only reason for the SUP is there is no first floor retail. So we are not talking about added uses that wouldn't be above what we currently allow. Chairman Ash asked if the apartments would be in the back and one building be retail and another apartments and no breezeway between them. Mrs. Thompson stated that is correct. Mr. Segal stated that the retail building is alone the freeway & the apartment building is to the east. Chairman Ash asked if the retail building would still be that tall, or be a single story? Mr. Morgan stated that it would be a one story building in the front. Commissioner Galatas stated that it's not like the apartments only look at the rear of the building. Its intergraded that you can walk into the retail? Mr. Morgan stated yes. Commissioner Pollard stated that this is better for the City he believes because it's going to give more retail and sales taxes, and does not look bad to him at all. Mr. Kirton stated that he is correct that this will increase the amount of retail with the results with

this change, its more efficient design for both projects. They do not have the underground which was pretty complicated on this deal. Mix use can work in more urban environments, this place is miss urbanizing, this is why you see us wanting to do a five story residential. It still functions better with two independent developers. Commissioner Galatas stated that in the prior illustration called for parking below grade and I would say what about flooding, rains & pump, the answer I got if I recall was we have pumps. I like that it's not below grade or underground. Chairman Ash stated that this is just a public hearing. Mrs. Thompson stated that yes it's one of two. Commissioner Stephens stated that he had a couple of questions. As this intends to go forward, will it be replatted into two separate property's or will it continue on as one property and one owner? Mr. Kirton stated that it will need to be replatted into two reserves so they can separate the financing for the retail from the multifamily. Commissioner Stephens asked Jackie if procedural if we separate this into two reserves and two plats does it fit under one SUP? Mrs. Thompson stated it would, the SUP is for the total acreage. We could get clarification from the City attorney. Commissioner Stephens stated that he would just like to know we are moving procedural there. From the originally project, does the apartment size remain the same expected price point, will that remain the same? Mr. Morgan stated the size of the units will be the same, as well as the price point. They are looking at a product that will service beyond the millennium types and maybe some home builders in the process but not ready to move in their homes. Commissioner Stephens asked what is the price point on one of these? Mr. Morgan stated a dollar eighty per square foot on nine hundred units around fifteen to sixteen hundred dollars on an average. Commissioner Stephens asked Jackie is by adding one story to this will it cause a conflict with building height. Mrs. Thompson stated that she did not see a height called out on it. Kevin stated that in the current building in the front is six stories, so they are going to be one story lower than that in this design. Commissioner Stephens stated that were he is headed with this, is that he doesn't want to move forward with this and if we give another extension, then have a blizzard of variance requests. Zane stated that one of the points that were made is that they have adhered to is the parking code without variance, for apartments & retail use and they still will. Mr. Segal stated they have not asked for any variance. Commissioner Stephens stated that it's a blanket statement that he uses, because there are developers that will get there project approved and then come back in and ask for a variance. Mr. Segal stated that they have not done that in several years here, that they have paid for all application and building permits twice. They really believe that this will work. Chairman Ash asked if there is any more comments or questions? Commissioner Stephens stated that backed on the renderings that it looks like a nice project.

Closed public hearing at 6:37

8. Consideration and possible action to approve or deny Minutes of the December 17, 2019 Regular Meeting, January 7, 2020 Special Meeting and January 21, 2020 Regular Meeting of the Planning and Zoning Commission.

COMMISSIONER BOB GALATA MADE A MOTION TO APPROVED THE MINUTES OF THE DECEMBER 17, 2019 REGULAR MEETING, JANUARY 7. 2020 SPECIAL MEETING AND JANUARY 21, 2020 REGULAR MEETING OF THE PLANNING AND ZONING COMMISSION.

COMMISSION STEPHENS SECOND THE MOTION. MOTION CARRIED UNANIMOUSLY

9. City Administration updates

Mrs. Thompson stated that she will have another Web meeting on May 19, 2020 at 6:00 p.m. She will send the agenda out as soon as possible.

10. Commissioner's Inquiry.

Commissioner Galatas stated that he would have a new member taking his place in June. He stated that he spoke to Rich about this. Commissioner Pollard asked what the timing going to be on the turn lane at Grogans Mill and Research, there are flags up. It looks like that are getting ready to start something, are they going to extend that? Mrs. Thompson stated that Joseph and Kathie have been a little more involved with this, she will ask and follow up with an email. Commissioner Galatas stated according to the signs that the sidewalks are closed, and he thinks it's going to be a decade right hand lane so it would be easier to get out of Grogans Forest. Commissioner Pollard asked if there was any information to share about the Chief of Police and was there any turn over with police officers? Mrs. Thompson stated that from the monthly reports that the City has had no turnover in the police department as far as officers are concerned. Staff was notified about Raymond's departure from the City, and Troyes acting as interim Police Chief. Commissioner Pollard stated that the rumor was that two officers resigned as well. Mrs. Thompson stated that she has not been notified that any officers resignation. Commissioner Pollard asked about the entrance for the Woodlands, its down for about a year. Mrs. Thompson not sure if it's been held off based off the construction being done out there.

ADJOURN

Chairman Ash called the meeting adjourned at 6:43 p.m.

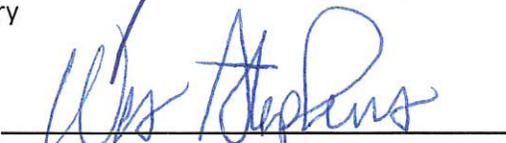
SUBMITTED BY:



Courtney Clary, City Secretary

DATE APPROVED:

8/18/20



Chairman Stephens