

**PLANO CITY COUNCIL
PLANNING AND ZONING COMMISSION
WORKSESSION
October 10, 2008**

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The worksession was called to order following lunch on Friday, October 10, 2008 at 1:09 p.m. at the Plano Municipal Center, Building Inspections Training Room, 1520 Avenue K. All Council Members were present with the exception of Deputy Mayor Pro Tem LaRosiliere. All Planning and Zoning Commissioners were present with the exception of Beth Weingarden.

Director of Planning Jarrell welcomed those in attendance and advised the afternoon would include a panel discussion on community development trends and introduced Director – Development/Construction of Granite Properties David R. Cunningham, Business Reporter of the Dallas Morning News Steve Brown, President and CEO of The Karahan Companies Fehmi Karahan and CEO and Chairman of The Weitzman Group/Cencor Realty Services Herbert D. Weitzman.

Presentation and Group Discussion of Trends in Commercial Development

Mr. Cunningham reviewed the history of Granite Park, spoke to build out at 3 million square feet of space with the addition of restaurants and a full-service hotel. He spoke to the final master plan with a parking garage, four-story condominium homes, retail establishments, two additional office buildings and the possibility of a second hotel. Mr. Cunningham spoke to connectivity between Granite Park and Legacy Town Center and creation of a “live, work, play” area. He spoke regarding the density, efficient use and connectivity of the area and its location on the tollway offering access to many destinations.

Mr. Brown spoke regarding the current market in the area, the response of office demand to the economy, vacancy rates below 20% and rents at a good level. He spoke to the supply and demand effect on apartments with home financing becoming more difficult to obtain, short term delays in construction with real estate returning in a very active manner following a period of calm. Mr. Brown spoke to Plano, Richardson and Los Colinas benefiting from light rail, the movement of box retailers into smaller stores to fit into neighborhoods and the possible effect and reuse of bank buildings should there be consolidations.

Mr. Karahan spoke to the Legacy Town Center as the star of Plano, its strength in spite of the economy, completion of the last phase of retail development, opening of the fountain in November, and build-out planned in 2010. He spoke to the North Texas market's diverse economy, lack of overpriced home values and no physical limitations on growth. Mr. Karahan spoke to Legacy Town Center offering a unique environment for business.

Mr. Weitzman spoke regarding bank construction related to the introduction of online banking and the renewed interest and services offered in the brick and mortar locations. He spoke to the importance of market share in the banking industry and continued expansion and the relationship between shopping in person versus online complementing one another. Mr. Weitzman spoke to innovations in grocery competition, occupation of retail centers, the effect of the economy on "lifestyle" developers, the need to revitalize retail centers to attract tenants and the effects of market conditions on development. He spoke to the shelving of projects based on economic conditions and future improvements in job growth.

Mr. Karahan spoke to the current stability in the Dallas area, but advised that the market is fragile due to changes in lending for commercial development and spoke to normalization in 2010. Mr. Weitzman spoke regarding the difficulty in developing sites with multiple tenants and the major role of restaurants in generating traffic. Mr. Cunningham spoke to generational changes including the populations of baby boomers versus Gen-Xers and the impact this will bring on the real estate market. He spoke to an increase in densification and urbanization as the population ages, the effect of the rail system on the economy of the Metroplex and increasing density on retail corners. Mr. Brown spoke to Plano as "forward-looking" with regard to mixed-use development and rules currently in place that might be an impediment to future development. Mr. Karahan spoke to the need for all elements in a mixed-use development including office, retail and residential. Mr. Weitzman spoke to the need for flexibility in development and creating projects in phases.

Mr. Weitzman responded to Council Member Jackson, advising that the creation of more urban uses would help to increase interest in the downtown area and Mr. Cunningham spoke to the need to be more creative regarding codes. Mr. Weitzman responded to Council Member Dunlap advising there should be incentives for development at the mall and the need to offer something unique. The panel spoke regarding the desire for dense and walkable communities, Planning and Zoning Commissioner Perry spoke to those who enjoy living an urban lifestyle and Mr. Cunningham spoke to thinking past the old paradigms.

The session took a brief recess at 3:06 p.m. and resumed at 3:23 p.m.

Senior Planner Perry spoke to efforts to create a policy statement that will define the role of mixed-use development in the City of Plano, current examples and current uses being separated from one another to reduce incompatibilities which may result in a loss of synergy. She spoke to the benefits of mixed-use including more efficient use of infrastructure and service delivery, creation of gathering places, sense of community, and increased housing and transportation options. Ms. Perry spoke to the key characteristics of these developments including multiple uses that are integrated so that they enhance one another, a comprehensive network of streets and sidewalks to connect uses, density as a critical asset, pedestrian friendliness, interesting and comfortable elements at the street level, and addressing issues of parking. She spoke to location and site appropriateness and to considering the size of the area, accessibility, transportation, surrounding development, reinvestment costs, phase-ability, and community impact. Ms. Perry introduced the group to an exercise evaluating mixed-use projects from around the country.

As a follow up to the evaluation, Planning and Zoning Commissioner Perry spoke regarding the Easton Town Center located in Columbus, Ohio and its integration of uses, location on a major corridor, large indoor and outdoor spaces, stacked parking, walkways and public areas and extreme density. He spoke to its positive “human scale” and advised that the location serves as an attraction yet is located in a rural area. Mayor Evans spoke regarding Virginia Beach Town Center in Virginia Beach, Virginia which lacked walkability, signage, seating, integration and “human scale” as well as connectivity between the park and uses. She spoke to the large and uninteresting parking garage and expansive surface parking as negative features. Planning and Zoning Commissioner Caso spoke to Santana Row in San Jose, California advising that parking is located on the exterior of the development with the interior featuring landscaping, benches and a concierge. He spoke to the positive mix of retail, restaurant and residential uses, pedestrian friendly atmosphere and “human scale,” the appropriateness of the site, and mix of architectural uses. Planning and Zoning Commissioner Coleman spoke regarding Mizner Park in Boca Raton, Florida and its development on an old mall property. He spoke to the mix of uses, housing located above retail, parking garages located on the perimeter, green space buffers, public park, gathering places and pedestrian friendly nature. Mr. Coleman spoke to transportation in the area, development in phases, increased property values and the City’s investment.

Ms. Jarrell and Ms. Perry thanked those in attendance and recognized Staff for their assistance in putting together the program and materials.

Nothing further was discussed. The meeting was adjourned at 4:55 p.m.

Pat Evans, MAYOR

James Duggan, Chair – Planning and Zoning Commission

Diane Zucco, CITY SECRETARY