

MEMORANDUM

TO: Claire Powell, City Manager

FROM: Richard E. Luedke, AICP, Planning Director

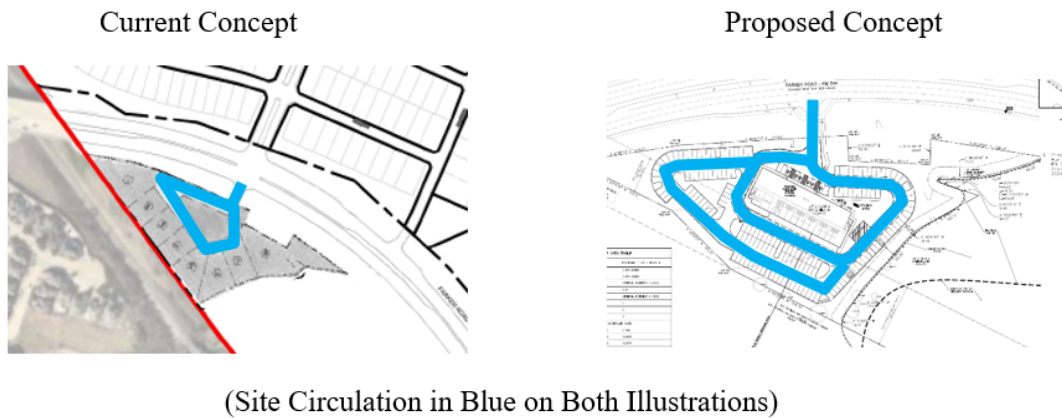
DATE: June 2, 2025

SUBJECT: **Continued Public Hearing:** Consideration of an Ordinance of the Lewisville City Council, Amending the Zoning Ordinance by Amending Ordinance No. 0428-22-ZON to Amend the Planned Development Concept Plan Set Forth in Exhibit 5B (The Realm Subdistrict Concept Plan) Thereto by Amending the Concept Plan for 3.459 Acres Located South of the Intersection of Essex Boulevard and Parker Road (FM 544), Legally Described as Castle Hills H3, Lot 2, Block A; Correcting the List of Existing Planned Development Districts; Preserving all Other Portions of the Zoning Ordinance; Determining That the Zoning Amendment Herein Made Promotes the Health, Safety, and General Welfare of the City; and Providing for a Savings Clause, Repealer, Severability, a Penalty, and an Effective Date, as Requested by McAdams, on Behalf of Eric Stanley, of Breco Lands CH LLC, the Property Owner. (Case No. 24-04-2-PZ)

EXECUTIVE SUMMARY:

The applicant is seeking an amendment to the existing concept plan within the Castle Hills Planned Development (PD) District. Under current zoning entitlements, the applicant already has the right to develop multifamily housing, construct buildings of unlimited height, and build within the proposed setbacks. The property has previously been platted as a single lot, and infrastructure has been constructed and sized to support future multifamily development.

The proposed amendment is triggering a public hearing solely due to the relocation of a circulation drive—from the front of the buildable area to a position surrounding the future building. This revision aims to enhance site access, improve fire lane circulation, and accommodate an existing Oncor easement at the rear of the property. The only factor under consideration with this concept plan amendment is the internal site circulation.



Staff supports the request because:

- The change complies with all underlying zoning requirements.
- It increases the setback from nearby single-family homes located across the railroad tracks.
- It reduces the building's proposed height from the currently permitted unlimited height.
- It incorporates ground-floor retail, promoting mixed-use development.
- The applicant will also be required to install a traffic signal on Parker Road, which will improve traffic flow and benefit the surrounding community.

BACKGROUND:

On January 3, 2022, the City Council adopted the Castle Hills PD District, Ordinance No. 0428-22-ZON, that incorporated all provisions of the Castle Hills Development Agreement along with the variances to the agreement approved since 1996. The PD was adopted to ensure that zoning in Castle Hills was tailored to match existing development, and that future development is compatible and consistent with existing development. The concept plan for the southern subarea of The Realm Subdistrict is being amended in its entirety per Ordinance No. 0428-22-ZON and notices were sent out accordingly. Many of the attachments show only the areas proposed for changes for better clarity though the entire concept plan with amendments is also provided. This item pertains only to the 3.459-acre area south of FM 544 (Parker Road).

A previous request similar to this was made in 2024. The City Council denied (5-0) the previous concept plan amendment for the 3.459-acre area south of Parker Road (FM 544) on August 19, 2024. Generally, the Council sentiment was that there was not enough public engagement related to the proposal. Since that denial, the applicant has met with the neighborhood and provided some additional information on the development. The only factor under consideration with this concept plan amendment is the internal site circulation. The Planning and Zoning Commission (P&Z) recommended denial by a vote of 4-3 on April 15, 2025. Since P&Z recommended denial, an affirmative vote of at least three-fourths of the council members is required to approve this request (i.e. 5 council members). On May 5, 2025, at the applicant's request, the City Council continued the public hearing to the May 19, 2025 City Council meeting to provide additional time for staff and the

applicant to prepare additional details related to the site and the proposed project. On May 19, 2025, the City Council continued the public hearing to the June 2, 2025 City Council meeting so that revisions can be made to the attachments to provide increased clarity related to the proposed amended concept plan.

ANALYSIS:

Castle Hills PD History & Conceptual Plan Amendment Processes

Upon annexation in November 2021, the City had 60 days to adopt permanent zoning for the area. When the Castle Hills PD was created, Lewisville's zoning ordinance required a concept plan to be attached. As with all PDs in the city, the concept plan guides development and can be amended. The concept plan for The Realm subdistrict only shows building footprints and site circulation. Unlike typical PDs, where plans are fully defined, Castle Hills included both detailed and conceptual areas, with some parcels lacking any development plan. Despite this, zoning was required immediately after annexation.

To accommodate future flexibility, especially within The Realm Subdistrict, the PD provided for greater flexibility in the concept plan amendment process:

- **Minor modifications** to the concept plan approved by staff.
- **Unplanned areas** to remain blank, with layouts later approved by the Planning Director if compliant with the PD text.
- **Major modifications** to follow the full amendment and public hearing process, with broader notification requirements specific to The Realm.

Whether a change to a concept plan constitutes a *major modification* is determined by the Planning Director. According to the PD standards, examples of major modifications include the *addition or removal of buildings* or *changes to site circulation patterns that affect internal and external connectivity*.

Although the original concept plan showed no buildings¹, the inclusion of an interior circulation drive meant it could not qualify as an unplanned area. Because that drive now needs to be relocated to accommodate an existing Oncor easement along the rear of the property, a concept plan modification is now required. While the Planning Director views the proposed relocation as de minimis and ultimately beneficial to both the project and surrounding properties, it technically qualifies as a *major modification* under the PD standards. This is due to the changes that the newly proposed site circulation has to internal and external connectivity:

¹ Note that the concept plan did show eight irregular-pie-shaped lots or building sites fronting a somewhat circular shaped street, but no buildings. Originally staff thought the concept plan showed buildings, but a clearer image now shows that what staff originally thought were buildings were in fact numbers identifying lots (which are not regulatory). This is why the only remaining issue triggering the major modification is the movement of the circulation drive. Also note that zoning concept plans do not regulate lots or platting. The only regulatory aspects are the location of buildings and the site circulation.

- **Internal site connectivity:** The newly proposed layout improves resident and emergency vehicle access and connectivity.
- **External connectivity:** The newly proposed layout facilitates the installation of a new traffic signal at Parker Road and increases the building's setback from nearby single-family homes.

Existing Entitlements Under General Business-Two Base Zoning District

The existing concept plan does not regulate uses, setbacks, or building heights unless specifically noted on the concept plan. Here, none of those are listed on the concept plan. Instead, the uses, setbacks, and building heights were established for this site in 2014 when The Realm was approved as an amendment to the original 1996 Castle Hills agreement. The site contains a base zoning district of General Business Two (GB-2). GB-2 zoning provides for (1) zero setbacks for front, side, and rear yards; (2) unlimited height restriction (except for any FAA restrictions) because the lot is located over 150 feet from any residential base zoning districts.²

Easement Issues and Prior Platting

The site has several development challenges including an odd or irregular shape, an adjacent floodplain, grade variation, limited access on FM 544, limited visibility, adjacency to railroad right-of-way, and an 80-foot to 120-foot-wide electric utility easement (Oncor) that lies adjacent to the railroad right-of-way. The presence of this easement was not known when the original PD was adopted in January 2022. The easement was first identified on the final plat for the property approved in June 2022. The existence of this easement makes the movement of the internal site circulation necessary to make the site developable. Representatives from Oncor confirmed that they have no desire to abandon this easement with all the growth in the region and since a major high-voltage transmission line corridor currently exists approximately one quarter mile to the northwest of the site.

Also of importance is that P&Z approved a plat in June 2022 and a replat in April 2023, which platted the property into two lots – one that is mostly developable (the current site being discussed), the other which is mostly flood plain property. The plat also provided for the developer installing a 12-inch water and 12-inch sewer line, which are sized appropriately for a future multifamily/mixed use site. The plat was approved because it met all the city's zoning regulations (which allowed for multifamily) and infrastructure requirements. The developer has already paid for and installed that infrastructure.

Traffic Analysis

If the project is approved, the developer will fund and construct a traffic signal at FM 544 and Essex Drive, which aligns with the driveway to this site, to accommodate traffic in accordance with a draft traffic impact analysis (TIA) prepared in August 2024, which is currently under staff review. High speeds, mixed with crossing traffic, at this intersection was a concern of the neighborhood to the north during a community meeting held on February 5, 2025. As part of the

² If this lot were adjacent to a base residential district instead of being separated by railroad right-of-way, then the height would be limited to 45 feet, except that the height may be increased up to a maximum of 12 stories or 180 feet in height at the rate of 2 feet of additional height for each 1 foot of additional setback from required setback lines.

concept plan amendment to the area of The Realm north of Lady Tessala Avenue approved in November 2024, the developer committed to prepare a (TIA) for all of The Realm subdistrict within one year. The developer expects to submit that draft TIA for staff review within the next month.

CITY STAFF'S RECOMMENDATION:

That the City Council approve the ordinance as set forth in the caption above.