

MEMORANDUM

TO: Planning & Zoning Commission

FROM: Jon Beckham, AICP, Senior Planner

DATE: May 19, 2026

SUBJECT: **Public Hearing: Consideration of a Recommendation for Amendments to the Unified Development Code by Amending Article II, Definitions, Article VII, Uses, Parking Requirements, and Supplemental Use Regulations and Certain Distance Requirements, and Article VIII, Off-Street Parking and Loading Standards, of Volume II of the Lewisville City Code, Known as the Unified Development Code, by Adding a New Definition of “Data Center” to Section II.2.1; Adding “Data Center” to Exhibit VII.2.3-4, Non-Residential Zoning Districts, as a New Use in the Accessory and Warehouse and Storage Use Categories and Allowing Such Use in Certain Districts with a Special Use Permit (“SUP”); and Adding “Data Center” to the Parking Requirements Outlined in Exhibit VIII.1.4.1, Minimum Parking Requirement.**

BACKGROUND

Demand for data center facilities has surged over the past few years, driven by market shifts and the rapid expansion of cloud computing and Large Language Model (LLM) systems. These technologies require significant increases in computing and server capacity.

Currently, the Lewisville Unified Development Code (UDC) does not provide a specific definition for "Data Centers." Under the existing code, these facilities are classified as "Distribution Warehouses," making them a permitted "by-right" use in any existing warehouse within the City. Lewisville is positioned to see particularly high demand for these uses due to the prevalence of Light Industrial (LI) zoning and an abundance of existing warehouse developments that can be retrofitted to house data centers.

While they share a similar physical footprint, data centers differ significantly from traditional distribution warehouses in their operational demands:

- **Resource Consumption:** Data centers require a substantially higher volume of water and electricity for cooling and operations. This poses a potential strain on the City’s water supply and the electrical capacity of franchise utilities. Lewisville’s largest data center consistently uses over 40 million gallons of water per year.
- **Environmental Impact:** These facilities often generate more noise (from cooling fans) and potential pollution (from backup generators) than typical warehouse users.

To address these unique impacts, staff recommends that the special use permits (SUPs) process be utilized as a regulatory tool. Implementing an SUP requirement would allow the City to evaluate the compatibility of new data centers, or the redevelopment of existing warehouses into data centers, ensuring that infrastructure capacity and environmental impacts are properly mitigated.

ANALYSIS

To provide for the desired compatibility and to mitigate harmful impacts associated with future development or redevelopment of Data Centers, a new definition and amended use chart listings are proposed for these uses that will require the approval of an SUP for any new Data Center.

On May 6, 2026, notices were mailed to 2 property owners and business owners that currently operate Data Centers. These notices are required by the State of Texas and must contain the following language in 14-point bold font: **THE CITY OF LEWISVILLE IS HOLDING A HEARING THAT WILL DETERMINE WHETHER YOU MAY LOSE THE RIGHT TO CONTINUE USING YOUR PROPERTY FOR ITS CURRENT USE. PLEASE READ THIS NOTICE CAREFULLY.**

Unified Development Code Amendments:

The proposed changes to the UDC involve adding a new definition for Data Center to Article II, “Definitions” as follows:

Data Center – a facility used primarily for the storage, management, processing, and transmission of digital data, which houses computer or network equipment, systems, servers, appliances, and other associated components related to digital data storage and operations.

Article VII, “Uses, Parking Requirements, Supplemental Use Regulations and Certain Distance Regulations,” Chapter 2 “Allowed Uses by District,” Subsection 4.C. is hereby amended by amending Exhibit VII.2-3-4, “Non-Residential Zoning Districts” by adding “Data Center” as a use and requiring a special use permit for this use in the Light Industrial (LI), Warehouse (WH), and Heavy Industrial (HI) Zoning Districts.

Finally, Article VIII, “Off-Street Parking and Loading Standards,” Chapter 1 “Off-Street Parking Standards,” Subsection 4, “Parking Requirements by Use”, is hereby amended by amending Exhibit VIII.1-4-1, “Minimum Parking Requirements”, by adding the following parking requirement:

1:300 of office space and 1:2000 of warehouse area

CITY STAFF'S RECOMMENDATION:

That the Planning & Zoning Commission recommend approval of the proposed UDC amendments as set forth in the caption above.