

MEMORANDUM

TO: Claire Powell, City Manager

FROM: Richard E. Luedke, FAICP, Planning Director

DATE: April 6, 2026

SUBJECT: **Public Hearing: Consideration of an Ordinance of the Lewisville City Council, Amending Ordinance Number 0428-22-ZON by Amending Section IV, Crown Centre Subdistrict, to Include new Standards for Concept Plan Amendments That Outline Major and Minor Concept Plan Modification Criteria, a Modified Schedule of Uses That Deletes “Extended Stay Facilities”, Modified Standards Applicable to Multi-Family Dwellings to Adjust the Allowable Unit Counts, Building Height, and Non-Residential Square-Footage Requirements, Modified Site Design and Development Standards for On-Street Parking and Screening to Provide Additional Parking and Screening Options Along Pedestrian Priority Frontages, and new Standards Regarding Ground Floor Uses to Provide Specific Requirements for Live/Work Units; Providing for a Repealer, Severability, a Penalty, and an Effective Date.**

BACKGROUND:

Crown Centre is subdistrict located within Castle Hills that was first brought forth to City Council as a variance package in 2020. It has since been adopted in the Castle Hills Planned Development with its own unique set of development standards. It consists of approximately 140 acres located at the southwest corner of SH 121 Business and the SH 121 Frontage Road (Sam Rayburn Tollway) and is bisected by FM 544. Crown Centre, which has three subareas, was originally proposed to provide a pedestrian-oriented, mixed-use urban development environment, with convenient access to regional highways, shopping, employment, housing, and regional retail services. The Castle Hills Planned Development Ordinance, 0428-22-ZON, allows for text amendments following the same process as text amendments to the Unified Development Code. The office market has shifted since Crown Centre’s development standards were originally adopted. Staff has worked with the developer’s planning consultant team over the past few months to produce amendments to the text of the Crown Centre Subdistrict portion of the planned development to reflect this shift while still preserving the overarching goals of the Crown Centre Subdistrict. The Planning and Zoning Commission recommended unanimous approval (7-0) on March 3, 2026.

ANALYSIS:

The proposed text amendments are shown below in red strike-out/underline:

Amendments to the Concept Plan:

These text amendments allow the Planning Director to approve minor amendments to the concept plan while major amendments must be approved through the standard zoning process. This process replicates the process already in place for The Realm Subdistrict of the Castle Hills Planned Development.

C. Concept Plan: The Crown Centre Subdistrict Conceptual Plan and illustrative renderings (collectively referred to as the “Concept Plan”) shall be as established in Exhibit 4B.

1. Amendments to the Concept Plan:

- i. For the purpose of Concept Plan amendments, the Crown Centre Subdistrict shall be considered as three subareas. The concept plan for each subarea may be amended independently through the rezoning process set forth in the City of Lewisville Zoning Ordinance, as amended.
- ii. The Planning Director may approve minor modifications to the concept plan such as changes in the location of buildings, changes to the size of building footprints, and minor changes to the site circulation pattern that do not impact the site or surrounding development. Major modifications such as the addition or removal of buildings and changes to the site circulation pattern that impacts connectivity within the site and to surrounding development shall be amended through the rezoning process set forth in the Unified Development Code, as amended. The Planning Director shall determine if a proposed modification to the concept plan is a minor or major modification.

Uses and Minimum Parking

Mentions of Extended Stay facilities are removed from the Crown Centre use table.

Additional Standards Applicable to Multi-Family Dwellings:

The original language created a cap of multi-family development that relied on a certain amount of non-residential development to be constructed before additional multi-family development could occur. These text amendments allow more multi-family units to be built with less non-residential development. The overall cap of 2,000 units is not changing.

iii. Additional Standards Applicable to Multi-Family Dwellings:

- a. Crown Centre Subdistrict Multi-Family Cap.
 - 1) A maximum of 2,000 Multi-Family Dwelling (“MF”) units shall be allowed within the Crown Centre Subdistrict and shall not count toward the 5,000-unit cap for Castle Hills.
 - 2) Of the 2,000 MF units allowed by the Crown Centre MF Cap, a maximum of 600 MF units shall be allowed in Subarea 1, and a

maximum of 600 MF units shall be allowed in Subarea 2 (“Subarea MF Cap”). Construction of these MF units must comply with Subsection (b), below.

- 3) MF units located above the 5th ~~10th~~ floor of any building shall be considered on a case-by-case basis and will not count towards the Crown Centre Subdistrict MF Cap if approved with an SUP.
- b. Construction of MF Units.
- 1) Of the 2000 units allowed by the Crown Centre Subdistrict MF Cap, 300 MF units shall be available for immediate construction in Subarea 1, ~~and~~ 300 MF units shall be available for immediate construction in Subarea 2, and 720 MF units shall be available for immediate construction in Subarea 3.
 - 2) Beyond these initial 1320 ~~600~~ MF units which are available for immediate construction (i.e., the 300 MF units in Subarea 1 ~~and~~ the 300 MF units in Subarea 2, and 720 MF units in Subarea 3 in the area immediately north of Castle Hills Crown Centre Addition, Block A, Lots 1 and 2), additional MF units, per the Crown Centre Subdistrict MF Cap and the Subarea MF Cap, shall only be allowed in groups of 300 MF units for each 75,000 ~~250,000~~ square feet of non-residential uses built (and not otherwise counted towards a previous group) or which have received a permit to begin construction or are under construction.
 - 3) After the construction of a cumulative total of 325,000 ~~1,000,000~~ square feet of non- residential uses, all remaining unbuilt MF units still available under the Crown Centre Subdistrict MF Cap and the Subarea MF Cap are allowed.
 - 4) No amendment to the framework plan shall be required for modifications that are made in order to meet City or TxDot requirements.
- c. Parking. A minimum of 80% of the provided parking for all MF units shall be located in a Parking Structure.
- d. Height. All MF buildings shall be a minimum of 4 ~~5~~ stories in height. Podium Parking may count towards the four ~~five~~-story minimum. Maximum building height shall be limited by Federal Aviation Administration (FAA) regulations due to proximity to area airports.
- e. Development Standards. All MF developments shall be part of and governed by development standards established by the Castle Hills Commercial Association.
- f. Minimum MF Unit Size. MF units must be an average of 700 square feet in size, but no MF unit shall be less than 500 square feet in size. Up to 10% of the units provided in any one project may be a minimum of 400 square

feet but the average of 700 square feet for all units shall be maintained.

These text amendments remove extended stay facilities as uses previously allowed with the approval of an SUP.

- iv. Additional Standards Applicable to Hotels, Motels, and Inns ~~and Extended Stay Facilities~~.
 - a. These uses shall comply with the requirements set forth in the City of Lewisville Code of Ordinances, as amended, applicable to Hotels, Motels, and Inns, ~~and Extended Stay Facilities~~.
 - ~~b. In addition, any lodging facility that has rooms with ovens or cooktops shall require an SUP.~~

Parking adjacent to Pedestrian Priority Frontages

These text amendments allow ground floor parking along a Pedestrian Priority Frontage if there is additional vegetation included in specified areas.

- b. Parking adjacent to Pedestrian Priority Frontages.
 - 1) No ground floor parking (in a Parking Structure or surface parking lot) or any service areas described in the Commercial Design Guidelines shall be permitted along a Pedestrian Priority Frontage. This standard shall not apply to on-street parking along Crown Parkway, nor Subarea 2. In Subarea 2, ground floor parking (in a Parking Structure or surface parking lot) and service areas described in the Commercial Design Guidelines may be permitted along a Pedestrian Priority Frontage provided that the parking is separated from the walkway with a either a five foot (5') vegetative barrier such as shrubs or screening trees, or a masonry barrier such as a low masonry wall or masonry screening wall, or a combination thereof.
 - 2) The ~~above is~~ standard shall not apply to include perpendicular, angled, or parallel on-street parking on Private or Public Vehicular Routes. ~~For clarification on-street parking shall not be permitted on Public Streets as shown in the CCS Circulation Cross Sections attached as Exhibit 4D~~

Setbacks

These text amendments remove setback requirements from open space lots.

- iii. Setbacks.
 - a. Front setback along Pedestrian Priority Frontages
 - 1) Minimum of 0 feet.
 - 2) Maximum of 20 feet measured from back of adjacent Sidewalk, Pedestrian Passage, or the Pedestrian Spine Trail.
 - 3) Setback shall not apply to Open Space lots adjacent to pedestrian priority frontage.

Height

A change in the height requirements is proposed allowing multi-family buildings to be 4-stories in height, a reduction from the previously required 5-stories.

Live Work Units

The following live/work language is added to the Crown Centre standards providing additional flexibility for the first story of each building. These are the same standards that were adopted for multi-family development in The Realm Subdistrict of the Castle Hills PD and have been a base for other planning developments in the city.

4. In addition to the above, Multi-family development shall have these specific standards:
 - i. MF units may be allowed on portions of the ground floor that have limited visibility and access from public streets and private vehicular routes such as areas within courtyards, areas fronting interior circulation drives, or areas facing buildings on adjacent properties.
 - ii. Portions of the building that have adequate visibility and access from a public street or private vehicular route:
 - a. must be composed of the following uses on the ground floor:
 - 1) Minimum 40% allowed non-residential uses
 - 2) Maximum 40% live/work units
 - 3) Maximum 20% MF units
 - b. shall be built to the specifications found in the Unified Development Code, as amended, Section VII.3.22-Multi-Family Dwelling.
 - iii. The Planning Director shall determine which areas of the ground floor of the building qualify as having limited visibility and access or adequate visibility and access.
 - a. To do so, a site plan shall be submitted to the Planning Director that illustrates the visibility and access from the public streets and private vehicular routes of the portions of buildings at issue.
 - b. The Planning Director shall consider the specific site, surrounding development, traffic patterns, general circulation patterns, and other relevant information in making the determination.
 - iv. Live/work units:
 - a. A minimum of 50% of the exterior frontage of each live/work unit allowed in Section IV.I.4.ii.a.2) above, shall consist of the commercial/office component. The remaining exterior frontage of the unit may consist of the residential component on the ground floor.
 - b. The residential and the commercial/office components must be occupied by the same tenant, and no portion of the live/work unit may be rented or sold separately.
 - c. Residential component:
 - 1) Residential component of live/work units are permitted above the commercial/office component, to the side, or in back of the commercial/office

component, provided that there is internal access between the residential and commercial/office components.

d. Commercial/office component:

- 1) The commercial/office component of live/work units are intended for use by the following occupations: accountants; architects; artists and artisans; attorneys; computer software and multimedia related professionals; consultants; engineers; fashion, graphic, interior and other designers; hair stylists; homebased office workers; insurance, real estate and travel agents; one-on-one instructors; photographers; retail sales; and similar occupations.
- 2) In addition to the permitted occupations above, the Planning Director may authorize other commercial/office occupations using reasonable discretion, as long as such other occupations are not otherwise precluded by law.
- 3) The commercial/office component of live/work units may not include the following:
 - (A) The retail sale of food and/or beverages with customers arriving on-site. This does not include online (Internet) sales or mail order
 - (B) Entertainment, drinking, and public eating establishments.
 - (C) Veterinary services, including grooming and boarding, and the breeding or care of animals for hire or sale.
 - (D) Businesses that involve the use of prescription drugs.
 - (E) Adult-oriented businesses, astrology, palmistry, head shops, massage, and similar uses.
 - (F) Sales, repair, or maintenance of vehicles, including automobiles, boats, motorcycles, aircraft, trucks, or recreational vehicles.
 - (G) Trade or private schools. This excludes private instruction of up to two students at any one time (e.g., music lessons, tutoring).
4. The commercial/office component shall be restricted to the live/work unit and shall not be conducted in the garage or any accessory structure.
5. The total number of occupations at one address is not limited, except the cumulative impact of all such occupations shall not exceed the 40% non-residential use limit set forth in Section IV.I.4.ii.a.2) above, for a live/work unit.
6. The external access for the commercial/office component shall be oriented to the public street, private vehicular route, or an adjacent open space and should have at least one external entrance/exit separate from the external entrance/exit for the residential component.
 - (A) The entrance/exit to the commercial/office component shall be located on the ground level.
 - (B) Access to the commercial/office component of each live/work unit shall be clearly separate from the common walkways or entrances/exits to other residential units within the development, or other residential units in adjacent developments.
7. No more than three employees (excluding residents of the live/work unit) shall work or report to work at the live/work unit or its premises, and the

employment of any persons who do not reside in the live/work unit shall comply with all applicable building code requirements.

8. The commercial/office component shall not generate external noise, odor, glare, vibration or electrical interference detectable to the normal sensory perception by adjacent neighbors.
9. No explosive, toxic, combustible, or flammable materials in excess of what would be allowed incidental to normal residential use shall be stored or used at the live/work unit or its premises.

Summary

The proposed text amendments are expected to address current office and retail demands in the market, provide a better mix of uses envisioned within the subdistrict, aide in the activation of the southern area of Subarea 3, and create synergy for additional development within the overall Crown Centre Subdistrict.

CITY STAFF'S RECOMMENDATION:

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