

MEMORANDUM

TO: Planning and Zoning Commission

FROM: Richard E. Luedke, AICP, Planning Director

DATE: January 21, 2025

SUBJECT: **Tabled Item: Consideration of a Recommendation for Amendments to the Unified Development Code by Amending Article VII, “Uses, Parking Requirements, Supplemental Use Regulations And Certain Distance Requirements of Volume II of the Lewisville City Code, Known as the Unified Development Code, by Amending Chapter VII.3; “Supplemental Use Regulations”, Section VII.3.24, Manufacturing, Light Intensity; Manufacturing, Medium Intensity; Manufacturing, Heavy Intensity; and Warehouse Distribution Facility, to Provide Additional Standards, and Amending Exhibit VII.2.3-4, Non-Residential Zoning Districts, to Clarify Applicability of Special Use Permit Requirements for Such Uses in Certain Zoning Districts.**

BACKGROUND

Demand for warehouse distribution facilities and manufacturing facilities have greatly increased over the past few years due to variable market changes and the trends resulting from the COVID 19 pandemic, e.g., remote working, shrinking office space needs, workforce shortages, and supply chain issues.

Demand for these uses has been particularly high in Lewisville since a large portion of the properties in the City have Light Industrial District (LI) zoning, which allows Manufacturing, Light Intensity uses and Warehouse Distribution Facilities by right and allows Manufacturing, Medium Intensity with approval of a special use permit (SUP). The Warehouse District (WH), for which very few properties are zoned, allows Manufacturing, Light Intensity and Manufacturing, Medium Intensity by right and allows Manufacturing, Heavy Intensity and Warehouse Distribution Facilities with approval of an SUP. The Heavy Industrial District (HI) also has very few properties with such zoning designation and allows Manufacturing, Light Intensity; Manufacturing, Medium Intensity; and Warehouse Distribution Facilities by right and allows Manufacturing, Heavy Intensity with approval of an SUP. Since Lewisville is nearing buildout, most vacant properties zoned LI have either been developed or are in the process of being developed.

The LI District is a historically cumulative zoning district that allows many of the same uses allowed in lesser-intensity, non-residential zoning districts such as the Office District (OD), Local Commercial District (LC), and the General Business District (GB). A large percentage of the area of the City with LI zoning has historically been developed with office, retail, and service uses that are typically found in the OD, LC, and GB districts. Developed properties occupied by existing

office, retail and services uses with LI zoning have demand and potential to be redeveloped for manufacturing uses or warehouse distribution facilities. In such cases, the tear down of existing office, retail and services uses for redevelopment of new manufacturing and warehouse distribution facilities would have the potential to occur in areas adjacent to or in proximity to dissimilar uses. New supplemental use regulations are needed to ensure compatibility between new development and redevelopment of Warehouse Distribution Facilities and Manufacturing uses adjacent to or in proximity to lower intensity uses such office, retail and service uses and particularly sensitive uses such as residential, parks and open space, and schools.

On December 9, 2024, the City Council adopted amendments to the Unified Development Code (UDC) that established new supplemental use regulations for Manufacturing, Light Intensity; Manufacturing, Medium Intensity; Manufacturing, Heavy Intensity and Warehouse Distribution Facilities along with the addition of new definitions, an amended use chart, and an amended understory tree chart. These new supplemental standards require a 50-foot landscape strip adjacent to all streets and adjacent to any property containing an open space or park, schools, or residential uses or zoning with specific plantings and a 5-foot-tall berm. In addition to the landscape strip, truck docks shall not face any streets, open space or parks, schools, or residential uses or zoning. The open sides of truck courts shall be screened with a minimum 12-foot masonry or concrete tilt-wall screening wall, unless the open sides of the truck court face other high intensity industrial uses listed in the ordinance.

ANALYSIS

To provide for the desired compatibility and to mitigate harmful impacts associated with future development or redevelopment of manufacturing and warehouse distribution facilities in areas described above, amended supplemental use regulations are proposed for these uses that will require the approval of a special use permit (SUP) for any light, medium or heavy manufacturing use and any warehouse distribution facility use that is located within 500 feet of all uses except those that are of equal or greater intensity.

On December 27, 2024, notices were mailed to over 2,400 property owners and business owners that currently own property zoned LI, HI or WH, that operate a business on properties with these zoning classifications, or operate warehouse or manufacturing uses on properties with other zoning classifications. 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.** At the time of this staff report, staff has received approximately 160 phone calls, emails, and in-person inquiries related to the proposed amendments and has responded to all inquiries by clarifying that the proposed supplemental standards apply only at the expansion of existing manufacturing and warehouse uses

or the development of new manufacturing or warehouse uses. At the January 7, 2025 public hearing related to this proposed amendment, many property owners expressed concerns over the ability to fill existing tenant spaces if an SUP is required. The public hearing was closed and the Planning and Zoning Commission voted to table the item to the January 21, 2025 meeting to allow staff to add language to address property owner concerns.

The attached ordinance amendment contains new language that confirms that any warehouse or manufacturing building or structure illustrated on a concept plan, engineering site plan, or zoning plan in effect on March 3, 2025 is not required to comply with the 500-foot distance requirement from a lesser-intensity use that may trigger an SUP. This language will allow these property owners to continue the flexibility they enjoy under the current UDC regulations. The new language also clarifies that any expansion of a warehouse or manufacturing building or structure after March 3, 2025 that requires a new engineering site plan will require compliance with all new regulations, including a possible SUP.

CITY STAFF'S RECOMMENDATION:

That the Planning and Zoning Commission recommend approval of the proposed Unified Development Code amendments as set forth in the caption above.