

MEMORANDUM

TO: Claire Powell, City Manager

FROM: Richard E. Luedke, AICP, Planning Director

DATE: May 15, 2023

SUBJECT: **Public Hearing: Consideration of an Ordinance Amending Ordinance Number 0428-22-ZON, Known as the Castle Hills Planned Development District, by Amending Section V, the Realm Subdistrict, to Include Additional Standards for Multi-Family Development in the General Business Two (GB2) Base Zoning District and Section VII, Definitions, to Add a Definition For a Live/Work Unit.**

BACKGROUND

The Castle Hills Planned Development District was adopted on January 3, 2022, shortly after annexation of the Castle Hills development. City staff has been collaborating with Bright Realty, the developer, and property owners within The Realm Subdistrict of Castle Hills on amendments to regulations for multi-family units within the General Business 2 (GB2) base zoning district. The changes establish live/work units by providing a definition and regulations for their use. The amendments clarify and provide more flexibility on ground floor multi-family units. Section II 'Administration' of the Planned Development Ordinance states that text amendments to the Planned Development shall be processed as a text amendment in accordance with the City of Lewisville Zoning Ordinance, as amended. The process for zoning text amendments appears in Chapter 10, Article III of the Unified Development Code. The Planning and Zoning Commission recommended unanimous approval (6-0) on May 2, 2023.

ANALYSIS

The amendments proposed would only be applicable to properties that are within The Realm Subdistrict and zoned GB2. The current regulations allow multi-family units in the GB2 zoning district when they are located over retail, restaurant or similar commercial use on the ground floor. These units do not count towards the 5,000-unit multi-family cap established in the Castle Hills PD.

Multi-family units are proposed to be allowed on the ground floor in areas where there is little or no visibility or access from public streets or private vehicular routes and up to 20% of the ground floor of portions of the building that have adequate visibility and access from public streets or private vehicular routes. Pursuant to the proposed amendment, the Planning Director would be responsible for making the determination on the visibility of the ground floor of the building upon review of a site plan.

Live/work units are proposed to be allowed for up to 40% of the ground floor of portions of the building that have adequate visibility and access from public streets or private vehicular routes. Live/work units must have 50% of their exterior frontage consisting of the commercial component, cannot be leased separately and must have the residential and commercial portions occupied by the same tenant(s).

The proposed definition of a live/work unit is as follows:

Live/work unit shall mean a single MF unit (e.g., studio, loft, or apartment) consisting of both a commercial/office and residential component that is occupied by the same tenant. The live/work unit shall be the primary dwelling unit of the occupant.

These changes will allow immediate development of a balanced mix of residential and commercial uses in a market area that is nearly saturated with commercial uses surrounding the adjacent Target and Kroger centers.

CITY STAFF'S RECOMMENDATION

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