

# **City of Denton**

City Hall 215 E. McKinney Street Denton, Texas www.cityofdenton.com

#### AGENDA INFORMATION SHEET

**DEPARTMENT:** Development Services

**DCM:** Cassey Ogden

**DATE:** July 23, 2025

### **SUBJECT**

Receive a report, hold a discussion, and give Staff direction regarding the expansion of Mixed-Use Downtown (MD) zoning into an area south of the Square currently zoned Mixed-Use Neighborhood (MN), as recommended by the Design Downtown Denton plan. This area encompasses approximately 64 acres, generally located south of Mulberry Street and Sycamore Street, west of Bell Avenue, North of Eagle Drive and Smith Street, and east of Carroll Boulevard. (PZ25-146, Expanding Opportunity in Southern Downtown, Sean Jacobson).

#### BACKGROUND

The purpose of this work session is to discuss and receive feedback from the Planning and Zoning Commission regarding a proposed expansion of the Mixed-Use Downtown (MD) zoning into Southern Downtown of south the Square, as recommended by the Design Downtown Denton (DDD) plan.

The DDD plan was adopted by City Council on September 17, 2024. The inset map to the right is an excerpt from the DDD plan that shows the study area proposed for rezoning (the pink MN area outlined in red).



During the DDD plan public engagement, residents and business owners expressed a desire for more businesses and more focus on revitalization in the area of Downtown south of the Square. In response, as a first step to facilitate future development, the DDD proposed Recommendation 3A, that Southern Downtown be redeveloped with new housing, shops, and restaurants, centered around a new park.

Prior to the adoption of the 2019 Denton Development Code (DDC), much of this study area was zoned Downtown Commercial-General (DC-G), indicating that there had previously been a long-term vision for downtown-style development in this area. In addition to the Square area and study area, the DC-G zoning also applied to other areas extending out as far as I-35E to the south and University Drive to the north. Therefore, at the time of the City-wide zoning transition in 2019, there was a desire to scale back the use of Downtown zoning to focus only on the area that was part of the Downtown Implementation Plan (DTIP) rather than applying the MD designation to all areas previously zoned DC-G. As such, the area south of the Square (the study area) was rezoned from DC-G to Mixed-Use Neighborhood (MN) zoning with the 2019 DDC adoption thereby further limiting Downtown-style development in this area. Based on more recent analysis and outreach done with the DDD plan, it has been determined that MD zoning is appropriate for this study area today.

More recently, a key roadblock to the vision for redeveloping Southern Downtown was removed when the majority of this Southern Downtown area was taken out of the floodplain by the City's PEC-4 project, creating a unique opportunity for growth and redevelopment.

Therefore, in order to realize the vision of a future Southern Downtown, the adopted DDD plan recommended:

• **Proposed Action**: Examine rezoning the MN parcels south of the square to MD to stimulate development south of Downtown.

#### **Study Area:**

The area proposed for an expansion of the MD zoning district, outlined in gold on the map to the right, is approximately 64 acres, consisting of the MNzoned properties in an area generally bounded by Bell Avenue on the east, Eagle Drive on the south, Mulberry Street and Sycamore Street on the north, and, on the west, by Carroll Boulevard R7-zoned and the Stroud neighborhood east of Carroll Boulevard. The majority of the developed lots are with commercial or multifamily uses, with clusters of single-family development along the edges of the area, and a significant number of vacant lots scattered throughout (see Exhibit 3 – Current Land Use Map). It should be noted that there are parcels within the study area that are currently zoned Public Facilities (PF). At this time staff is not proposing to change the PF zoning on those parcels, which are primarily utilized for drainage and other public infrastructure.



# ANALYSIS AND RECOMMENDATION:

## Analysis by Area

In order to facilitate analysis, staff divided the area proposed for expansion of the MD zoning into 5 Analysis



Areas, as shown in the map above. A table summarizing analysis points for each of the five areas follows.

	Area 1: South of Sycamore between Elm and Wainwright Streets
	Area   Wreaming   Briting St   Briting St   Briting St   Briting St   Briting St
Area:	~14 acres
Lots:	60 lots
Lot Breakdown by Use:	46 Commercial Lots
	• 9 Vacant Lots
	5 Multifamily Lots
Current Zoning:	MN
Pre-2019 Zoning:	DC-G
Proposed Zoning:	MD
Analysis Summary:	• Area consists of multifamily and aging commercial uses and vacant lots.
	• Expanding MD zoning would create more flexibility for reuse of existing buildings and opportunities for redevelopment.
	• MD allows more lot coverage and permits more downtown-type uses such as bars and craft breweries, by right, does not require minimum parking for commercial uses and multifamily uses under 10 units, and does not set a minimum open space for multifamily development.
	• Greater flexibility to pursue Downtown-style development may encourage adaptive reuse and redevelopment in line with the Denton 2040 Comprehensive Plan and the DDD Plan, which both call for denser and more walkable infill development, supporting vibrant daytime and nighttime activity Downtown, and increasing housing options Downtown.
Floodplain Removed?	Yes – majority of lots. See Exhibit 4.
Potential Negative Impacts Anticipated from expanding MD?	No – properties were previously zoned Downtown Commercial-General, properties are not adjacent to single-family residential uses, and street and utility infrastructure were recently upgraded.
Recommendation:	Expand MD zoning to all MN lots within Area 1.

	Area 2: South of Sycamore – West of Elm
	Area   Browdis   Sroudis   Area 2   Browdis   Area 2   Browdis   Area 2   Browdis
Area:	~10 acres
Lots:	29 lots
Lot Breakdown by Use:	12 Commercial Lots     2 Multifamily Lots
	4 Duplex/Triplex/Fourplex Lots     2 Vacant Lots     2 Vacant Lots
Current Zoning.	9 Single-Family Residential Lots (5 owner-occupied) MN
Current Zoning:	
Pre-2019 Zoning:	DC-G; Downtown Residential 2 (DR-2, 1 Lot)
Proposed Zoning:	MD
Analysis Summary: Floodplain Removed?	<ul> <li>Area is a mix of aging commercial lots fronting on South Elm Street, single-family residences and duplexes behind the commercial lots, and a large multifamily development to the south at the intersection of South Elm Street and Eagle Drive.</li> <li>Expanding MD provides more opportunities to property owners to redevelop the area as a denser, more walkable mixed-use area, with more buildings fronting the street and less large parking lots.</li> <li>Providing a consistent depth of MD zoning along South Elm Street removes a potential challenge for the future creation of larger, higher-quality multifamily and mixed-use developments, as well as smaller infill developments, both of which the DDD Plan envisions for this area.</li> <li>Existing DDC buffer standards help mitigate potential negative impacts on existing single-family lots adjacent to the area proposed for expansion of MD zoning. Concerns about single-family residential uses within the area becoming nonconforming can be addressed by ordinance language.</li> <li>Yes – 8 of 29 lots. See Exhibit 4.</li> </ul>
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Potential Negative Impacts Anticipated from expanding MD?	Potential visual impacts on adjacent single-family lots within the Stroud neighborhood due to higher permitted height in MD. MD zoning does not permit the single-family residential use, so this change would make existing single-family residential uses within the area non-conforming.
Solution for Negative Impacts:	The DDC provides both general buffer requirements for development adjacent to single- family residential lots, as well as height transition buffer requirements which limit the height of buildings on lots abutting a single-family use or residentially zoned lot. Ordinance expanding MD zoning into the area can be written to state that single-family uses will remain conforming, as was written into the 2019 DDC for all single-family uses existing at the time of adoption.
Recommendation:	Expand MD zoning to all MN lots within Area 2, with ordinance language which keeps single-family uses within the area of expansion conforming.

	Area 3: South of Sycamore – East of Wainwright	
Area:	~10.5 acres	
Lots:	45 lots	
Lot Breakdown by Use:	• 17 single-family residential (3 owner-occupied) • 1 Institutional	
	17 Vacant lots     7 Commercial lots	
~	1 Infrastructure lots     2 Multifamily lots	
Current Zoning:	MN	
Pre-2019 Zoning:	DC-G	
Proposed Zoning:	MD	
Analysis Summary:	<ul> <li>Area is a mix of commercial, residential, and multifamily uses, and it has the highest number of vacant lots of any of the areas studied. It is bifurcated by many streets, drainage channels, and city-owned drainage lots which limit available real estate.</li> <li>Area of opportunity for adaptive reuse and redevelopment, given its proximity to the Square, many vacant lots, limited sidewalks, and aging residential and commercial buildings.</li> <li>Available land for redevelopment is limited by the right-of-way and infrastructure cutting through the area, and by the large number of trees. MD provides more flexible standards than MN, which are likely needed to enable townhome, multifamily, and mixed-use development in this area.</li> <li>Concerns about single-family residential uses within the area becoming non-conforming can be addressed by ordinance language.</li> </ul>	
Floodplain Removed?	Yes – majority of lots. See Exhibit 4.	
Potential Negative Impacts Anticipated from expanding MD?	MD zoning does not permit the single-family residential use, so this change would make existing single-family residential uses within the area of expansion non-conforming.	
Solution for Negative Impacts:	Ordinance expanding MD zoning into the area can be written to state that single-family uses will remain conforming.	
Recommendation:	Expand MD zoning to all MN lots in Area 3, with ordinance language keeping single- family uses within the area of expansion conforming.	

	Area 4: Sycamore Street Properties
	County Historical Park MD W Sycamore Street PF MN R7 Stroud Street
Area:	~ 4.1 acres
Lots:	15 lots
Lot Breakdown by Use:	<ul> <li>5 Single-Family lots – 3 owner-occupied</li> <li>2 Duplex/Triplex/Fourplex lots</li> <li>5 Institutional (4 county lots, one daycare)</li> <li>1 Commercial lot</li> <li>2 Infrastructure lots</li> </ul>
Current Zoning:	MN
Pre-2019 Zoning:	DR-2 – 12 Lots DC-G – 3 Lots
Proposed Zoning:	MD
Analysis Summary:	<ul> <li>The area includes 4 County Historic Park lots north of W Sycamore Street, and a row of primarily residential lots south of West Sycamore Street, which form the northern boundary of Stroud neighborhood.</li> <li>The area is already an established and functional low-rise, mixed-use area, separated from the main Southern Downtown corridors of Elm Street and Locust Street, making significant redevelopment in the near future less likely than in other analysis areas.</li> <li>Most of these MN-zoned lots were not zoned DC-G prior to 2019, and none have been removed from the floodplain, making it difficult to suggest that they meet the criteria for rezoning.</li> <li>Denton County's use of the Historical Park lots is permitted under the current zoning, and that use is not anticipated to change in the near future.</li> </ul>
Floodplain Removed?	No. See Exhibit 4.
Potential Negative Impacts Anticipated from expanding MD?	<ul> <li>Existing homes are an uninterrupted part of the Stroud neighborhood.</li> <li>Expanding MD zoning here could lead to the loss of the buffer that this row of properties currently provides between the Stroud neighborhood and the more intensive commercial and multifamily uses to the north.</li> <li>MD zoning does not permit single-family residential use, so would make existing single-family residential uses within the area of expansion non-</li> </ul>
Solution for Negative Impacts:	conforming.Ordinance expanding MD can be written to state that single-family uses will remain conforming.
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<b>Recommendation:</b>	Maintain current MN zoning in Area 4.

	Area 5: Carroll-Eagle Lots
	PF CDD (S)
Area:	~ 4.09 acres
Lots:	4 lots
Lot Breakdown by Use:	<ul> <li>3 Commercial lots</li> <li>1 Mixed-Use lot</li> </ul>
Current Zoning:	MN with Specific Use Permit (SUP) – 3 Lots
D	R7 – 1 Lot
Pre-2019 Zoning:	DC-G – 3 Lots
Duenesed Zenines	Downtown Residential 1 (DR-1) – 1 Lot
Proposed Zoning:	MD
Analysis Summary:	<ul> <li>Area is fully developed with a mix of uses, including a building containing a bank and various other offices, a financial services office building, and two single-family residential dwellings.</li> <li>Given that the commercial and mixed-uses developed recently, and that expansion of the existing uses beyond what is permitted by the current Specific Use Permit (SUP) would require an SUP amendment, significant redevelopment or expansion in the near future does not appear likely.</li> <li>Significant recent changes, which could justify a rezoning, have not occurred in the area.</li> <li>These lots are outside the area where the DDD plan proposes new residential and mixed-use development, redevelopment, and adaptive reuse.</li> <li>Overall, it is difficult to make a case for the value and necessity of a city-initiated rezoning in this area at this time.</li> </ul>
Floodplain Removed?	No. Floodplain does not extend to this area. See Exhibit 4.
Potential Negative Impacts Anticipated from expanding MD?	No significant negative impacts anticipated.
Recommendation:	Maintain current MN and R7 zoning in Area 5.

## Additional Public Engagement/Feedback:

In May 2025, staff held two neighborhood meetings to present the initial results of staff's analysis of the DDD-recommended zoning change to residents, property owners, and business owners within and around the area proposed for rezoning. Postcards were mailed to 261 addresses within the area and within 500 feet of the area proposed for rezoning. The meetings were attended by 18 community members, including residents, property owners or managers, a business owner, and tenants from both within and around the proposed rezoning area. See Exhibit 6 for a map showing which parcels were represented by meeting attendees.

Attendees heard a presentation on the proposed expansion of MD zoning, which included identification of potential negative impacts and ways those could be mitigated. Attendees then had the opportunity to discuss and give feedback on staff's recommendations and express any concerns they have. Residents did raise concerns about parking, the potential for superblock development, current tenants possibly having to relocate, and the impact of increased height and density. However, they also expressed support for potential benefits of the MD expansion, including incentivizing more development, reducing parking requirements, limiting automotive businesses, and the opportunity for new development and redevelopment to bring more landscaping and sidewalks. In the end, attendees unanimously supported all of staff's recommendations for areas to rezone (Areas 1-3), areas to not rezone (Areas 4-5), and ordinance language to keep single-family residences conforming. Notes from these meetings are provided in Exhibit 6.

# **Overall Staff Recommendation:**

- Staff recommends expanding MD zoning to the MN-zoned lots in Areas 1-3.
- Staff recommends that the current MN zoning be maintained in Areas 4 and 5.
- Staff recommends that the proposed expansion of MD zoning shall include ordinance language keeping existing single-family residential dwellings in the rezoned areas as conforming.

# FEEDBACK REQUESTED:

Staff is seeking the Planning and Zoning Commission's feedback on the following questions related to the proposed expansion of MD zoning into Southern Downtown:

- 1. Does the Commission concur with staff's recommendation to expand MD zoning into Areas 1-3 of Southern Downtown?
- 2. Does the Commission concur with staff's recommendation to maintain the current MN in Areas 4-5 of Southern Downtown?
- 3. Does the Commission concur with staff's recommendation that the proposed expansion of MD zoning shall include ordinance language keeping existing single-family residential dwellings conforming?
- 4. Does the Commission have any additional specific thoughts or concerns about the proposed expansion of MD zoning?

# EXHIBITS

- 1. Agenda Information Sheet
- 2. Current & Proposed Zoning Map
- 3. Current Land Use Map
- 4. Floodplain Removal Map
- 5. Comparison of Allowed Uses
- 6. Neighborhood Meeting Feedback Results & Map

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