

Planning Staff Analysis

Z25-0014b/Hickory Grove Multifamily

City Council District #3

REQUEST:

Request by Kimley-Horn, on behalf of Double R Devco, LLC to rezone approximately 16.524 acres of land from Rural Residential (RR) District and Residential 2 (R2) District to Mixed-Use Regional (MR) District generally located north of West University Drive (US 380).

STAFF RECOMMENDATION:

Staff recommends approval of the request contingent upon the requested Comprehensive Plan Amendment and Mobility Plan Amendment as it would comply with the criteria in Subsection 2.4.5.E of the Denton Development Code (DDC) for approval of all applications and the criteria in Subsection 2.7.2.D of the DDC for approval of a Zoning Map Amendment (Rezoning).

SITE DATA:

The 16.524-acre subject property is part of a larger 41.388-acre parent tract, all of which is currently undeveloped. 24.864 acres of the parent tract is governed by the Hickory Grove Municipal Utility District (MUD) and Development Agreement which anticipates the development of multifamily residences within that area. Approximately 1.513 acres of the subject property was annexed into the City limits in 1974 alongside several properties that abut US 380 to the east of the property, including land up and until just west of North Masch Branch Road. As detailed in Exhibit 1, the remaining 15.011 acres within the subject property was annexed into the City limits on November 18, 2025 and assigned the placeholder zoning of RR following an amendment to the Hickory Grove MUD agreement.

The subject property is adjacent to the North Hickory Creek Tributary and associated floodway and is partially encumbered by floodplain stretching northwest to southeast around the north and east boundary of the subject property. The applicant is concurrently working with FEMA and the City on the Conditional Letter of Map Revision (CLOMR) process to remove the subject property from the limits of the floodplain. Following a map revision, all future development activity would have to occur outside the limits of the floodplain and buildings within the floodplain buffer would have to be constructed with the appropriate finish floor elevation. Additionally, an approved Environmentally Sensitive Area (ESA) field assessment reflects the existence of undeveloped floodplain ESA within this floodway corridor.

Abutting the subject property to the south, West University Drive (US 380) is a Texas Department of Transportation (TXDOT) east/west roadway located classified as a Freeway in the Denton 2022 Mobility Plan. This corridor of US 380 is currently constructed with 6 lanes divided by a landscaped median and designated left turn lanes at major intersections. Additionally, the right-of-way contains 5-foot-wide sidewalks on both the north and south side of the roadway. This is generally consistent with the standard street section for a Freeway per the Mobility Plan.

(Continued on next page)

SURROUNDING ZONING AND USES:

Northwest: Extraterritorial Jurisdiction 1 (ETJ 1) Zoning: None (ETJ 1) Use: Undeveloped (Hickory Grove MUD)	North: ETJ 1 Zoning: None (ETJ 1) Use: Undeveloped and developing single-family (Hickory Grove MUD)	Northeast: ETJ 1 Zoning: None (ETJ 1) Use: Undeveloped and developing single-family (Hickory Grove MUD)
West: ETJ 1 Zoning: Residential 2 (R2) Use: Undeveloped; multifamily planned per Hickory Grove Municipal Utility District (MUD)	SUBJECT PROPERTY	East: Zoning: R2 Use: Lift station; undeveloped
Southwest: West University Drive (US 380) Zoning: R2 Use: Undeveloped/agriculture	South: West University Drive (US 380) Zoning: R2 Use: Undeveloped/agriculture	Southeast: West University Drive (US 380) Zoning: R2 Use: Undeveloped and gas well drilling and production

CONSIDERATIONS:

A. Section 2.4.5.E of the DDC provides approval criteria applicable to all applications.

1. *General Criteria*

a. *Unless otherwise specified in this DDC, City review and decision-making bodies must review all development applications submitted pursuant to this subchapter for compliance with the general review criteria stated below.*

The review criteria were applied as required.

b. *The application may also be subject to additional review criteria specific to the type of application, as set forth in sections 2.5 through 2.9.*

Subsection 2.7.2.D of the DDC applies to this rezoning request. An analysis of this request per those criteria can be found below in Consideration B.

c. *If there is a conflict between the general review criteria in this section and the specific review criteria in sections 2.5 through 2.9, the applicable review criteria in sections 2.5 through 2.9 controls.*

There are no conflicts between the general criteria and the criteria specific for zoning requests.

2. *Prior Approvals*

The subject property was originally part of the Hickory Grove Municipal Utility District (MUD) which contemplated the annexation of the subject property after the development of no more 325 multifamily residences. As detailed in Exhibit 1, the MUD development agreement was later amended to allow for more multifamily development on the subject property and adjacent property to the west, with the condition that the subject property would be annexed into the City. To avoid the risk of constructing a development that might ultimately not conform with the zoning, the applicant submitted a petition for the voluntary annexation of the subject property before beginning the development review and construction process. The property was subsequently annexed on November 18, 2025.

On January 13, 2026, the City Council approved a Comprehensive Plan Amendment to change the Future Land Use Designation from Agriculture to Regional Mixed Use (CA25-0003) and a Mobility Plan Amendment to remove a future north-to-south Primary Arterial roadway that traversed the eastern property line (MPA25-0004). There are no other prior land use approvals, plans, development agreements, or plat approvals.

3. *Consistent with the Comprehensive Plan and Other Applicable Plans*

The decision-making authority:

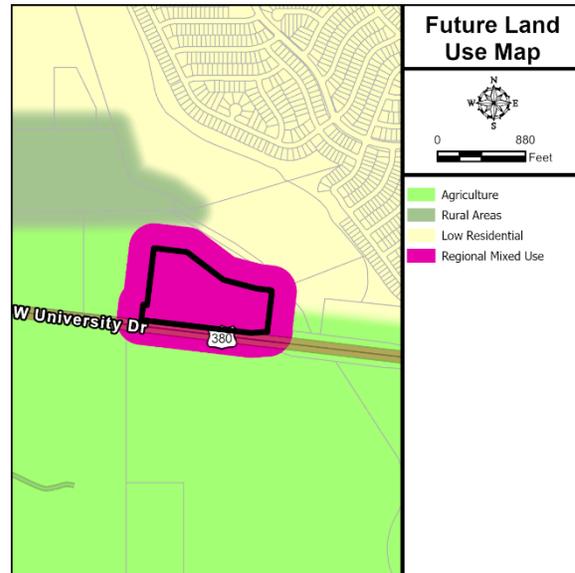
a. *Shall weigh competing goals, policies, and strategies.*

- Goal LU-6: Grow with Balance: Establish land use designations that respond to the growing needs and character specifications of the Denton community.
 - The above-stated goal establishes the policy that the desired pattern of future land uses is depicted in the Future Land Use Map of the Denton 2040 Comprehensive Plan. As discussed with the criterion below, the requested MR zoning district generally aligns with the Regional Mixed Use Future Land Use Designation and achieves other goals of the Comprehensive Plan. Given the increased growth and interest within this region of the City over the last several years, the zoning change to MR allows for a mix of uses to meet the needs of this portion of the Denton community.

b. *May approve an application that furthers the overall goals of the Comprehensive Plan even if the development does not match the future land use designation in the Comprehensive Plan.*

Future Land Use

As a result of the recently approved Comprehensive Plan Amendment, the Denton 2040 Comprehensive Plan Future Land Use Map now indicates a Regional Mixed Use future land use designation for the subject property. The Regional Mixed Use Future Land Use designation applies to areas that serve as regional destinations within Denton. Development within these areas may include residential, commercial, office, entertainment, and other uses except industrial, at the highest levels of scale and density within the city. Future development in these areas will complement and embrace existing, viable uses, and raise the standard of design to increase their regional draw, accommodate greater connectivity and mobility options, and create a sense of place.



The proposed MR Zoning is consistent with the Regional Mixed Use Future Land Use Designation. While the applicant has stated that the intent is to develop multifamily residences on the subject property, the requested zoning change could facilitate the development of a variety of residential and commercial land uses consistent with this proposed Regional Mixed Use FLUM (see Exhibit 8 for a comparison of permitted land uses).

Further, the request is consistent with other Goals of the Denton 2040 Comprehensive Plan, including:

- Goal LU-5: Grow with Character: Promote Development which Enhances Community Character and Functionality.

The requested zoning change would ensure an urban, walkable form of development within the subject property that is appropriate given the adjoining Hickory Grove MUD development and complies with the Denton Development Code.

- Goal FEV-5: Design a fiscally advantageous land use pattern paired with fiscally responsible infrastructure management and investment.

The Denton 2040 Comprehensive Plan acknowledges that, on average, no single land use provides a strictly positive fiscal result. The proposed amendment is anticipated to allow for land uses which are more fiscally advantageous than agriculture. Given the subject property's exclusion from the MUD and recent annexation, the City is responsible for providing full service to the property. Additionally, given the subject property's location in relation to other developments and its direct access onto a freeway, the proposed zoning change expands opportunities for this property to develop according to its highest and best use given the significant amount of growth occurring in the westernmost parts of the City's ETJ.

- Goal CC-4: Create Character: Achieve exemplary urban design in future and existing development throughout Denton's neighborhoods, centers, and land uses.

The MR District contributes to a vibrant environment for pedestrians and bicyclists. Special development regulations restrict parking between the building and the street and place emphasis on a reduced and/or incorporated front yard. These standards align with the Building Scale and Orientation components of the overarching Urban Design Principal guidelines of the Denton 2040 Comprehensive Plan and would be appropriate in this area where nearby single-family and multi-family residents may benefit from being able to walk to nearby commercial or service uses that are permitted in the MR District.

4. *Compliance with this DDC*

- a. *The proposed development shall comply with all applicable standards in this DDC, unless the standard is to be lawfully modified.*

This request is for a rezoning of the subject site. All subsequent development or redevelopment on this site will comply with applicable standards in the DDC, including, but not limited to, minimum lot size and dimensions, building coverage, access, parking, tree preservation, and landscaping.

- b. *Compliance with these standards is applied at the level of detail required for the subject submittal.*

Typically, a rezoning to one of the DDC's established districts does not include a full review of all development standards. If the proposed rezoning is approved and a new use and/or redevelopment is proposed, a detailed review of all required plat, zoning compliance plans, engineering plans, tree preservation plans, and building permit submittals is required prior to development.

5. *Compliance with Other Applicable Regulations*

This proposed rezoning complies with all other applicable regulations.

6. *Consistent with Interlocal and Development Agreements*

As discussed above and in Exhibit 1, the subject property was formerly part of the Hickory Grove MUD and subject to the associated Development Agreement. The proposed amendment is intended to facilitate the development of multifamily residences as was anticipated by that Agreement. There are no other interlocal or development agreements for the subject property.

7. *Minimizes Adverse Environmental Impacts*

The proposed rezoning is not anticipated to create adverse environmental impacts. As discussed above, the subject property is adjacent to the floodway and partially encumbered by floodplain stretching northwest to southeast around the north and east boundary of the subject property. The applicant is concurrently working with FEMA and the City on the Conditional Letter of Map Revision (CLOMR) process to remove the subject property from the limits of the floodplain. Following a map revision, all future development activity would have to occur outside the limits of the floodplain and buildings within the floodplain buffer would have to be constructed with the appropriate finish floor elevation. Additionally, an approved Environmentally Sensitive Area (ESA) field assessment reflects the existence of undeveloped floodplain ESA within the subject property. Since the property annexed into the City, the City's regulations regarding tree preservation, landscaping, and stormwater management will also apply to any future development.

8. *Minimizes Adverse Impacts on Surrounding Property*

The proposed rezoning is not anticipated to have an adverse impact on surrounding property. As discussed herein, the property abuts a tract of land intended for the development of multifamily residences to the west and a lift station to the east. To the north exists the North Hickory Creek Tributary, providing a natural buffer between the proposed multifamily and the developing single-family residences. Additionally, DDC requirements for land-use compatibility buffering would apply to any future development on the subject property. Specifically, the development would have to adhere to DDC Subsection 7.7.6 Compatibility Landscape Buffer Requirements and DDC Subsection 7.10.6 Building Height in Transition Areas and design the site to mitigate any adverse impacts.

9. *Minimizes Adverse Fiscal Impacts*

While the proposed rezoning would allow for the development of any land use permitted within the MR District, the applicant has stated that their intent is to develop the property with 324 multifamily units.

Staff used the Fiscal Impact Tool to analyze the proposed rezoning under this assumption to generate the overall projected General Fund revenues and expenses, including property tax payments, sales tax capture, roadway maintenance costs, utility usage, solid waste costs, public safety costs, and neighborhood service costs. The Fiscal Impact Summary indicates that the multifamily development would result in a net \$2,384,300 gain in revenue to the General Fund over a 40-year project duration. The results of this analysis would be different for a different use or combination of uses.

10. *Compliance with Utility, Service, and Improvement Standards*

This proposed rezoning will not affect utilities, services, or improvements. If the site is developed, it will be reviewed to ensure compliance with all applicable standards, and utilities have been extended to the area to support the Hickory Creek MUD and are able to serve the subject property.

11. *Provides Adequate Road Systems*

The subject property is located on the north side of West University Drive (US 380), which is classified as a Freeway. As discussed above, the City Council recently approved the applicant's request to amend the Thoroughfare Map portion of the Mobility Plan to remove the north-to-south Primary Arterial currently shown along the eastern edge of the property to avoid redundancy and floodplain related encumbrances. As part of that request, the applicant submitted a Traffic Impact Analysis to ensure the provision of a road system adequate enough to support the most intense land use that could be permitted if the Comprehensive Plan Amendment, Mobility Plan Amendment, and Zoning Change are all approved

12. *Provides Adequate Public Services and Facilities*

The proposed rezoning is not anticipated to negatively impact public services and facilities.

13. *Rational Phasing Plan*

The Hickory Grove MUD development is being developed in accordance with a rational phasing plan with phases of the single-family land uses to the north preceding the develop of the multifamily residences planned for the tract of land west of the subject property. This request is to facilitate the development of the second phase of multifamily.

B. Section 2.7.2.D of the DDC states that an application for a rezoning may be approved based on the following conditions:

a. *The proposed rezoning is consistent with the Comprehensive Plan.*

As discussed in Consideration A.3.b above, the proposed zoning of MR is not consistent with the existing Agriculture FLUM designation, but it is consistent with the proposed Regional Mixed Use FLUM designation and achieves other goals of the Comprehensive Plan.

b. *The proposed rezoning is consistent with relevant Small Area Plan(s).*

There is no small area plan approved for this site.

- c. *The proposed rezoning is consistent with the purpose statement of the proposed zoning district, as provided in Subchapter 3, Zoning Districts.*

Per Subsection 3.4.1.A, “The MR district is intended to provide a walkable urban center to augment the regional draw and image of Denton. Development may include national retailers, employment, restaurants, entertainment venues, and housing at the highest levels of scale and density within the City. This district ensures that development will complement and embrace existing viable uses, and raise the standard of design to increase regional draw, accommodate greater connectivity and mobility options, and create a sense of place. The MR district may be established in areas with the greatest regional access and is sensitive to the adjacent built and natural context.”

The proposed MR zoning district in this location is consistent with the purpose statement as US 380 serves as one of the City’s main points of regional access for people traveling towards Denton from the west. Additionally, this rezoning could be catalytic for more regional commercial development given that the intended development of the subject property, the adjacent Hickory Creek MUD, and the recent and ongoing development of multiple single-family residential and mixed-density subdivisions within the City’s ETJ 1 and ETJ 2 will continue to add to regional demand for commercial and retail sales and services within this corridor.

- d. *There have been significant changes in the area to warrant a zoning change.*

The western region of the City and its ETJ has experienced significant residential and commercial growth and development since the adoption of the Denton 2040 Plan. Specifically, the corridor of US 380, starting at North IH-35 and stretching west toward the limits of the City’s ETJ 2. This is evident by the additional warehousing and industrial commerce facilities west of North IH-35 and south of US 380, the Meadows MUD at the southwest and northwest corners of the intersection of US 380 and FM 156 North, as well as multiple other approved MUDs for property in the vicinity that are currently under City review. In addition to the approved MUDs, the City has been informed of additional upcoming MUDs that are under review for areas south of Highway 380 in the City’s ETJ 2.

This area of the City is expected to see continued growth and development. As properties within the corridor continue to develop, the proposed rezoning would allow for a variety of appropriate uses while ensuring the application of urban design principals.

- e. *The intensity of development in the new zoning district is not expected to create significantly adverse impacts to surrounding properties or the neighborhood.*

Adjacent Zoning & Land Use

As discussed above, Staff does not anticipate that the land uses permitted with MR zoning would create a significant adverse impact to the adjacent neighborhood. Rather, this zoning change would be allowing the property the opportunity to develop consistent with the multifamily land use anticipated for the property to the west or to provide those residents with retail sales and services.

Transportation Related to the Proposal

Prior to the development of the subject property, the applicant will be required to submit traffic counts based on their proposed land use. The developer would be responsible for making improvements that may be identified in the TIA to accommodate any additional trips generated by the use(s). The details of any needed improvements will be reviewed as part of the site planning, platting, and/or civil engineering plans for any future development. Furthermore, roadway improvements would be evaluated in accordance with the City's 2022 Mobility Plan.

- f. Public facilities and services are available to adequately serve the subject property while maintaining adequate level of service to existing development.*

Schools

For residential proposals, staff would coordinate with DISD regarding capacity and level of service. Since this is a straight zoning request, the proposed use and intensity of development are not known at this time to determine impacts to area schools.

Water and Wastewater

Public water and wastewater services are available to the site. Future development proposals will be responsible connecting to the water and wastewater facilities that have been recently extended to the area to serve the subject property as needed.

Roadway Impact Fees

Roadway impact fees, paid at the time of development, are determined using a proportionality calculation based on the proposed uses and projected vehicle trips. These fees will be assessed based on plans submitted and are used to make roadway system improvements related to the Mobility Plan.

Nearest Fire Station

The subject property is approximately 5.2 miles from Fire Station #9 (4990 Airport Rd), within the eight minute or less response time boundary. Additionally, the Hickory Grove MUD Development Agreement requires the dedication of land for the construction of a new fire station along Thomas J Eagan Road, approximately 1.4 miles away from the subject property.

Parks

Should the property develop with a residential use, payment of park dedication and development fees will be required.

g. There was an error in establishing the current zoning district.

There was not an error in the assignment of the current zoning districts. As described herein, the current RR zoning was assigned to the property upon its annexation as a placeholder. The R2 zoning on the eastern portion of the property has transitioned over time since it was annexed. However, the current zoning combination is not appropriate in the context of being along a freeway nor in an area experiencing the significant growth that is being seen in the western parts of the City and ETJ.