

Planning Staff Analysis

CA25-0003 / Hickory Grove

City Council District #3

REQUEST:

To modify the Future Land Use Map on approximately 16.524 acres of land to change the designation from Agriculture to Regional Mixed Use.

STAFF RECOMMENDATION:

Staff recommends approval of the request as it complies with the criteria in Section 2.4.5.E of the Denton Development Code (DDC) for approval of all applications, and Section 2.7.1D of the DDC for approval of a comprehensive plan amendment.

SITE DATA:

The subject property was annexed into the City of Denton on November 18, 2025 and assigned the placeholder zoning designation of Rural Residential (RR) District. Staff is currently reviewing site plans and civil engineering plans for a multifamily development on property that is adjacent to the west of the subject site. This adjacent development proposes a secondary point of access through the subject area, but the subject property is currently undeveloped.

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 this floodway corridor. Should the applicant propose to further adjust the limits of the floodplain, an updated ESA assessment may be required. Future developments would be subject to the Denton Development Code requirements for development within ESA.

The 2022 Denton Mobility Plan and Thoroughfare Map reflects a plan for one north-to-south future Primary Arterial along the eastern property line. Per the Mobility Plan, the Primary Arterial classification is intended to provide regional connectivity between different areas of Denton County and the DFW region. The applicant is concurrently requesting to remove this future north-south Primary Arterial given the presence of the aforementioned floodplain and the presence of an existing north-to-south Collector that was not previously contemplated on the Mobility Plan and which provides ample connection for the area when considering the proximity of other existing Arterial roadways to the east and west (see item MPA25-0004, also on this agenda).

Abutting the property to the south, West University Drive (US 380) is a Texas Department of Transportation (TXDOT) roadway classified as a freeway per the Denton 2022 Mobility Plan. The section of this roadway abutting the subject property is currently constructed with 6 lanes, with 5-foot-wide sidewalks on both the north and south sides of the roadway, an overall right-of-way width of 130 feet and a posted speed limit of 65 miles per hour (mph). This is standard as the typical section of a Freeway is intended to support a target speed greater than 55 mph, but varies with regard to right-of-way width, number of lanes, and volume capacity.

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.*

Section 2.7.1D of the DDC applies to this Comprehensive Plan Amendment 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 comprehensive plan amendments.

(continued on next page)

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.

There are no other prior land use approvals, plans, development agreements, or plat approvals. The applicant has concurrently submitted a Zoning Change and Mobility Plan Amendment. These are separate requests, but the simultaneous consideration of these applications is intended to provide the Commission with a transparent and comprehensive look at the intended development of the property.

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

The decision-making authority:

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

The Denton 2040 Comprehensive Plan contains goals related to land use, fiscal and economic vitality, community character and urban design, parks and the environment, housing, community health and safety, infrastructure, and mobility. Staff acknowledges the following competing goals related to this proposal:

- Goal LU-1: Grow Compactly – Achieve sound, sustainable growth in compact development patterns with balanced land uses planned in coordination with transportation and infrastructure systems.

Action 2.2 calls for utilizing the Preferred Growth Concept Map, the Preferred Land Preservation Plan and the Future Land Use Map (FLUM) to guide all development review applications within the plan horizon. Action 2.3 calls for providing expanded flexibility for mixed-use by implementing the mixed-use future land use designations that reflect the priorities of the Denton community and reflect current market conditions.

While Staff acknowledges that the location of this development is beyond the compact core of the City, given regional growth trends seen along the Hwy 380 corridor west of Denton, the request proposes to change the FLUM designation from Agriculture to the Regional Mixed-Use designation would provide flexibility with regard to permitted land uses, contributing to a balanced mix of uses and housing types along a rapidly developing corridor. This would facilitate the development of multifamily residences in accordance with the land uses anticipated with the previously approved Hickory Grove MUD development agreement.

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

- Goal FEV-6: Ensure that new development pays its fair and proportionate share of the cost to maintain current levels of services such as public safety, parks and recreation, streets, and utilities.

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 services to the property. Additionally, the subject property's location and direct access onto a freeway calls to question whether or not agriculture is the highest and best land use within this growing corridor. The Denton 2040 Comprehensive Plan acknowledges that, on average, no single land use provides a strictly positive fiscal result and the Preferred Growth Concept is intended to encourage a balanced development pattern to mitigate the financial implications of each land use type. Within the Denton Plan 2030, the entire Hickory Grove MUD area had a FLUM designation of Rural Areas. With the minor update, the Denton 2040 Plan changed the Future Land Use Designation from Rural Areas to Low Residential for the single-family portion of the MUD but did not account for a future land use beyond Agriculture for the subject property despite the MUD development agreement acknowledging multifamily and commercial uses along the Highway 380 corridor. The current Agricultural FLUM designation significantly limits the potential of a development that does provide a net positive fiscal impact. The proposed Regional Mixed Use FLUM designation expands that opportunity.

- 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.*

The request is to amend the future land use designation. As discussed above, the proposed amendment would help meet other goals of the Comprehensive Plan. It is important to note that while the proposed Regional Mixed Use designation may not initially appear consistent with the Agriculture designation on the property to the west, this area is intended to develop with multifamily residences per the adopted MUD development agreement and will remain within the City's ETJ for the foreseeable future. Additionally, Staff is currently reviewing another Comprehensive Plan Amendment to change the FLUM designation on the properties to the east of the subject property to similarly provide greater flexibility and allow for land uses that might be more appropriate for this corridor.

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 Comprehensive Plan Amendment, which provides the City's policy direction, but cannot be used to modify development standards. Therefore, any future development of this site must comply with applicable standards in the DDC unless those standards are modified through a Planned Development application.

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

The request is for an amendment to Denton 2040 Comprehensive Plan FLUM and has provided sufficient detail for the subject submittal. Subsequent applications associated with development of parcels within the subject property must provide an increasing level of detail to demonstrate that the proposal will be able to meet the standards in the DDC.

5. *Compliance with Other Applicable Regulations*

This proposed Comprehensive Plan Amendment complies with all other applicable regulations. Subsequent applications associated with the future development of the property must also demonstrate compliance at the time of review and approval.

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 area 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. Should the applicant propose to further adjust the limits of the floodplain, an updated ESA field assessment may be required. Future developments would be subject to the Denton Development Code requirements for development within ESA. Here, it is important to note that the floodplain standards of DDC Section 7.4: Environmentally Sensitive Areas (ESAs) does not apply to land and development within the extraterritorial jurisdiction of the City. By annexing the property prior to development, the city can enforce ESA regulations applicable to the floodplain related areas. Additionally, since the property was annexed into the City, all of the City's tree preservation, landscaping, and stormwater standards apply to any future development.

8. *Minimizes Adverse Impacts on Surrounding Property*

The proposed revision to the Future Land Use Map minimizes adverse impacts on surrounding property. The Regional Mixed Use Future Land Use designation would provide support for the emerging residential and commercial growth in this region of the City limits and ETJ. In addition, the FULM amendment is intended to facilitate multifamily development at an intensity and scale consistent with the Hickory Grove MUD. Should the FULM amendment and subsequent Zoning Change be approved, the development will be required to demonstrate compliance with all applicable DDC requirements designed to minimize adverse impacts, including lighting, screening, drainage, and landscaping requirements.

9. *Minimizes Adverse Fiscal Impacts*

No Fiscal Impact Analysis was completed for the requested Future Land Use Map amendment as no development plans are proposed with this project. A Fiscal Impact Analysis was completed with the companion rezoning request. It can generally be assumed that commercial and industrial development will increase revenue compared to the limited uses allowed today such as large-lot single-family homes and agriculture.

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

This proposed Comprehensive Plan Amendment is not expected to negatively impact utilities, services, or improvement standards. While the proposed Regional Mixed Use designation is intended to facilitate the development of multifamily residences, all future developments must propose the construction of and connection to utilities in compliance with the City's standards. As part of the surrounding MUD development, City utilities are being extended along Highway 380 and throughout surrounding property to the north and east, to which future development on this property could connect.

11. *Provides Adequate Road Systems*

As discussed above, the applicant has concurrently submitted a 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 in connection 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. A detailed analysis of the roadway conditions is provided for in the Mobility Plan Amendment Request (MPA25-0004), which is also on the Planning and Zoning Commission's December 17, 2025 Agenda.

12. *Provides Adequate Public Services and Facilities*

This Comprehensive Plan Amendment request is not anticipated to affect public services and facilities.

13. *Rational Phasing Plan*

This 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 proceeding the development 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 2.7.1D of the DDC states that an application for a Comprehensive Plan Amendment may be approved only following a determination that the proposed amendment:

1. Is consistent with the overall purpose and intent of the Comprehensive Plan and that any one of the following criteria has been met:

a. *There was an error in the original Comprehensive Plan adoption;*

The Future Land Use Map was based upon an existing land use analysis, growth capacity, and the preferred growth concept. The Agriculture designation was not an error and reflected existing conditions at the time. However, the Denton 2040 Comprehensive Plan was only intended to serve as an update to the existing Denton

Plan 2030, meaning extensive analysis and substantive changes to the plan were not made. Within the Denton Plan 2030, the entire Hickory Grove MUD area had a FLUM designation of Rural Areas. With the update, the Denton 2040 Comprehensive Plan changed the Future Land Use Designation from Rural Areas to Low Residential for the single-family portion of the Hickory Grove MUD but did not account for a future land use beyond Agriculture for the subject property despite the MUD development agreement acknowledging multifamily and commercial uses along the Highway 380 corridor. Therefore, while a specific error did not occur with the adoption of the Denton 2040 Comprehensive Plan, the update did not account for all conditions, as detailed further in the consideration below. The applicant has stated that market conditions are now ripe for the development of the subject property. Hence the applicant's seeking consideration of this amendment at this time.

- b. The City Council failed to take into account then-existing facts, projections, or trends that were reasonably foreseeable to exist in the future;*

As discussed herein, the Denton 2040 Comprehensive Plan anticipated development occurring within this area but did not plan for any future land uses beyond agriculture on the subject property, as evident by the change in the FLUM designation from Rural Areas to Low Residential for the area north of the subject property, opposite the floodplain. At the time of adoption of the Denton 2040 Comprehensive Plan, it was known that the MUD developer intended to develop multifamily and nonresidential uses along the Highway 380 frontage.

- c. Events, trends, or facts after adoption of the Comprehensive Plan have changed the City Council's original findings made upon plan adoption; or*

The western region of the City has experienced significant residential and commercial growth and development since the adoption of the Denton 2040 Comprehensive Plan. Specifically, this growth and development has occurred on both the north and south sides of 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 two or three others that are under review for areas south of Highway 380 in the City's ETJ 2.

- d. Events, trends, or facts after adoption of the Comprehensive Plan have changed the character or condition of an area so as to make the proposed amendment necessary*

An increased interest in Infrastructure Finance Districts (such as Municipal Utility Districts) coupled with private development patterns around the City's rural fringes and within the ETJ seem to indicate an increase in demand for City services at a level that is largely beyond the City's control. The increased development activity described in the criterion above is changing the character of the western region of the City from predominantly agricultural land uses to low- and moderate- density residential land uses with commercial uses along key thoroughfares and at key intersections. As such, the designation of Regional Mixed-Use is appropriate for the region and consistent with the emerging development patterns in the area. Based on surrounding development patterns, the current Agricultural designation is not realistic in the long term.

2. *In addition to the above-listed criteria, any proposed amendment is subject to the following additional review standards:*

a. *That the amendment is not in conflict with any portion of the goals and policies of the plan.*

The proposed amendment is not in conflict with the overall goals and policies of the plan. The intent of this amendment is to facilitate the development of multifamily residences. The Comprehensive Plan calls for compact development in conjunction with infrastructure improvements as well as preservation of the rural fringe. In the last several years, the City has seen a significant increase in this type of development in its ETJ as Municipal Utility Districts, over which the City has very limited control. The subject property was excluded from the Hickory Grove MUD and annexed into the City limits to ensure the proposed development follows the necessary process for becoming a conforming development in compliance with the DDC.

b. *That the amendment constitutes a substantial benefit to the city and is not solely for the good or benefit of a particular landowner or owners at a particular point in time.*

As discussed throughout, the proposed amendment is intended to provide support for the development of more fiscally advantageous land uses and infrastructure construction compared to the existing Agriculture FLUM designation.

- c. *The extent to which the proposed amendment and other amendments in the general area are compatible with the land use goals of the plan and that they avoid creation of isolated uses that will cause incompatible community form and a burden on public services and facilities.*

The proposed amendment is intended to facilitate a compatible development pattern within the overall area. The Hickory Grove MUD includes the development of 1,516 single-family and 624 multifamily residences. The floodplain and North Hickory Creek Tributary create a natural separation between the subject property and the developing single-family residences to the north. The area to the west of the subject property is also intended for the development of multifamily residences. Development within the Regional Mixed Use designated areas may include residential, commercial, office, entertainment, and other uses except industrial, at the highest levels of scale and density within the city. While the applicant has stated multifamily is intended land use for the subject property, the proposed request could allow for the development of several uses that may align with the Regional Mixed Use FLUM designation.

- d. *That the development pattern contained in the existing plan does not provide adequate and appropriate optional sites for the use or change being proposed in the amendment.*

The existing plan assigns a Rural or Agricultural FLUM designation to the vast majority of land that was undeveloped or used for agriculture at the time of the Plan's adoption. As discussed above, this approach did not consider growth trends in the broader region. Because of these ongoing growth trends and the City's lack of ability to regulate land use in the ETJ, a significant portion of the land that was indicated for Rural or Agriculture use in the City's western and northern ETJ areas was at the time or has since been planned as moderate density residential developments, governed by MUDs. Within the City limits, Regional Mixed Use FLUM designated areas are largely built out in accordance with the intent of this designation. The residential and commercial growth being experienced within this western region of the City limits and ETJ adds to the market demand for regional destinations and developments at higher levels of scale and intensity. The development pattern contained in the existing plan did not anticipate the increase in low-to-moderate residential development in the western portion of the City and therefore does not provide adequate optional sites within this region.

- e. *That the impact of the amendment, when considered cumulatively with other applications and development in the general area, will not adversely impact the city or a portion of the city by:*

- i. *Significantly altering acceptable existing land use patterns;*

The amendment is not anticipated to result in undesirable land use patterns. As discussed herein, the Hickory Grove MUD includes the development of single-family and multifamily residences, and the region is experiencing similar low- and moderate-density residential developments within the City's ETJ. The applicant has concurrently submitted a Mobility Plan Amendment to remove the proposed north-to-south Primary Arterial to avoid redundancy and crossing the floodplain. Additionally, the applicant has applied for a Zoning Change to facilitate the development of multifamily residences. This proposed rezoning would alter the existing land use pattern by allowing for residential and commercial land uses at a higher level of density than what is currently permitted, but this would not be inconsistent with the other applications and developments in the general area.

- ii. *Having significant adverse impacts on public services and facilities that are needed to support the current land use and that cannot be mitigated to the maximum extent feasible;*

The proposed FLUM amendment is not anticipated to have an adverse impact on public services and facilities needed to support the current land uses. As discussed above, subsequent development applications must provide for adequate public services and facilities needed to support the existing and proposed land uses while minimizing costs incurred by the City.

- iii. *Adversely impacting environmentally sensitive areas or resources; or*

The proposed modification to the Future Land Use Map would not limit the City's ability to regulate tree preservation, stormwater, and development activity within Environmentally Sensitive Areas. Recent annexation of the subject property ensures that these regulations are applicable, which would not have been the case had the development of the property occurred in the ETJ prior to annexation.

- iv. *Adversely impacting existing uses because of increased traffic on existing systems.*

Existing uses in this area include developing low- and moderate-density residential, undeveloped property, and agriculture. 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. A detailed analysis of the roadway conditions is provided for in the Mobility Plan Amendment Request (MPA25-0004), which is also on the Planning and Zoning Commission's December 17, 2025 Agenda.

- f. *That site conditions, including but not limited to topography, utility corridors/easements, drainage patterns, noise, odors, or environmental contamination, would make development under the current plan designation inappropriate.*

The following site conditions related to the subject property could limit the development of the site under the current designation:

- **Zoning:** Under the current Future Land Use designations, appropriate zoning districts are limited to the Rural Residential and Residential 1 (R1) under the right conditions. The RR zoning district and its permitted uses are no longer appropriate for this corridor as the property is adjacent to US 380. Recent development in the area and development inquiries include denser residential developments as well as commercial interest representing a much more efficient use of land to accommodate the significant population growth in the broader area.
- **Access:** The Traffic Impact Analysis indicates that surrounding roadways provide adequate access for the land uses that align with the Regional Mixed Use FLUM designation.