

City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Department of Development Services

DCM: Cassey Ogden

DATE: July 23, 2025

SUBJECT

Receive a report and hold a discussion regarding bills recently passed during the 89th State Legislative Session that may impact the City's development processes and regulations.

BACKGROUND

The State of Texas 89th Legislative Session began on January 10, 2025 and concluded after its constitutionally mandated 140-day term on June 2, 2025. As a political subdivision of the State, the City of Denton has a vested interest in actions taken by the State Legislature. Throughout the legislative session, City staff monitored developing legislation and advocated on behalf of the City, using the Council-adopted Legislative Program (Exhibit 2) for policy direction.

The purpose of this work session item is to provide a brief recap of the regular session and highlight some of the more significant legislation impacting development processes and regulations. The overview below is based upon the information presented to the City Council at their July 17, 2025 work session.

Overview of the 89th Regular Session

Across the regular session, more than 8,700 bills were filed, with over 700 specifically being tracked by the City of Denton due to potential municipal impacts. This session saw the highest number of bills filed since 1991, but with only 1,208 passed and/or sent to the Governor the session also saw the lowest passage rate of bills (13.8%) since 1991.

Ahead of the Regular Session, Governor Abbott published his list of legislative priorities and emergency items, which included property tax relief, investment in Texas' water supply, increasing teacher pay and career training, bail reform, and protecting infrastructure from cyber threats. While these priorities are often a bellwether of important issues during the session, many other issues took up a substantial amount of time, including THC products, immigration, oversight of the lottery, and a variety of topics affecting local governments, including housing and land use regulations, employee severance pay, and limitations on impact fees. Property tax relief legislation is expected to be taken up again in an upcoming special session, as well as legislation related to reducing impact fees for builders who include water conservation and efficiency measures (refer to Exhibit 4).

Next Steps

With the conclusion of the Regular Session, staff identified over 260 bills that passed the legislature which, in general, affect cities and may directly or indirectly impact the City of Denton. Many of these bills are not likely to have a significant impact on the City of Denton while a portion may impact the City only under

certain conditions or require minor changes/updates to policies, processes, programs, and documents. Refer to Exhibit 3 for a complete list of bills passed affecting cities.

Staff identified approximately 12 adopted bills that may impact the City's development processes and regulations. Staff is currently analyzing those legislative bills and will make necessary changes/updates by the required timeframes set out in each bill, as applicable. Should there be a need for a formal recommendation by the Planning and Zoning Commission and action by City Council, such as Code amendments, staff will bring those for discussion and consideration as soon as possible. During the work session presentation staff will highlight only those pieces of legislation that have been identified as having an impact on the City's development processes and regulations, including the following which have been organized by topic:

Notification:

- H.B. 1522: Relating to notice of a meeting held under the open meetings law.
- H.B. 24: Relating to notification procedures and protest thresholds for changes to a zoning regulation or district boundary.
- H.B. 4506: Relating to electronic delivery of notice for certain municipal zoning changes.
- S.B. 617: Relating to hearing and public notice requirements regarding the conversion by a municipality of certain properties to house homeless individuals.

Land Use:

- S.B. 1567: Relating to the authority of home-rule municipalities to regulate the occupancy of dwelling units.
- H.B. 2464: Relating to the authority of a municipality to regulate a home-based business.
- H.B. 2844: Relating to the regulation of food service establishments, including retail food stores and mobile food vendors; requiring an occupational license; imposing fees; authorizing an administrative penalty.
- S.B. 1883: Relating to the approval of land use assumptions, capital improvement plans, and impact fees.

Housing:

- S.B. 785: Relating to the regulation of new HUD-code manufactured housing.
- S.B. 15: Relating to size and density requirements for residential lots in certain municipalities; authorizing a fee.
- S.B. 840: Relating to certain municipal regulation of certain mixed-use and multifamily residential development projects and conversion of certain commercial buildings to mixed-use and multifamily residential occupancy.
- S.B. 2477: Relating to certain municipal regulation of conversion of certain office buildings to mixed-use and multifamily residential occupancy.

EXHIBITS

- 1. Agenda Information Sheet
- 2. 89th Legislative Session Program
- 3. TML List of Bills Passed Affecting Cities

4. Special Session of the 89th Legislature Proclamation

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