

**Exhibit 1
Staff Analysis**

**CITY OF DENTON
DEVELOPMENT REVIEW COMMITTEE
STAFF REPORT**

P&Z Date:	August 27, 2014	TYPE:	Specific Use Permit
CC Date:	September 16, 2014	PROJECT #:	S14-0004

Project Number: *S14-0004*

Request: *Consider a Specific Use Permit for a heavy manufacturing use, specifically hot dip galvanization.*

Applicant: *John Bezner, 3102 Maple Ave, Ste 400, Dallas, TX 75201*

Property Owner: *Jeff Stewart, 17111 Preston Rd, Dallas, TX 75248*

Location: *The west side of Worthington Drive, north of Barcelona Street and south of Schuyler Street being Lot 3, Block A of the Hull Addition.*

Size: *2.95 acres ±*

Zoning Designation: *Regional Center Commercial Downtown (RCC-D)*

Future Land Use: *Regional Mixed Use Center*

Case Planner: *Michele Berry*

DRC Recommendation: *Denial*

Planning and Zoning Commission Recommendation: *Approval with conditions, 7-0*

Summary of Analysis:

Edsco Fasteners desires to begin hot dip galvanization at their current location, 2200 Worthington Drive. The Zoning Board of Adjustment upheld the staff's interpretation of hot dip galvanization as a heavy industrial use. The current zoning of Regional Center Commercial Downtown and the current Future Land Use category of Regional Mixed Use Center do not support heavy manufacturing uses. In order to permit hot dip galvanization at this site three public hearings actions are required:

1. The Future Land Use Category in The Denton Plan would need to change from Regional Mixed Use Center to Industrial Center.

2. The zoning would need to change from Regional Center Commercial General (RCC-D) to Industrial Center General (IC-G).
3. A Specific Use Permit (SUP) would be required for the heavy manufacturing use.

This report is specific to the SUP request, the previous reports addressed the comprehensive plan amendment request and rezoning request.

Staff has review the SUP request against the criteria listed in per section 35.6.4 of the Denton Development Code and finds the application is not consistent with code requirements; therefore, staff is recommending denial of the SUP request.

Findings of Fact

1. The request is for a heavy manufacturing use on approximately 2.94 acres located in the Regional Center Commercial Downtown (RCC-D) zoning district. The request requires a comprehensive plan amendment from Regional Center to Industrial Center, a rezoning from RCC-D to Industrial Center General (IC-G), and a Specific Use Permit for Heavy manufacturing, specifically hot dip galvanization.
2. Project History.
 - A. Prior to 2002 the subject property was zoned Light Industrial. The structure was built in 1996 and occupied by a light manufacturing use. The property is considered a special exception for light manufacturing. Edsco was considered light manufacturing elsewhere in the City and move to this location in 2006.
 - B. Edsco applied to appeal staff's interpretation that hot dip galvanization is a heavy industrial use so that they could then expand per the regulations on special exceptions. However, the ZBA vote on April 28, 2014 was not sufficient to overturn staff's decision that hot dip galvanization is a heavy manufacturing use.
3. The Denton Plan.
 - A. The Denton Plan calls for this area to be a regional Mixed Use Center. Per the Land Use Element;
 1. "For a regional activity center, the focus area contains the shopping, services, recreation, employment, and institutional facilitated support by and serving an entire region. A regional activity center could include a regional shopping mall. A number of major employers, restaurant and entertainment facilities, a large high school or community college, and high density housing. A regional activity center is considerably larger and more diverse in its land use than any other activity center. It includes vertically integrated uses where different uses may occur on each floor of the building." The proposed industrial use is not part of the regional mixed-use activity center classification.
 - B. Industrial Centers per the Land Use element of the Denton Plan states, "Industrial centers are to provide locations for a variety of work processes and work places such as manufacturing, warehousing, and distributing, indoor and outdoor storage, and a wide range of commercial and industrial operations." (pg. 50)
 - C. The Denton Plan describes industrial uses as those engaged in the basic processing and manufacturing of materials or products predominantly from extracted or raw materials, or a use engaged in storage of, or manufacturing processes using flammable or explosive materials, or storage or manufacturing processes that potentially involve hazardous conditions. Industrial uses would be allowed in industrial centers as designated on the land use plan (pg. 50)
 - D. Light manufacturing would not include mining and extracting industries, petrochemical industries, rubber refining, primary metal, and related industries.

The comprehensive plan also states heavy industries will not be permitted in industrial areas. (pg. 51)

- E. The subject property consists of two lots, one was developed for light industrial uses in 1996 and the other is vacant. The property to the north is developed for truck servicing and repair. Vehicle Repair is considered a commercial land use type. The properties to the east, across Worthington Drive, are undeveloped. Farther to the west there are hotels along I-35. To the south there is a mix of undeveloped properties and properties developed for commercial and light industrial uses. To the west, across the railroad line, there is undeveloped property zoned for single-family development and a single family home.
4. Denton Development Code.
- A. The only zoning district that permits heavy manufacturing uses is the IC-G district and an SUP is required.
 - B. There are no overlay districts.
 - C. There are no Historic or Conservation Districts.
5. Other Plans.
- A. There are no other applicable plans.
6. Existing site conditions
- A. A portion of the site was developed in 1996 according to Denton County Appraisal District records. At the time the structure was built the area was zoned light manufacturing. The zoning was change to RCC-D in 2002 as part of a citywide rezoning and the use of light manufacturing became a special exception at this site. However, per the previous zoning district and zoning code, heavy manufacturing was not permitted and thus heavy manufacturing uses cannot be permitted as special exception.
 - B. Adjacent uses to the north are commercial, specifically the Denton Truck Port. To the east there are undeveloped lots, hotels, light manufacturing, and commercial uses. Adjacent uses to the south are undeveloped lots, light manufacturing, and commercial uses. On the west side of the railroad the uses are single family and undeveloped land.
 - C. Zoning to the north, southeast, and east is RCC-D. Zoning to the west and southwest is Neighborhood Residential 2 (NR-2).
 - D. There are no Environmentally Sensitive Areas or floodplain areas on site.
 - E. Sewer. The existing 8-inch gravity main along Worthington Drive, and the existing 8-inch gravity main along Applicant's west property line, is available for

tapping. Sewer Tap Fee applies; City's fee schedule can be viewed at www.cityofdenton.com.

F. Water. The existing 8-inch main along Worthington Drive is available for tapping. Water Impact Fee, and Tap with Meter Fee, would apply; City's fee schedule can be viewed at www.cityofdenton.com.

7. Other Facts stated by DRC.

A. Anticipated water demand is 24 gallons per hour peak. Existing services are adequate for this demand.

B. Anticipated wastewater demand is 21 gallons per hour peak. Existing services are adequate for this demand.

C. Anticipated storm water demand. Lot 3 drains through Lot 2R. As such, either an amending plat is required to make Lots 2R and 3 into one lot, or an offsite drainage easement is required in Lot 2R to convey runoff from Lot 3 under fully developed conditions.

D. Anticipated transportation demand is 100 average annual daily trips and 14 peak hour trips. There is adequate road capacity for this use.

E. There is no anticipated parks demand.

F. There is no significant increase in anticipated police, fire and EMS demand.

G. There is no anticipated educational facility demand.

Development Review Committee

Approval criteria and considerations for SUP requests per section 35.6.4 of the DDC are listed below with staff analysis in italics.

1. That the use would be in conformance with all standards within the zoning district in which the use is proposed to be located, and in conformance with the Denton Plan and federal, state, or local law.

If this SUP request is approved the use would comply with all the regulations within the DDC. In addition, they would be required to obtain discharge permits to meet local, state, and federal regulations.

2. That the specific use will be compatible with and not injurious to the use and enjoyment of other property nor significantly diminish or impair property values within the immediate vicinity.

This SUP may be injurious to the use and enjoyment of SF-2 zoned property to the west and RCC-D zoned property to the east. Heavy manufacturing uses are not compatible with single-family development. In addition, there are local hotels near the subject site that are not compatible with heavy manufacturing uses.

3. That the establishment of the specific use will not impede the normal and orderly development and improvement of surrounding vacant properties.

This would be a heavy manufacturing use surrounded by Neighborhood Residential 2 zoning and Regional Center Commercial – Downtown zoning. If this use is permitted in the area, then it may discourage desired commercial growth. The expansion of an industrial use and the allowance of heavy manufacturing uses are not desirable neighbors for commercial and regional development. Furthermore, additional manufacturing uses will increase the perception that industrial uses are permitted in the area. This may encourage other property owners in the vicinity to request rezoning light or heavy manufacturing uses. There is ample acreage available zoning IC-G to the south of this area. Approving this SUP would derail transition toward the Regional Mixed Use Center outlined in the Denton Plan.

4. That adequate utilities, access roads, drainage and other necessary supporting facilities have been or will be provided.

Adequate utilities are available.

5. The design, location and arrangement of all driveways and parking spaces provides for the safe and convenient movement of vehicular and pedestrian traffic without adversely affecting the general public or adjacent developments.

The arrangement of parking and driveways provide for safe and convenient movement of vehicle traffic. Traffic should not adversely affect the general public or adjacent developments.

6. That adequate nuisance prevention measures have been or will be taken to prevent or control offensive odor, fumes, dust, noise and vibration.

The use will take place indoors. This should help control any odor, fumes, dust, noise or vibration. In addition, the applicant has indicated they plan to discharge used galvanization solutions by trucking wastewater off-site. This will need to be evaluated with discharge permits required by the Environmental Protection Agency.

7. That directional lighting will be provided so as not to disturb or adversely affect neighboring properties.

There are not any adjacent neighbors at this time but lighting will meet standards in the Denton Development Code. Light source will be shielding to prevent upward diffusion and no more than 0.5 foot-candles will leave the property at the property line. In addition, a Type D buffer may be required on the western edge of the property to screen the property for potential residential development. A Type D buffer is a 30-foot wide planting strip with a combination for 8 evergreen or deciduous trees and 20 shrubs per 100 linear feet. This buffer will also help to shield adjacent development from light.

8. That there is sufficient landscaping and screening to ensure harmony and compatibility with adjacent property.

The standard landscaping regulations in Section 35.13.8 of the DDC would be enforced should the SUP request be approved. These regulations were developed to provide sufficient landscaping and screening. For this property, they would require:

- *A minimum of 10 percent landscape area with a minimum of 15 percent tree canopy coverage. The landscape area required in the IC-G district and RCC-D district is the same, however, only 15 percent tree canopy coverage is required in IC-G versus 20 percent in RCC-D zoning districts.*
- *Street Trees spaced at one tree per 45 linear feet.*
- *A type D buffer to the west, if the property is developed as one lot. This is a 30-foot wide planting strip with a combination of 8 evergreen and deciduous trees and 20 shrubs per 100 linear feet. Only 40 percent of the trees on this buffer may count to the required tree canopy coverage.*
- *A type C buffer to the north. This is a 15-foot wide planting strip with a combination of 6 evergreen and deciduous trees and 25 shrubs per 100 linear feet. Only 40 percent of the trees on this buffer may count to the required tree canopy coverage.*

9. That adequate capacity of infrastructure can and will be provided to and through the subject property.

There is existing infrastructure in place of adequate capacity. A drainage easement may be required to convey storm water run-off through the lot and adjacent property also owned by Edsco Fasteners.

10. That the special use is compatible with and will not have an adverse impact on the surrounding area. When evaluating the effect of the proposed use on the surrounding area the following factors shall be considered in relation to the target use of the zone:

a. Similarity in scale, bulk, and coverage

The proposed building will not be out of scale with what would be permitted in the area. The general regulations of the IC-G district are more stringent than the RCC-D zoning district.

b. Generation of traffic and effects on the surrounding streets. Increases in pedestrian, bicycle, and mass transit use are considered beneficial regardless of capacity of facilities.

Staff does not anticipate increased traffic from this request. Approval of this SUP may reduce truck traffic from the site as items would not be trucked elsewhere for galvanization and then returned to the site.

c. Architectural compatibility with the impact area.

Per the DDC, industrial uses do not have to meet the same level of architectural standards as commercial uses. If permitted with only DDC regulations the use may not be architecturally compatible with future commercial development. It will be architecturally compatible with the existing Edsco building and several other small light warehouse type buildings. However, the vision and zoning for this area is to develop

Regional Center. Staff anticipates uses that would have higher development standards locating in this area in the future.

- d. Air quality, including the generation of dust odors, or other environmental pollutants.
There are significant concerns with pollutants as hot dip galvanization is considered a point source of pollution. Discharge permits will be required to ensure compliance with EPA regulations. Pollutant discharge will be monitored by the industrial pre-treatment division of wastewater treatment.
- e. Generation of noise, light, and glare.
Currently regulations in the DDC will regulate noise, light and glare. Light is limited to 0.5 foot candles at the property line. Noise is regulated by the Denton Code of Ordinances. In addition, landscape screening will help to buffer any light or noise.
- f. The development of adjacent properties as envisioned in The Denton Plan.
If approved, this SUP request might discourage the Regional Mixed Use Center type development desired in The Denton Plan. Commercial users may find the area less desirable if adjacent to heavy manufacturing uses. In addition, it will add the industrial character of the area, slowing the transition to a Regional Mixed Use Center as outlined in The Denton Plan.
- g. Other factors found to be relevant to satisfy the requirements of this subchapter.
The primary factors of concern are the incompatibility of the proposed use with existing nearby uses, the negative impact this use may have on future development that is in conformance with existing zoning, and that this use may hinder desired development that is compatible with the comprehensive plan's vision for a Regional Mixed Use Center.

As this is an SUP request, the Planning and Zoning Commission may recommend condition of approval per Subchapter 35.6.5 of the DDC. Conditions may include but are not limited to:

- Regulation and limitation of uses
- Regulation of setbacks and spacing.
- Regulation of fences and walls.
- Regulation of points of vehicular and pedestrian ingress and egress.
- Regulation of building material, textures, colors and architectural features.
- Regulation of hours of operation and the conduct of certain activities.
- Such other conditions as will make possible the development of the City in an orderly and efficient manner and in accordance with the provisions of this Subchapter that are reasonable.

RECOMMENDATION

Based upon the information provided by the applicant and a recent site visit, the Development Review Committee finds that with the recommended conditions the request **IS INCONSISTENT** with the surrounding land uses and general character of the area, **IS INCONSISTENT** with the Denton Plan, and **INCONSISTENT** with the Denton Development Code.

Based upon the findings-of-fact, the Development Review Committee (DRC) recommends **denial** of S14-0004.

The Planning and Zoning Commission recommends **approval** (7-0) of the Specific Use Permit with conditions:

- A. The heavy manufacturing use is limited to hot dip galvanization.
- B. The SUP is specific to Edsco Fasteners
- C. The applicant is required to comply with all building, environmental, and safety standards in the Denton Development Code and Denton Code of Ordinances.

The Planning and Zoning Commission also directed staff to work with the applicant to identify any other needed conditions before proceeding to City Council. These conditions are below:

- D. Development of the Property will provide 20 percent Tree Canopy consistent with the Regional Center Commercial Downtown zoning district.
- E. Development of the Property will follow the Non-residential and Mixed Use Buildings Site Development Requirements regarding Orientation, Building Materials, and Parking to help ensure compatibility with existing and future uses in the surrounding area.
- F. Operation Hours are limited to 7:00 a.m. to 7:00 p.m.

GENERAL NOTES

NOTE: Approval of this request shall not constitute a waiver or variance from any applicable development requirement unless specifically noted in the conditions of approval and consistent with the Denton Development Code.

NOTE: All written comments made in the application and subsequent submissions of information made during the application review process, which are on file with the City of Denton, shall be considered to be binding upon the applicant, provided such comments are not at variance with the Denton Plan, Denton Development Code or other development regulations in effect at the time of development.

Surrounding Zoning Designations and Current Land Use Activity:

Northwest: NR-2 Acreage with or without Agricultural Use	North: RCC-D Commercial	Northeast: RCC-D Commercial, Vacant Commercial Lots
West: NR-2 Acreage with or without Agricultural Use, Single Family	Subject Property: RCC-D Light Manufacturing	East: RCC-D Vacant Commercial Lots
Southwest: NR-2 Acreage with or without Agricultural Use	South: NR-2 Commercial, Vacant Commercial Lots	Southeast: RCC-D Vacant Commercial Lots

Source: City of Denton Geographical Information System and site visit by City staff

Summary of Surrounding Zoning Designations and Current Land Use Activity:

Comprehensive Plan:

A. Consistency with Goals, Objectives and Strategies

The proposed change in the comprehensive plan is not consistent with the comprehensive plan. Though industrial uses are supported by the comprehensive plan a Primary Industrial Land Use Principle is to “*Organize to minimize conflict - it is the desire of the residents of Denton to organize industrial and employment land use districts to minimize conflicts with adjoining land uses and to most efficiently utilize the existing transportation systems.*” The location of this request would create conflict with residential uses to the west and commercial uses to the east.

The plan does support industry stating, “*Industrial centers are intended to provide locations for a variety of work, processes and work places such as manufacturing, warehousing and distributing, indoor and outdoor storage, and a wide range of commercial and industrial operations*”. However, the plan is not supportive of heavy industries and states these uses will not be permitted in industrial areas. (pg. 51)

B. Land use analysis

There are 19.3 acres within one mile radius of the subject site zoned IC-G. This land is currently undeveloped. Citywide there are approximately 3,732 acres zoned IC-G of which approximately 2,262 acres are undeveloped. There is not a need for additional IC-G land within the City at this time.

C. Future Land Use Allocation/Current Zoning District Allocation

Subject Property	Future land Use/Zoning allocation		
	Current Allocation in the City	Existing Allocation	Change Based Upon Request
2.95 ± acres			
Neighborhood Residential Mixed Use (NRMU)	3,732 total acres zoned IC-G	19.3 acres within a mile radius	15% increase in a mile radius

Source: City of Denton

Nearest Fire, and EMS Station

	Name of Station	Approximate Distance From Subject Property
Fire/EMS	Station 5, 2230 W. Windsor	±2.39 miles

Source: City of Denton GIS, Fire Department, and EMS

Water and Wastewater Demand and Capacity:

A. Estimated Demand and Service Provider:

Subject Property	Estimated Impact Analysis	
	Proposed Demand	Adequate to Serve (Yes or No)
2.95 ± acres		

Subject Property	Estimated Impact Analysis	
2.95 ± acres	Proposed Demand	Adequate to Serve (Yes or No)
Potable Water Consumption (GPM)	24 (Peak)	Yes
Wastewater Generation (GPM)	21 (Peak)	Yes

B. Available Capacity:

There is currently water capacity available from an existing 8-inch Water Main along Worthington Drive. This line is available for tapping.

There is currently wastewater capacity available from an existing 8-inch gravity main along Worthington Drive and an existing 8-inch gravity main along Applicant's west property line. Both lines are available for tapping.

C. CIP Planned Improvements:

There are no planned CIP improvements for water or wastewater at this location.

Roadways/Transportation Network:

A. Estimated Demand:

Subject Property	Estimated Impact Analysis	
2.95 ± acres	Proposed Demand	Adequate to Serve (Yes or No)
Permitted Density	14k SF Light Industrial Bldg	Yes
Average Annual Daily Trips (AADT)	100	Yes
PM Peak Hour Trips	14	Yes

B. Available Capacity:

Worthington Drive has available capacity to accommodate this development.

C. Roadway Conditions:

Worthington Drive is classified as an improved perimeter street.

D. CIP Planned Improvements:

There are no planned CIP transportation Projects in this area.

Environmental Conditions:

A. Surface Water:

There is no standing surface water on-site. The site currently drains to the west. There is an existing ditch running parallel with the existing railroad into which this development will discharge runoff water. A detailed drainage analysis will be performed upon platting/permitting.

B. Environmentally Sensitive Areas:

There are no Environmentally Sensitive Areas (ESAs) on site.

Electric:

Electric service to the building is provided by a transformer with 1500 kVA of capacity. The service voltage is 480 Y/ 277 volts three phase.