



Planning and Zoning Commission Planning Department Staff Report

Planning & Zoning Commission Meeting:

October 27, 2026

Project No:

ZA2026-002

Project Planner:

Sara Varvarigos, AICP – Senior Planner

Item Details

Project Name:

Historic Hays Street Professional Office

Property Location:

315 Hays, Dripping Springs, TX

Legal Description:

R23580 W T CHAPMAN #3 9-2210-18-09 LTS 1-2 & W PT OF 3,10,11,12 BLK 3
0.30 AC. GEO#90403774

Applicant:

Russell Collins on behalf of Mr. & Mrs. Connelly, owners of 315 Hays

Property Owners:

Mr. & Mrs. Connelly

Amendment Request:

Zoning Amendment from “Single-family duplex” within the Hays Historic District Overlay (SF4-HO) to “Office” with a Hays Historic District Overlay, and additional Conditional Overlay (O-HO-CO)

Recommendation:

Staff recommends approval of the zoning amendment with a conditional overlay.



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Location Map

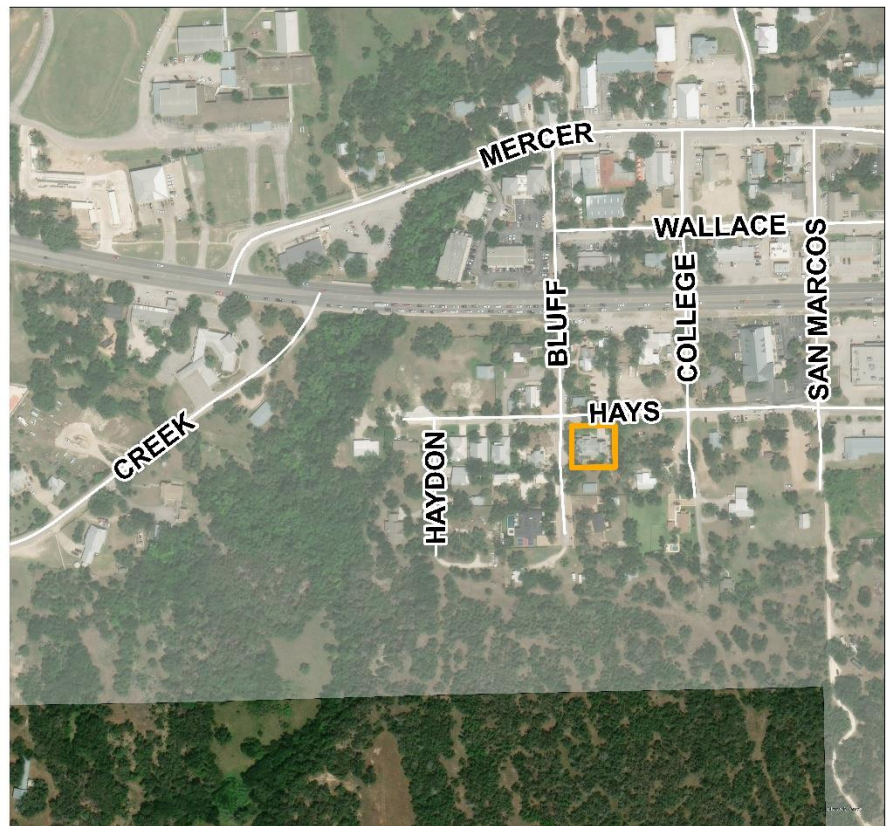
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315 Hays St

- Subject Property
- City Limits



0 500 1000
Feet



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Overview

The applicants requested approval of a zoning map amendment to rezone an approximately 0.3-acre lot located at 315 Hays St, in the Hays Historic District, from an existing “SF-4, Single-family duplex” base zoning district with a Hays Historic District Overlay (SF4-HO), to a “Office” base zoning district with Hays Historic District Overlay and Conditional Overlay (O-HO-CO) (Exhibit 1).

The subject property has an existing non-historic residential structure on site, which was built in 2008, and previously served as a residence to Mr. & Mrs. Connelly and their family at 315 Hays St. The Connelly’s are now looking to convert the property from its exiting residential/short-term-rental land use to an office land use. The proposed zoning amendment would rezone the 0.3-acre property from an single family duplex district with a Historic District Overlay (which primarily allows for single family and duplex land uses with “Home Business Occupations” as an accessory land use) to an Office zoning district with Historic District and Conditional Overlay, which would allow for limited number of residential and office land uses to operate under a restricted footprint.

In both the existing and proposed zoning categories, the Historic District Overlay restricts the land uses permitted by right, prioritizing compatibility with existing land uses. For example, the HO overlay restricts the number of land uses permitted under the O zoning district from 34 to 30, so that certain uses that would ordinarily be allowed in Office Zoning District (including Credit Agency, Fire Station, Security Monitoring Company, and Telemarketing Center), are prohibited in the Historic District, meaning that this property would be prohibited from allowing those uses. In addition, if a use requires a CUP within Local Retail zoning district, and not in the Historic District (or vice-versa), the CUP would still be required because the City would implement whichever is the most restrictive requirement; the more restrictive principle would also apply if a use is prohibited in one district but not the other. The Historic District Overlay also supports the preservation of historic character and landscapes with design guidelines that must be applied to properties located within the Hays Historic District. Therefore, any proposed exterior updates on 315 Hays St will benefit from an additional layer of review by the City’s Historic Preservation Commission, and will require approval of a Certificate of Appropriateness Permit, with the goal of preserving the existing architectural character and landscape of the Hays Historic District.

During the month of October 2026, the City of Dripping Springs sent out public notices of the requested Zoning Map Amendment to properties located within 300 feet of 315 Hays St. No public input letters were received as of the time of posting of this report .

Staff is recommending that the requested zoning amendment, which will amend the proposed zoning from SF4-HO to O-HO-CO (refer to Attachment 2), be adopted with the following conditions:

1. reducing land uses permitted by right from 30 to 20
2. decreasing the number of land uses requiring a conditional use permit from 18 to 1
3. increasing the number of prohibited land uses from 182 to 209
4. limiting hours of business operation to a schedule between 9 AM to 6 PM.

The proposed O-HO-CO district retains the requested O-HO base classification; Attachment 2 imposes the more-restrictive, site-specific regulations that control the identified uses and development conditions listed above. Except for those specified restrictions, the Property will remain subject to the O-HO district as amended from time to time. Future citywide zoning amendments should be evaluated for consistency with the Property’s continuing Exhibit B restrictions.

Approval of the requested zoning amendment from SF4-HO to O-HO-CO is an essential step toward facilitating the proposed land use conversion of the site located at 315 Hays St.

Per Ch. 30 Exhibit A and Hays Historic Guidelines:

- **The SF-4, two-family residential district** is intended to provide for development of detached, two-family residence structures on moderate size lots of at least 10,000 square feet in size..
- **The O, office district** is established to create a district for low intensity office and professional uses. The district can be used as a transition district between more intense uses and residential uses. Permitted uses should be compatible with adjacent residential areas by limiting building heights to one or two stories, and by utilizing buffering and landscaping requirements. Buildings in this district should be compatible with and similar in scale

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to residential uses and adjacent property. Bed-and-breakfasts should also be permitted.

- The **Hays Street Historic District Overlay** is intended to allow land uses that are compatible with the Historic district while also providing design guidance and standards that accomplish the following purposes:
 - Recognize the architectural character and landscapes of the historic neighborhood;
 - Protect and preserve historic neighborhood character, scale, and streetscape; and
 - Support adaptive reuse and context-sensitive infill within the district.
- The **Conditional Overlay** regulations established are more restrictive than the regulations otherwise applicable to the Property in the O-HO district; further reduce the uses or development rights otherwise available to the Property; restrict business operating hours and outdoor storage, and are reasonably related to upholding the public welfare, and preservation of the Hays historic neighborhood character.

Analysis of Existing and Proposed Zoning

	Comparison of Existing and Proposed Zoning Without Conditional Overlay		
	Existing Zoning: SF4-HO	Proposed Zoning: O-HO	Differences between SF4-HO & O-HO
Max Height	40 feet (Main) 25 Feet (Accessory)	40 feet (Main) 25 Feet (Accessory)	0 feet (Main) 0 feet (Accessory)
Min. Front Yard Setback	10 feet	10 feet	0 feet
Min. Side Yard Setback	5 ft	5 feet	0 feet
Min. Rear Yard Setback	10 feet	10 ft	0 feet
Min. Lot Size	10,000	5,000 square feet	5,000 square feet less
Min. Lot Width	70 feet	50 feet	20 less
Min. Lot Depth	100	100 feet	NA
Impervious Cover	50%	60%	10% more
Number of Uses Permitted by Right “P”	16	30*	14 more (refer to Exhibit 2 for full list of permitted “P” uses)

* The O District without the HO overlay would allow the following additional land uses by right: Credit Agency, Fire Station, Security Monitoring Company, and Telemarketing Center; the O-HO overlay therefore restricts uses permitted by right “P” from 34 to 30.

	Comparison of Existing and Proposed Zoning With Conditional Overlay		
	Existing Zoning: SF4-HO	O-HO-CO	Differences between SF4-HO & O-HO-CO
Max Height	40 feet (Main) 25 Feet (Accessory)	40 feet (Main) 25 Feet (Accessory)	0 feet (Main)
Min. Front Yard Setback	10 feet	10 feet	0 feet (Accessory)
Min. Side Yard Setback	5 ft	5 feet	0 feet
Min. Rear Yard Setback	10 feet	10 ft	0 feet
Min. Lot Size	10,000	5,000 square feet	5,000 square feet less
Min. Lot Width	70 feet	50 feet	20 less
Min. Lot Depth	100	100 feet	NA
Impervious Cover	50%	60%	10% more
Number of Uses	16	20*	4 more (refer to Exhibit 2 for full

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	Comparison of Existing and Proposed Zoning With Conditional Overlay		
	Existing Zoning: SF4-HO	O-HO-CO	Differences between SF4-HO & O-HO-CO
Permitted by Right "P"			list of permitted "P" uses)

*The addition of a Conditional Overlay would further restrict uses permitted by right, so that Armed Services Recruiting Center, Civic Club, Fraternal Lodge or Union, Garden Home/Townhome, Library, Mobile Food Vendor- 10 days or less, Multiple family dwellings, Park or Playground, Philanthropic Organization, Post Office, Private Swimming Pool, would not be permitted by right. In addition, under the Conditional Overlay, the number of uses permitted with a Conditional Use Permit would be reduced from 18 to 1; a Home for the Aged, Residential, would be permitted with a Conditional Use Permit, while the following uses would no longer be permitted with a Conditional Use Permit Cafeteria, Child Day-Care Facility, Contractor's Temporary on-site Office, Farm Animals, Exempt and Non-Exempt, Health Club, Maternity Home, Mobile Food Vendor- Longer than 10 Days, Mobile Food Vendor Court, Orchard/Crop Propagation, Orphanage, Parking Structure, Commercial, Sewage Pumping Station, Small Scale Farm, Telephone Switching Exchange, Temporary Outdoor Sales/Promotion, Water Supply (elevated storage tank).

Analysis of Surrounding Properties



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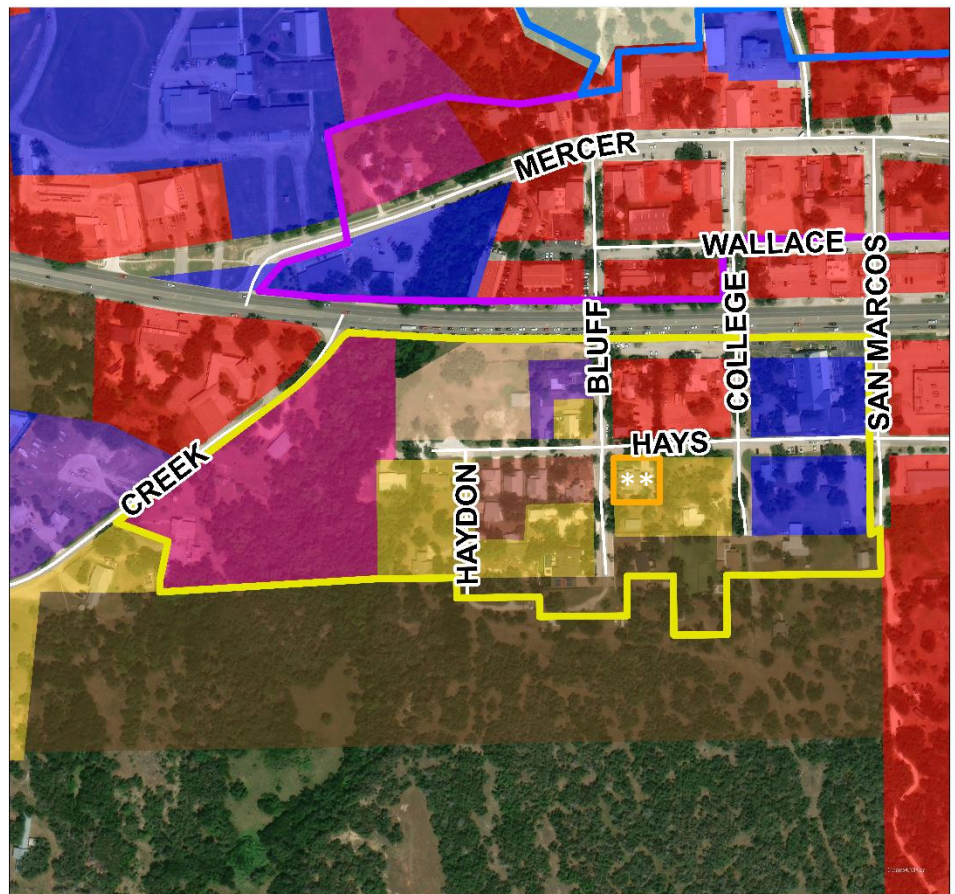
Location Map

ZA2026-002
315 Hays St

- Subject Property
- SF-1
- SF-3
- SF-4
- SF-5
- MF
- GUI
- LR
- GR
- CS
- Historic District
- Hays Street
- Mercer Street
- Old Fitzhugh Road



0 500 1000
Feet

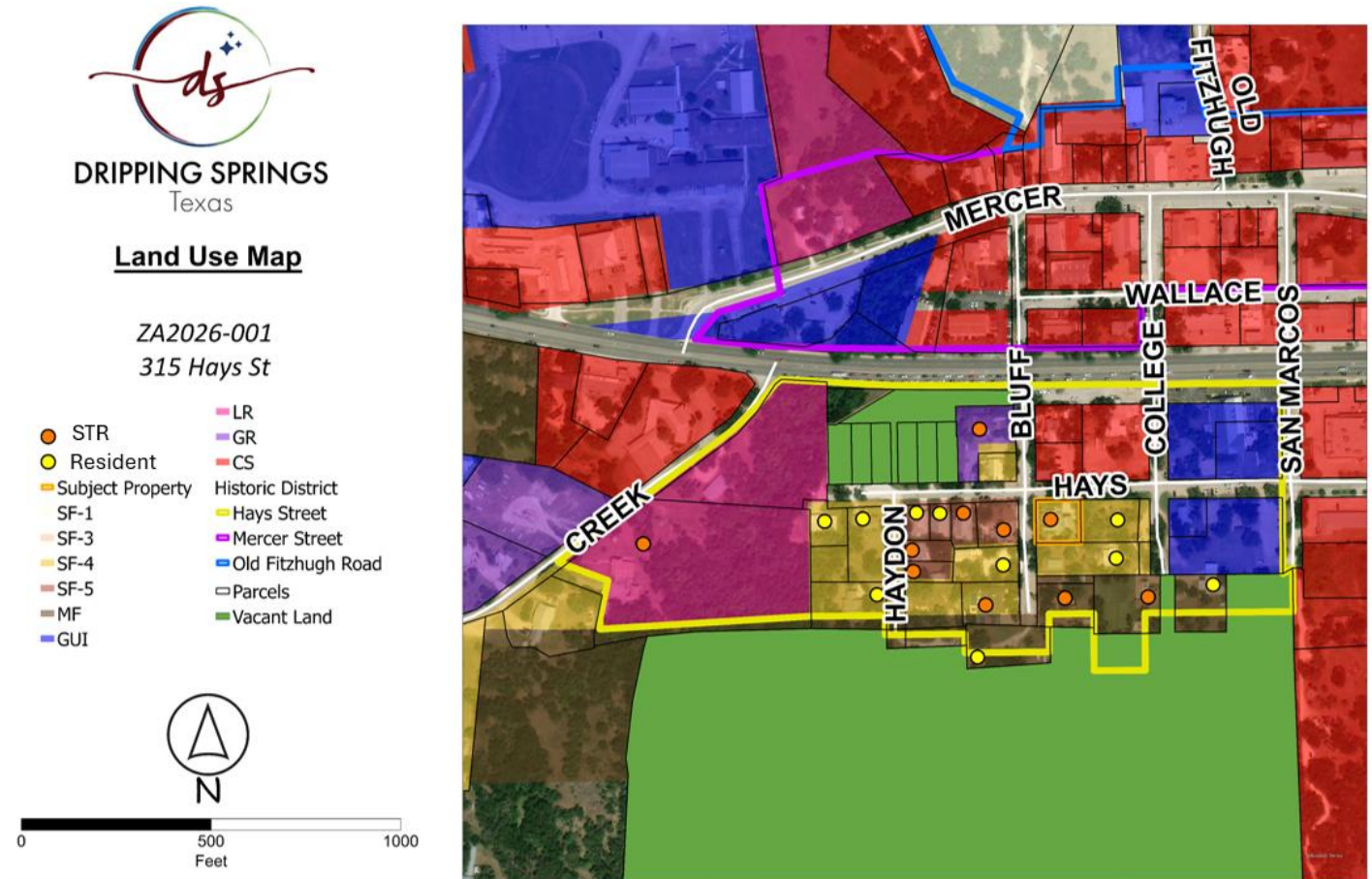


Direction	Zoning District	Existing Use	Future Land Use Map (FLUM)
North	CS-HO	Local Businesses	Combination of Village Center* along US 290 and Village Residential** along Hays and Bluff St
East	SF4-HO	Residential	
South	SF4-HO, MF-HO	Residential	
West	SF5-HO	Short Term Rental, Residential Use	

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* Village Center (Draft 2040 Comp Plan FLUM): Allows mixed use by right (retail, restaurant, office, civic, entertainment, and residential uses as transitions). *This FLUM land use is still draft, therefore it is provided for informational purposes only, and is not binding.*

**Village Residential (Draft 2040 Comp Plan FLUM): Historic buildings to maintain their original intent (mostly single family) while allowing garage apartments/granny flats. Allows professional office, live/work, and retail uses (to be interpreted as light office and corner retail uses). *This FLUM land use is still draft, therefore it is provided for informational purposes only, and is not binding.*



The land use map above shows the locations of existing short term rentals (shown in orange circles), residences (shown in yellow circles), and vacant properties. Further analysis of the land uses in the Hays Historic District shows that 30% of properties are vacant, 30% of the properties are occupied by residential use, 20% are occupied by short-term rentals (STRs), 11% are occupied by commercial use, 9% are occupied by institutional use, and 2% are occupied by office use. While approximately 1/3 of the properties are vacant, and 1/3 are residential, the remaining properties are occupied by STR's, commercial, office or institutional use. In addition, the vacant lots are currently zoned for residential use, which means that approximately 1/3 of the historic neighborhood may be further developed for residential use, under existing zoning.

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Approval Criteria for Zoning Amendment (Chapter 30 Zoning, Exhibit A, Sec 2.28.1 and 2.28.2)

2.28.2 The Planning & Zoning Commission and the City Council shall consider the following factors:

Factors	Staff Comments
1. whether the proposed change will be appropriate in the immediate area concerned;	Analysis of the land uses in the Hays Historic District shows that 30% of properties are vacant, 30% of the properties are occupied by residential use, 20% are occupied by short-term rentals (STRs), 11% are occupied by commercial use, 9% are occupied by institutional use, and 2% are occupied by office use. While approximately 1/3 of the properties are vacant, and 1/3 are residential, the remaining properties are occupied by STR's, commercial, office or institutional use. In addition, the vacant lots are currently zoned for residential use, which means that approximately 1/3 of the historic neighborhood may be further developed for residential use under the existing zoning, or may be rezoned to allow for additional land uses. The 315 Hays property is a corner property which abuts several existing local businesses and residences along this corridor. A light office use may be considered an appropriate buffer land use between the commercial land uses along US HWY 290 corridor and the residential land uses in the Hays Historic District. The addition of a Conditional Overlay promotes compatibility with existing land uses by imposing conditions relating to the hours of business operation, and further restricting land uses permitted by right to 20 light residential and office land uses.
2. their relationship to the general area and the City as a whole;	The O-HO-CO zoning may support the revitalization and appeal of the Hays Historic district and the City as a whole, by providing access to low intensity office-oriented land uses and services, which will not impact the historic residential character of the Hays District.
3. whether the proposed change is in accord with any existing or proposed plans for providing public schools, streets, water supply, sanitary sewers, and other utilities to the area;	The proposed zoning change will not conflict with existing or proposed plans for public infrastructure in the area.
4. the amount of undeveloped land currently classified for similar development in the vicinity and elsewhere in the City, and any special circumstances which may make a substantial part of such undeveloped land unavailable for development;	N/A. There are currently no O-HO zoned properties in the Historic Districts, although there are existing Office land uses currently permitted under other zoning categories.
5. the recent rate at which land is being developed in the same zoning classification, particularly in the	N/A. There are currently no O-HO zoned properties in the Historic Districts, although there

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vicinity of the proposed change;	are existing Office land uses in the Districts, as is currently permitted under other base zoning categories.
6. how other areas designated for similar development will be, or are unlikely to be, affected if the proposed amendment is approved;	Approving this amendment may encourage additional zoning amendment requests within the Hays District, from residential to office land use, which should be evaluated for appropriateness on a case-by-case basis, considering the intensity of the proposed the land uses, hours of operation, and parking, for example.
7. whether the proposed change treats the subject parcel of land in a manner which is significantly different from decisions made involving other, similarly situated parcels; and	There have been several zoning amendments from single family zoning to commercial zoning in the Hays historic district, for example 103 Creek Rd, which was rezoned from SF-4 to LR, as well as 102 Bluff St, which was rezoned from SF-5 to GR. However, this would be the first zoning amendment from residential to light commercial /office land uses south of Hays street, and as such must be evaluated carefully.
8. any other factors which will substantially affect the public health, safety, morals, or general welfare.	The Historic and Conditional overlays aim to foster compatibility with surrounding land uses, by permitting land uses most compatible with the Hays Historic District neighborhood character, and imposing conditions on business hours of operation.

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Additional Staff Analysis

Staff considers that the proposed conversion of the residential property at 315 Hays, which is not a historic property, to an office use, is an appropriate buffering land use between the more intensive commercial uses along US 290, and the residential uses to the rear of the Hays District.

Staff Recommendation

Staff recommends approval of the Zoning Amendment with the Conditional Overlay, which provides a framework for business operating hours as well as permitted, conditional, and incidental land uses.

Planning and Zoning action:

2.34.1 The P&Z shall hold a public hearing on a zoning an amendment to the Zoning Ordinance. After all public input has been received and the public hearing closed, the P&Z shall make its recommendations on the proposed zoning request and concept plan, if submitted, stating its findings, its overall evaluation of the request, and its assessment regarding how the request relates to the City's Comprehensive Plan. The P&Z may, on its own motion or at the applicant's request, defer its decision recommendations until it has had an opportunity to consider other information or proposed modifications to the request which may have a direct bearing thereon. If the P&Z elects to postpone or defer its hearing on the request, such action shall specifically state the time period of the postponement by citing the meeting date whereon the request will reappear on the P&Z's agenda.

2.34.2 When the P&Z is ready to act upon the zoning request, it may recommend:

- (a) approval of the request as it was submitted by the applicant;*
- (b) approval of the request subject to certain conditions as in the case of a conditional overlay; or*
- (c) disapproval of the request.*

2.34.3 The P&Z's recommendation will be automatically forwarded to the City Council for a second public hearing thereon.

Public Notification

A legal notice advertising the public hearing was placed in the Dripping Springs News Dispatch, signs were posted on the site, notice was placed on the City Website, and all property owners within a 300-foot radius of the site were notified of the zoning map amendment. Please see “Public Comments” section for information on public input results.

Meeting Schedule

November 17, 2026 – City Council

Future HPC meeting(s) will be required for review and decision of the COA permit application

Attachments

Exhibit 1 – Zoning Amendment Application

Exhibit 2 – Proposed Draft Zoning Amendment Ordinance, List of Permitted, Conditional Use, and Prohibited Land Uses

Recommended Action:	Recommend approval of the requested Zoning Amendment
Alternatives/Options:	Recommend denial of the zoning map amendment.
Budget/Financial Impact:	All fees have been paid.

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Public Comments:	a.
Enforcement Issues:	N/A