



City Council Planning Department Staff Report

Planning & Zoning Commission Meeting:

August 18, 2026

Project No:

ZA2026-001

Project Planner:

Sara Varvarigos, AICP – Senior Planner

Item Details

Project Name:

The Mansion Day Spa

Property Location:

200 Bluff St., Dripping Springs, TX

Legal Description:

R138826, W T CHAPMAN #3, BLOCK 4, Lot 1, ACRES 0.3

Applicant:

Russell Collins on behalf of Mr. & Mrs. Killebrew, owners of Glow Medspa on RR12

Property Owners:

Bluff Street Investments LLC

Amendment Request:

Zoning Amendment from “Single-family attached residential district garden home” within the Hays Historic District Overlay (SF5-HO) to “Local Retail” with a Hays Historic District Overlay, and additional Conditional Overlay (LR-HO-CO)

Recommendation:

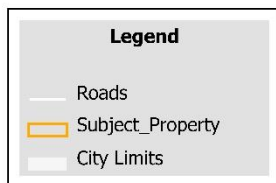
Staff recommends approval of the zoning amendment.



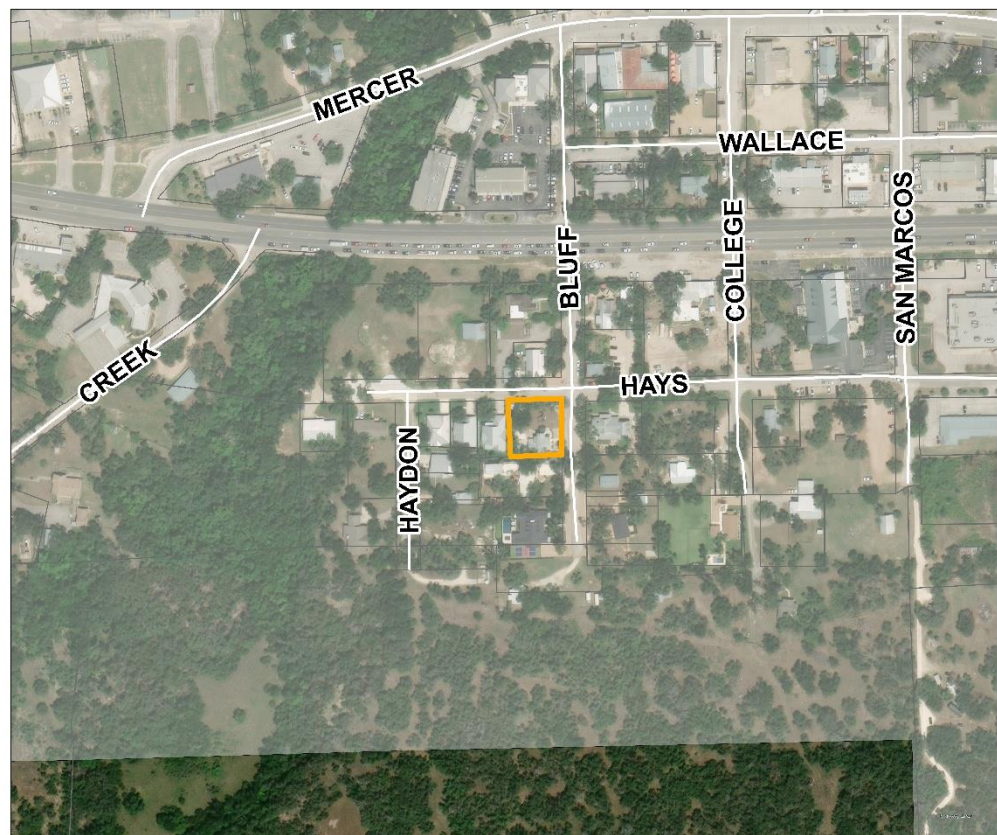
DRIPPING SPRINGS
Texas

Location Map

ZA2026-001
200 Bluff St



0 75 150
Yards



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Overview

The applicants requested approval of a zoning map amendment to rezone an approximately 0.3-acre lot located at 200 Bluff St, in the Hays Historic District, from an existing “SF-5, Single-family attached residential district garden home” base zoning district with a Hays Historic District Overlay (SF5-HO), to a “Local Retail” base zoning district with Hays Historic District Overlay (LR-HO). The subject property has an existing historic residential structure and stone cistern on site, which date back to circa 1883 (Exhibit 1).

The applicants intend to convert the existing residential land use to a health spa offering medical services. Mr. & Mrs. Killebrew have owned and operated Glow Med Spa along RR12 for 5 years, and they are now looking to relocate their business to 200 Bluff St. The proposed zoning amendment would rezone the 0.3-acre property from an attached residential zoning district with a Historic District Overlay (which primarily allows for attached single family garden home and duplex land uses with “Home Business Occupations” as an accessory land use) to a Local Retail zoning district with Historic District and Conditional Overlay, which would allow for limited number of local business land uses, including medical health spas, to operate under a restricted footprint (refer to the land use table in Exhibit 2 for a comparison of existing (SF5-HO) and proposed (LR-HO) permitted land uses).

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 LR zoning district from 82 to 73, so that certain uses that would ordinarily be allowed in Local Retail (including Check Cashing Service, Credit Agencies, and Furniture Store (New and/or Used)), 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 200 Bluff 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 July 2026, the City of Dripping Springs sent out public notices of the requested Zoning Map Amendment to properties located within 300 feet of 200 Bluff St, and two letters of support were provided to the City of Dripping Springs (refer to Attachment 3). A Planning and Zoning Commission meeting and public hearing was then held on July 28, 2026, and the Planning and Zoning Commission recommended approval of the requested LR-HO zoning-map amendment without conditions. However, it is worth noting that additional public input provided during the P&Z public hearing on July 28, 2026, and through email on July 31, 2026 (refer to attachment 4), expressed support for the proposed Medical Health Spa use at 200 Bluff, while also indicating concern that a zoning amendment might encourage similar zoning amendments in the Hays district, or allow land uses that would be incompatible with the residences in the area. Public input also acknowledged the changing conditions and circumstances in the Hays Historic District, which has been transitioning from a primarily homeowner-occupied neighborhood to an increasingly short-term rental (STR) occupied area, and requested that additional measures be put in place to safeguard the existing quality of life of residents.

Therefore, staff is recommending that additional conditions be placed on the requested zoning amendment, through the addition of a Conditional Overlay, which will amend the proposed zoning from LR-HO to LR-HO-CO (refer to Attachment 2), and will further support the preservation of the existing neighborhood character of the Hays District through the following conditions:

1. reducing land uses permitted by right from 73 to 59
2. increasing the number of land uses requiring a conditional use permit from 12 to 15
3. increasing the number of prohibited land uses from 145 to 156
4. prohibiting any outside storage or display on the site
5. limiting hours of business operation to a schedule between 9 AM to 7 PM.

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The proposed LR-HO-CO district retains the requested LR-HO base classification; Exhibit B in 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 LR-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 SF5-HO to LR-HO-CO is an essential step toward facilitating the proposed land use conversion of the site located at 200 Bluff St.

Per Ch. 30 Exhibit A and Hays Historic Guidelines:

- The **SF-5, single-family attached residential district** is intended to promote stable, quality, attached-occupancy residential development on individual lots at slightly increased densities. Individual ownership of each lot is encouraged. This district may be included within certain areas of neighborhoods or, when in accordance with the intent of the comprehensive plan, may provide a "buffer" or transition district between lower density residential areas and multiple-family or nonresidential areas or major thoroughfares.
- The **LR, local retail district** is established to provide areas for low intensity, specialized retail sales that are intended to service local neighborhoods, citizens, and visitors of the city. Bed-and-breakfasts are permitted within local retail districts. General, office, regional commercial, or commercial services uses should not 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 LR-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: SF5-HO	Proposed Zoning: LR- HO	Differences between SF5-HO & LR-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	2,500	5,000 square feet	2,500 square feet more
Min. Lot Width	30 feet	50 feet	20 feet more
Min. Lot Depth	NA	100 feet	NA
Impervious Cover	80%	60%	20% less
Number of Uses Permitted by Right "P"	16	73*	57 more (refer to Exhibit 2 for full list of permitted "P" uses)

* The LR District without the HO overlay would allow the following additional land uses by right: Telemarketing, Security Monitoring, Credit Agency, Check Cashing Service, Armed Services Recruiting Center, Tire Dealer, Auto Financing & Leasing, Vacuum Cleaner Sales & Repair, and Tool and Machinery Rental; the originally proposed LR-HO overlay therefore restricts uses permitted by right "P" from 82 to 73.

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	Comparison of Existing and Proposed Zoning With Conditional Overlay		
	Existing Zoning: SF5-HO	LR- HO-CO	Differences between SF5-HO & LR-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	2,500	5,000 square feet	0 feet
Min. Lot Width	30 feet	50 feet	2,500 square feet more
Min. Lot Depth	NA	100 feet	20 feet more
Impervious Cover	80%	60%	NA
Number of Uses Permitted by Right “P”	16	59*	43 more than SF5-HO, 14 less than LR-HO (refer to Exhibit 2 for full list of permitted “P” uses)

*The addition of a Conditional Overlay to the originally proposed LR-HO zoning (so that it now becomes LR-HO-CO) would further restrict uses permitted by right, so that Computer Sales, Multiple-Family Dwellings, Rooming/Boarding Houses, Limited Food or Grocery stores, Furniture stores, Hardware stores, Public Markets, Pharmacies, Upholstery Shops, Used Merchandise/Furniture, and Veterinary Clinics with Indoor Kennels would not be permitted by right, while Restaurants, Child Day-Care facilities, and mobile food vendors onsite less than 10 days would now require a CUP.

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Analysis of Surrounding Properties



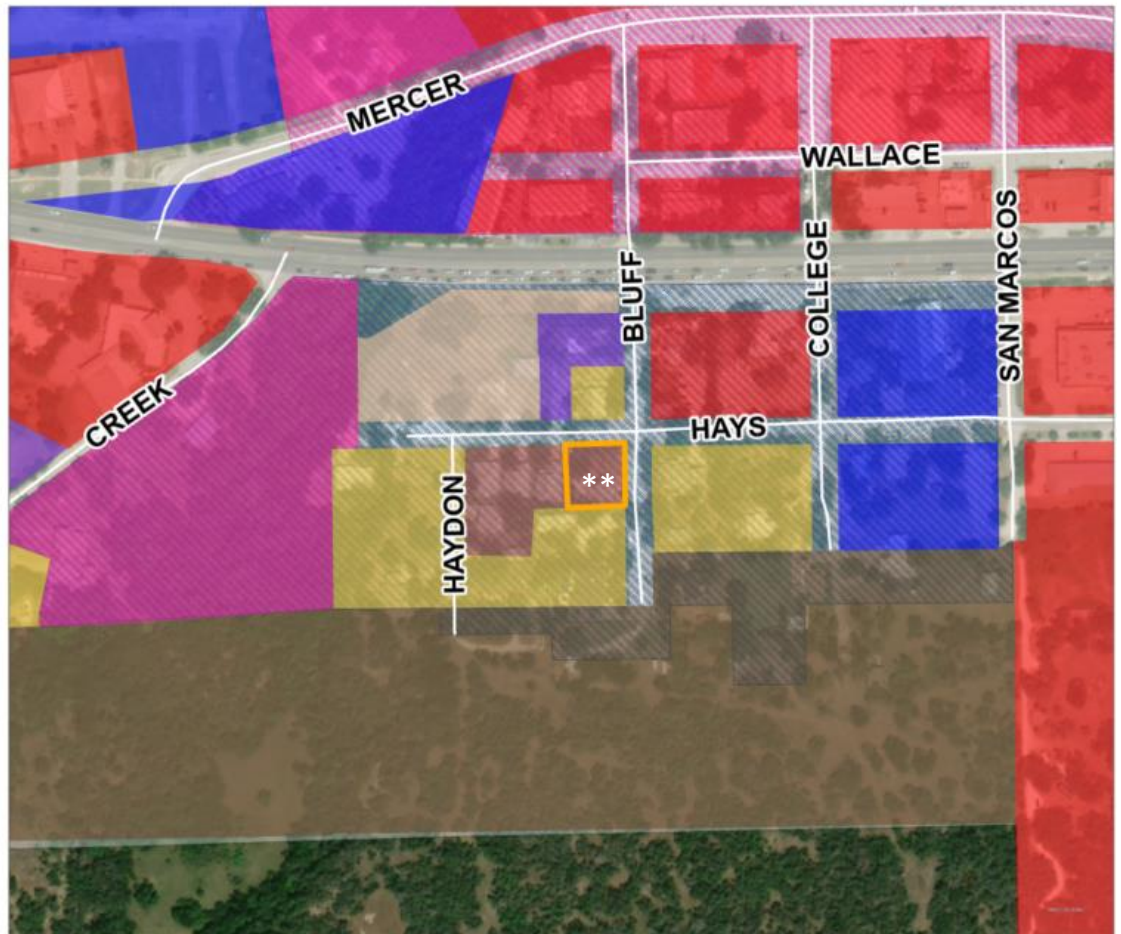
Existing Zoning

ZA2026-001
200 Bluff St

Legend	
	Subject Property
Base Zoning District	
	SF-3
	SF-4
	SF-5
	MF
	GUI
	LR
	GR
	CS
Historic Overlay	
	Hays Street
	Mercer Street



0 75 150
Yards



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

* 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. *This FLUM land use is still draft, therefore it is provided for informational purposes only, and is not binding.*

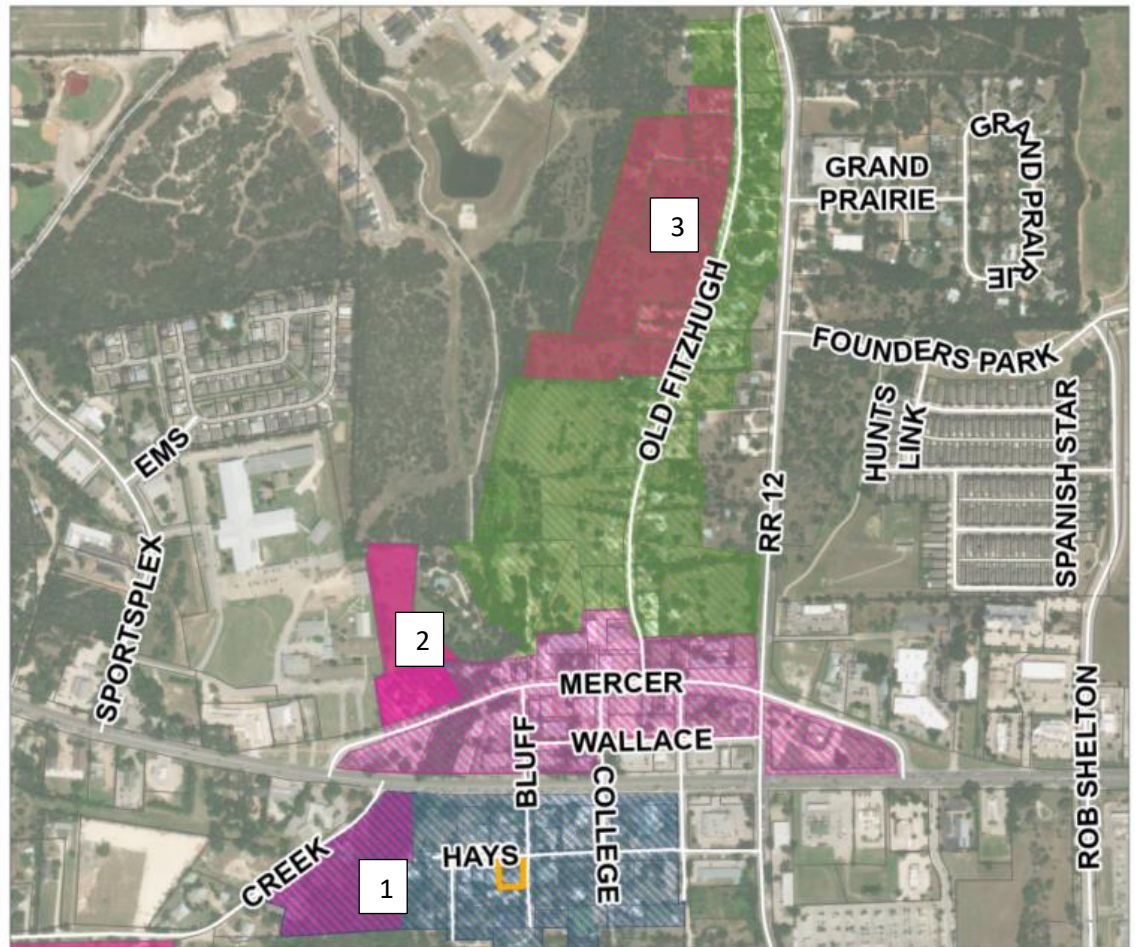
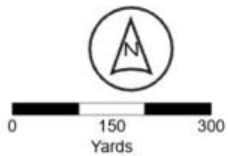
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Existing LR-HO Zoned Properties



LR-HO Zoning

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200 Bluff St



LR-HO Zoning District Areas	Description	Approximate Area	Existing Use
1	LR-HO, Hays District	1.74 & 4.38 Acre Parcels along Creek Rd	Professional Office Use & Short Term Rental
2	LR-HO, Mercer District	2.67 Acre Parcel along Mercer St	Short Term Rental
3	LR-HO, Old Fitzhugh District: Cluster of larger parcels along Old Fitzhugh	15.39 Acres (Multiple Parcels) along Old Fitzhugh Rd	Residential Use, Short Term Rental, Wine Bar, Beauty Salon

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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;	The proposed zoning change to a Local Retail base zoning district with Historic Overlay, and Conditional Overlay (LR-HO-CO) is considered appropriate for this portion of the Historic District, which abuts several existing local businesses (including Kerry Lynn Designs, Danyale Keim Design, Rolling in Thyme and Dough, and Dripping Springs A/C & Heating, refer to Attachment 1), as well as short term rentals and residences. In addition, two neighboring property owners of 200 Bluff St, (Kerri Cavender of Kerry Lynn Designs - 112 Bluff St, and Danyale Keim of Danyale Keim Design - 102 Bluff St), have provided letters of support for the proposed land use, stating that that the addition of day spa services at 200 Bluff St will attract desirable clientele to the area, further strengthen existing businesses, and increase the overall value and appeal of nearby commercial properties (Attachment 3). The addition of a Conditional Overlay will help address additional input shared by neighborhood residents about the importance of upholding the existing neighborhood character of the immediate area, by imposing conditions relating to the hours of operation of business land uses, and further restricting land uses permitted by right (refer to “Public Comment” section of the staff report, and Attachment 4 for additional public input).
2. their relationship to the general area and the City as a whole;	The updated LR-HO-CO zoning will support the preservation of the historic character of the Hays District, by limiting the permitted land uses to 59 uses that are most compatible with the land uses of the Historic District, as opposed to the full list of 82 land uses that are permitted elsewhere in the City for LR zoning districts without a Historic or Conditional Overlay (refer to Exhibit 2 for more information). The LR-HO-CO zoning will also support the vibrancy and appeal of the historic district, by allowing the adaptive reuse of a historic property that will ultimately: • provide additional services to the surrounding community and visitors to Dripping Springs • support the long-term maintenance and restoration of the historic property.
3. whether the proposed change is in accord with any existing or proposed plans for providing public schools, streets, water supply, sanitary sewers, and	The proposed zoning change will not conflict with any existing or proposed plans for public infrastructure in the area. The Downtown Master

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other utilities to the area;	Drainage and Sidewalk Plan Concept shows on-street parking and sidewalks at this location, although this plan is preliminary and subject to change (refer to Attachment 5). In addition, based on analysis of wastewater production from Medical Offices, it is anticipated that the project will require a minimal amount of Living Unit Equivalents (LUE's) for wastewater, which can be served by the City of Dripping Springs.
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;	Existing LR-HO-zoned land is primarily found in 3 areas: 1. 101 and 103& 105 Creek Rd 2. 500 Mercer 3. Several contiguous parcels of land along Old Fitzhugh Road. Area 1 is currently occupied by professional offices and short term rentals in the Hays District, with no additional development currently planned. Area 2 is a Recorded Texas Historic Landmark located in the Mercer District, and is a contributing property to this National Register District; the landmark status of this property conveys an additional level of protection to the preservation to the property, and no additional development is currently planned. Area 3 consists of several contiguous parcels in the Old Fitzhugh Rd Historic District, which are currently occupied by Residences, Short Term Rentals, a Wine Bar, and a Beauty Salon. No additional development is currently planned.
4. the recent rate at which land is being developed in the same zoning classification, particularly in the vicinity of the proposed change;	The land in the surrounding areas with this same LR-HO zoning classification is primarily developed land, which has historically been used for single family residential use, but has also increasingly been converted to STRs, offices, and local business land uses in the past decade, with several notable zoning amendments in recent years: • 2007: The amendment of 501, 507, 511, and 731 Old Fitzhugh from SF-1 to LR • 2014: The amendment of 103 and 105 Creek Rd from SF4 to LR • 2016: The amendment of 730, 750, and 801 Old Fitzhugh from SF-1 to LR • 2017: The amendment of 505 Old Fitzhugh from SF-1 to GR • 2020: The amendment of 102 S Bluff from SF-5 to GR-HO, and the amendment of 519 Old Fitzhugh from SF-1 to LR-HO • 2024: The amendment of 575 Old

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	Fitzhugh from SF-1 to LR-HO
5. how other areas designated for similar development will be, or are unlikely to be, affected if the proposed amendment is approved;	Approving this amendment will not negatively impact other areas designated for LR-HO. It will enhance the vitality of the existing Historic District by allowing compatible business land uses, but it will not interfere with other areas having a similar zoning designation, or impede their ability to develop.
6. 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	Approval of this request would not treat the subject parcel differently from other decisions made involving similarly located parcels in the past, as shown with the list of approved rezoning requests referenced in this report. There have been several zoning amendments from single family zoning to Local Retail in the Hays historic district, for example 103 Creek Rd, as well as 102 Bluff St, which was rezoned from SF-5 to GR-HO. However, it will allow for a context-sensitive, and compatible adaptive reuse of the unique historic structure in a historic neighborhood.
7. any other factors which will substantially affect the public health, safety, morals, or general welfare.	The proposed change supports public welfare by enhancing community vitality in the Historic District, offering access to new services, ultimately attracting additional customers and supporting neighboring businesses in the Historic District. It also ensures compatibility with surrounding residential uses, minimizing adverse impacts on adjacent properties by only permitting those land uses most compatible with the Hays Historic District neighborhood, imposing conditions on hours of operation, as well as prohibiting outside storage.

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Additional Staff Analysis

Staff considers that the proposed conversion of the iconic residence at 200 Bluff St, which features a unique Classic Greek Revival architectural style, to a health spa offering medical services, would support an appropriate adaptive reuse of the property. The structure, which was built in 1883 by Doctor J. W. Harrison, served as his residence, and it likely had a home medical office for the Doctor's patients. Upon his retirement in 1891, Doctor Harrison sold the property to Doctor S.G. Shaw. Doctor Shaw then owned the property for 2 years, before selling the property to a third doctor, who owned it until it was sold to D.G. Jones in 1905.

Therefore, staff considers that the proposed zoning change would allow for an compatible and context-sensitive adaptive reuse of the property, which would also align with the historic use of the property.

Staff Recommendation

At their regular meeting on July 28, 2026, the Planning & Zoning Commission voted unanimously to recommend approval of this request.

Staff recommends **Approval** of the zoning amendment as presented.

Council Review:

2.35.1 Every application or proposal which is recommended for approval or approval with conditions by the P&Z shall be automatically forwarded, along with the P&Z's recommendation, to the city council for setting and holding of public hearing thereon following appropriate public hearing notification, as prescribed in subsection 2.32. The city council may then approve the request, approve it with conditions, or disapprove it by a simple majority vote of the city council members present and voting, except where super majority is required as listed below.

Public Notification

A legal notice advertising the public hearing was placed in the Dripping Springs Century-News, 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

July 28, 2026 – Planning & Zoning Commission (application recommended for approval without conditions)

August 18, 2026 – City Council

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

Note that a parking variance may be required if the site plan requires an off-site parking agreement

Attachments

Exhibit 1 – Zoning Amendment Application

Exhibit 2 – Proposed Draft Zoning Amendment Ordinance

Exhibit 3 – Support Letter- Local businesses

Exhibit 4 – Resident Public Input Letter

Exhibit 5 – Downtown Master Drainage and Sidewalk Plan Concept

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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.
Public Comments:	a. 2 Public letters in support provided by adjacent business owners located at 112 Bluff St (Kerri Cavender, Kerry Lynn Designs) and 102 Bluff St (Danyale Keim Design) (refer to attachment 3) b. P&Z Public Hearing Feedback shared on July 28, 2026: a. Evelyn Strong (former P&Z Commissioner) shared positive feedback about the proposed land use, and expressed concern about the parking arrangements in the conceptual site plan being inadequate b. Hays District Resident Taline Manassian provided public input supporting the proposed medical spa use, and also expressed concern about the potential impact to the residents c. In a letter sent on July 31, 2026 (refer to attachment 4) Hays District Resident Steve Mallett expressed support for the proposed medical use, and the rehabilitation of the historic building, while requesting that additional conditions be placed on a zoning amendment to preserve the quality of life of neighboring residences
Enforcement Issues:	N/A