



City Council

Planning Department Staff Report

Planning and Zoning Commission Meeting:

June 3, 2025

Project No:

VAR2025-002

Project Planner:

Tory Carpenter, AICP, Planning Director

Item Details

Project Name:

Dripping Springs Sports Club

Property Location:

Northwest Corner of Canyonwood Drive and US 290

Legal Description:

10 Acres out of the Headwaters Commercial Tract

Applicant:

Drew Rose, DSSC Equity, LLC

Property Owner:

Oryx Land Holdings, LLC

Request:

A variance to allow a building larger than 100,000 square feet in a the PDD6 Zoning District



VAR2025-002
Dripping Springs
Sports Club

Legend

- Roads
- Subject Property
- City Limits



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Overview

The applicant, DSSC Equity, LLC, is requesting a variance from the maximum gross floor area permitted for commercial buildings under the Headwaters Planned Development District (PDD 6). Section 2.4.6(a) of the PDD, which was approved in 2016, limits commercial building size to 100,000 square feet. The proposed Dripping Springs Sports Club (DSSC) facility is approximately 160,000 square feet in gross floor area, a 60% increase over the allowed maximum.

The facility includes a mix of uses such as youth sports, fitness amenities, indoor courts, an elevated track, family entertainment, and dining. The building footprint itself is 65,000 square feet, with additional gross area accommodated through two stories and a mezzanine level.

The applicant states that the variance is necessary due to the nature and function of the building. The larger floor area allows the project to deliver its intended multi-purpose services without exceeding the site's design limits in terms of footprint or setbacks. Key points of justification provided by the applicant include:

- ***Economic and Employment Impact:*** *DSSC anticipates over \$8 million in revenue by year 3 and expects to employ approximately 30 full-time and 60-90 part-time staff.*
- ***Significant Setback Compliance:***
 - *Required: 25' from property perimeter / Proposed: 324'*
 - *Required: 50' from Canyonwood Drive residences / Proposed: 151'*
- ***Architectural Enhancements:***
 - *Metal screening features for sun shading and visual articulation*
 - *Full rooftop mechanical screening*
 - *Use of sloped roof design in line with Hill Country aesthetics*
 - *Enhanced articulation on all sides of the building*
- ***Environmental and Design Considerations:***
 - *Turf and drought-tolerant landscaping to reduce water usage*
 - *Parking lot islands exceeding code in number, size, and planting quality*
 - *Natural, subdued color palette integrated with local Hill Country character*

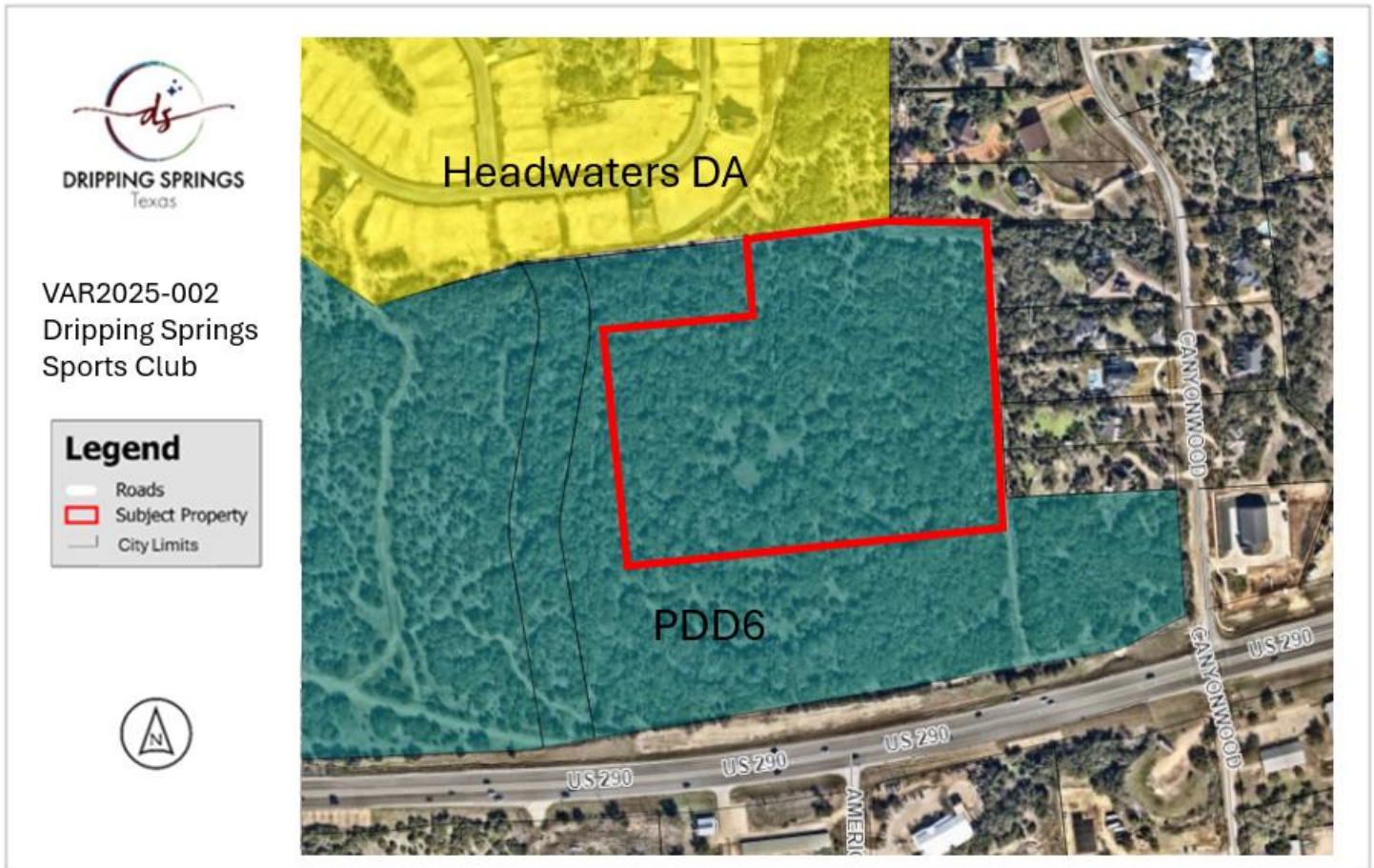
PDD Requirement	Applicant Request	Difference
Maximum 100,000 sqft structure	Up to a 160,000 sqft structure with a 65,000 sqft footprint	60%

If the requested zoning amendment and variance are approved, the applicant will be required to submit the following permits which are reviewed and approved administratively by staff:

1. Alternative Exterior Design
2. Site Development Permit
3. Building Permit
4. Sign Permits

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Surrounding Properties



Direction	Zoning District	Existing Use	Future Land Use
North	Headwaters Development Agreement	Single-Family/Open Space	This site is adjacent to the Headwaters “Commercial Activity Center”
East	ETJ	Single-Family	
South	PDD6	Proposed Commercial	
West	PDD 6	Proposed Commercial	

Approval Criteria for Variance (2.22.2-Zoning Ordinance)

Approval Criteria	Staff Comments
1. there are special circumstances or conditions affecting the land involved such that the literal enforcement of the provisions of this Chapter would deprive the applicant of the reasonable use of the land; and	The dual-purpose nature of the proposed facility—with large indoor courts, a mezzanine track, and community areas—creates special conditions that are not typical of standard commercial buildings.
2. the variance is necessary for the preservation and enjoyment of a substantial property right of the applicant; and by preserving the natural features and topography of the land; and	The proposed use fulfills a unique need in Dripping Springs for a family- and youth-oriented indoor recreational facility. The variance supports the enjoyment of a substantial property right while maintaining

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	compatibility with the surrounding area through thoughtful design and site layout.
3. the granting of the variance will not be detrimental to the public health, safety or welfare, or injurious to other property within the area; and	The project provides increased building setbacks, mitigates scale through articulation, and aligns with the Hill Country aesthetic. With further coordination on architectural and tree mitigation elements, the variance is not expected to result in adverse impacts to public health or nearby properties.
4. the granting of the variance constitutes a minimal departure from this Chapter; and	While the increase to the gross square footage is 60%, the variance remains a minimal departure in context, given the footprint remains well within setbacks and the bulk of the added area is vertical rather than horizontal expansion.
5. the subject circumstances or conditions giving rise to the alleged hardship are not self-imposed, are not based solely on economic gain or loss, and do not generally affect most properties in the vicinity of the property; and	The need for additional space arises from the specific functional design of the facility rather than economic considerations. This type of mixed-use indoor athletic facility is rare in the area, and the request is not common among surrounding properties.
6. Granting the variance is in harmony with the spirit, general purpose, and intent of this Chapter so that: <ol style="list-style-type: none"> the public health, safety and welfare may be secured; and that substantial justice may be done. 	<p>The facility design considers the health and welfare of the community by providing access to recreation and wellness amenities.</p> <p>Substantial justice is served by supporting an appropriate, community-oriented land use in a context-sensitive manner.</p>

Additional staff analysis:

While the subject property is located within the Headwaters PDD, which is vested to the City's previous tree preservation ordinance, the variance process allows the Planning and Zoning Commission to require enhanced tree preservation measures as a condition of approval. Given the scale of the proposed development and its proximity to residential uses, staff finds that additional tree protection and mitigation could provide important buffering and aesthetic benefits that align with the goals of the City's current environmental policies.

Staff finds that the requested need for increased square footage due to the specific functional and community-serving nature of the project is generally justifiable. Additionally, design commitments and substantial setbacks contribute to mitigating the scale of the proposed structure.

The subject property is located within the Headwaters PDD (Planned Development District #6), which includes customized development standards that differ from the City's base zoning regulations. The table below summarizes key differences between current City Code requirements and the standards established in the approved PDD:

Standard	City Code Requirement	PDD #6 Requirement
Tree Preservation	Subject to current Tree Preservation Ordinance	Vested to prior ordinance; new tree standards do not apply
Lighting	Must comply with current Lighting Ordinance	Must comply with current Lighting Ordinance
Building Height	Max 2.5 stories or 40 feet	Max 4 stories or 55 feet
Building Size	Max 50,000 sq. ft.	Max 100,000 sq. ft.; buildings over 50,000 sq. ft. require Alternative Exterior Design approval

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Previous Actions

At their meeting on April 22, the Planning & Zoning Commission voted to postpone the request to the May 27 meeting. The Commission directed the applicant to provide additional information related to tree preservation, building design, screening, and vehicular access.

At their meeting on May 27, 2025, the Planning & Zoning Commission voted 3-2 to recommend approval of the request, with Commissioners Bourguignon and Foster voting in opposition.

Summary and Recommendation

Staff recommends approval of the variance request with the following conditions:

1. The applicant must provide 8-foot masonry screening in the form of stone or brick, as best determined by the Development Review Committee (DRC), along the eastern and northern property boundaries consistent with Section 5.10.1 of the Zoning Ordinance.
2. The applicant shall submit an Alternative Exterior Design application for review and approval prior to submitting a site development application.

Required Vote Threshold

The concurring vote of at least 75% of the full Board of Adjustment (4 of 5) is required to approve a variance request. This supermajority requirement applies to any decision under the Board's review authority.

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 Variance request.

Meetings Schedule

April 22, 2025 Planning & Zoning Commission

May 27, 2025 Planning & Zoning Commission Reconsideration

June 3, 2025 Board of Adjustments

Attachments

Attachment 1 – Variance Application

Attachment 2 – Application Materials

Attachment 3 – Public Comment

Recommended Action	Recommend approval with the condition referenced above.
Alternatives/Options	Recommend denial of the variance or approval with alternate conditions.
Budget/Financial impact	N/A
Public comments	Staff has received numerous letters and support and opposition of the request which are included in the packet.
Enforcement Issues	N/A
Comprehensive Plan Element	N/A