



AGENDA ITEM SUMMARY FORM

PROPOSED MEETING DATE: August 7, 2024
PREPARED BY: Scott Dunlop, Director
DEPARTMENT: Development Services

AGENDA ITEM DESCRIPTION:

Second and Final Reading: Consideration, discussion, and possible action on an Ordinance rezoning the Monarch Ranch Subdivision, being 134.53 acres, more or less, and located at the southwest corner of the intersection at Gregg Lane and FM 973, Manor, TX from Planned Unit Development (PUD) to Planned Unit Development (PUD).
Applicant: SEC Planning
Owner: Blackburn Group LLC

BACKGROUND/SUMMARY:

The Monarch Ranch PUD was first approved by Ordinance 636 on January 19, 2022. It was amended by Ordinance 681 on December 7, 2022. This amendment was to update the roadway and lot layout to accommodate the city’s new thoroughfare plan.

This second amendment to the PUD proposes reducing the minimum dwelling unit size from 1,700 square feet to 1,300 square feet. No other additional PUD changes are proposed.

Limits have been set on the range of home sizes so as to provide multiple options as well as having enough home elevations/designs to satisfy our zoning code’s requirement for elevation differentiation. The development is approved for 400 homes, so 20% would represent 80 homes. Each size range is limited to 20% of the overall development, except for units 1,701 or larger, which are not limited.

Minimum dwelling unit size:

Dwelling Unit Size (conditioned space)	Maximum Percentage
1,300 - 1,400 sq. ft.	20%
1,401 - 1,500 sq. ft.	20%
1,501 - 1,600 sq. ft.	20%
1,601 - 1,700 sq. ft.	20%
1,701 + sq. ft.	Unlimited

The second amendment to the PUD is being considered concurrently with the Third Amendment to the Development Agreement. The Development Agreement amendment is to update the masonry requirements based on the proposed dwelling unit sizes in this second PUD amendment.

Under our zoning code, the minimum dwelling unit size (conditioned space) for properties not in the Historic District is 2,000 square feet for SF-1 and 1,700 for SF-2. If the homes are 50% masonry (stone, brick, or cement stucco), these can be reduced to 1,500 sf and 1,200 sf, respectively, with the approval of a Development Agreement. For unconditioned space, a two-car enclosed garage and a minimum 100 sf covered or uncovered patio are also required. Enclosed garages typically are 350 sf – 400 sf, so with these, the overall structure could be 2,500 sf – 2,200 sf, if no masonry is included.

The original Monarch Ranch PUD followed the SF-2 standard and set the minimum dwelling unit size to 1,700 sf. Through the Development Agreement, they were approved to have 30% front façade masonry, with corner and double-frontage lots also having a minimum of 30% of masonry on the side or rear. Had they been zoned SF-2 rather than PUD, the dwelling units would have required 0% masonry, so the Development Agreement requiring 30% front façade masonry was higher than code standards.

Our zoning code allows for each 10% increment of masonry applied to the entire structure, the conditioned space can be reduced by 100 square feet. So a home in an SF-2 district is required to have 1,700 sf of conditioned space, but if 50% of the structure is masonry, the minimum dwelling size can be 1,200 sf.

A modified version of this code is being applied to the Monarch Ranch PUD with the Development Agreement amendment. Since the current Development Agreement only requires front façade masonry and not an overall structure percentage, the amendment maintains that exception but increases the amount of masonry on the front façade consistent with our zoning code. So for each 100 sf the dwelling unit is reduced the front façade masonry is increased by 10%. The table below is what is proposed in the Development Agreement amendment to be considered by the City Council when the PUD amendment comes back for the second and final reading on August 7th, should the first reading be approved.

A. Masonry and Dwelling Unit Size Table

Dwelling Unit Size (conditioned space)	Minimum Front Façade* Masonry Percentage
1,300 – 1,400 sq. ft.	70%
1,401 – 1,500 sq. ft.	60%
1,501 – 1,600 sq. ft.	50%
1,600 – 1,700 sq. ft.	40%
1,701 + sq. ft.	30%

* Collector Road and Corner Lots shall have side and rear masonry percentages equal to the minimum front façade percentage.

The Planning and Zoning Commission at their July 10th meeting voted 4-1 to recommend approval with the table modified to be:

Dwelling Unit Size (conditioned space)	Maximum Percentage
1,300 -1,400 sq. ft.	15%
1,401 – 1,500 sq. ft.	15%

1,501 – 1,600 sq. ft.	20%
1,601 – 1,700 sq. ft.	20%
1,701 + sq. ft.	Unlimited

The Planning and Zoning Commission discussed at length the need to balance housing affordability/attainability and long-term property values/neighborhood character. The Developer promoted the smaller unit sizes to be at a more attainable price while also providing additional choices and designs for buyers.

Commissioner Orion spoke from recent personal experience that smaller units do not always mean the cost of the home becomes that much more affordable as she shared her experience looking for a new home in Elgin prior to moving to Manor where the homes were 900 sq. ft to 1,760 sq ft., and the smaller ones were still around \$350,000+. She further spoke that under the proposed maximum percentages, 80% of the entire development could be below the code minimum of 1,700 sq. ft., which does not meet a PUD’s intent to be a superior zoning designation. Commissioner Stensland spoke of his experience in Austin, which tries to provide all types of homes, for all types of people, in all parts of town; so by approving this PUD amendment, it would introduce a larger variation of home sizes and help achieve a more diverse community. However, Commissioner Stensland agreed with Commissioner Orion that the number of units below the current 1,700 sq. ft. should be limited further as a PUD is intended to be a superior zoning classification above standard zoning.

Vice-Chair Chavis and Commissioner Meyer spoke of their concern that the smaller units could be clustered in one phase or area of the development as the PUD does not restrict the number of unit sizes within each phase. The Developer said that shouldn’t be a concern as they plan to disperse the housing types throughout the development. The developer additionally added that they have homes that go up to 2,800 sq. ft. of conditioned space (3,200 sq. ft. total), so the 1,700 sq. ft. minimum doesn’t represent the maximum home size they intend to offer to buyers. Based on the lot size mix, the larger 60’ lots would have the larger homes, and as currently planned and approved on the Preliminary Plat, the development has 25.2% 60’ lots and 74.8% 50’ lots. Within Phase 1 the unit mix is 98 50’ lots and 36 60’ lots, Phase 2 has 109 50’ lots and 20 60’ lots, and Phase 3 has 81 50’ lots and 41 60’s. In total that is 288 50’ lots and 97 60’ lots for a total of 385 lots.

The developer said his goal is not to put in 20% 1,300 sq. ft. homes, as this PUD amendment would allow, but to offer a variety of products and price points and let the market decide demand.

Commissioner Orion motioned to reduce the proposed 20% limits to 10% each, which would have allowed 40% of the total units to be below 1,700 sq. ft and Commission Meyer seconded it. That motion failed 2 – 3, with Vice Chair Chavis, Commissioner Stensland, and Commissioner Nila voting against it. Commissioner Stensland put forward a new motion to reduce units 1,300 – 1,500 to 15% each, 1,500 – 1,700 to 20% each, and 1,700 + unlimited. That motion was approved 4-1, with Commissioner Orion voting against it. Commissioner Stensland said this allows 30% the development to be above 1,700 sq. ft., which provides enough space for growing families, and 70% below, which provides people with additional choices that suit their needs and budgets. Commissioner Orion objected as she spoke that to maintain superiority, the development should be primarily above the code minimum of 1,700 sq. ft. with only 20-30% of the entire project below the 1,700 sq. ft. limit. Commissioner Orion said that a better way to achieve affordability is to reduce lot sizes in future developments and not dwelling unit sizes.

The City Council approved the first reading at the July 17th meeting 5-1 with Councilmember Deja Hill opposing. A discussion was held to clarify the updated masonry requirement in the draft development agreement, why the developer was making this request, and how many homes would fall under the current 1,700 sf requirement. Michael Burrell provided that with the recommended percentages, the PUD is approved for 400 homes, so there could be 60 1,300 – 1,400 homes, 60 1,401 – 1,500 homes, 80 1,501-1,600 homes, 80 1,601-1,700 homes, and 120 1,701+ homes. He further included the developer thought the minimum square footage was all enclosed

space, but later learned the city only counts conditioned space so the garage was not included in the current 1,700 sq ft. minimum. The developer added they are making the request to have a variety of home types, sizes, and prices to provide the most number of homes to the largest group of potential buyers.

LEGAL REVIEW: Yes, Veronica Rivera
FISCAL IMPACT: No
PRESENTATION: No
ATTACHMENTS: Yes

- Ordinance No. 755
- Rezoning Map
- Aerial Image
- Monarch Ranch PUD
- PUD Comparison
- Draft 3rd DA Amendment
- Public Notice
- Mailing Labels

STAFF RECOMMENDATION:

The City Staff recommends that the City Council approve the second and final reading of Ordinance No. 755 rezoning the Monarch Ranch Subdivision, being 134.53 acres, more or less, and located at the southwest corner of the intersection at Gregg Lane and FM 973, Manor, TX from Planned Unit Development (PUD) to Planned Unit Development (PUD).

PLANNING & ZONING COMMISSION:	Recommend Approval	Disapproval	None
	X – with modifications		
