

**JOINT WORK SESSION
OF THE PLANO CITY COUNCIL AND
PLANNING & ZONING COMMISSION**

THE PLANO CITY COUNCIL AND PLANNING & ZONING COMMISSION WILL CONVENE INTO A JOINT WORK SESSION AT 4:00 P.M. ON MONDAY, JULY 28, 2025, IN THE PLANO MUNICIPAL CENTER, 1520 K AVENUE AND VIA VIDEOCONFERENCE, IN COMPLIANCE WITH VERNON'S TEXAS CODES ANNOTATED, GOVERNMENT CODE, CHAPTER 551 (OPEN MEETINGS ACT), AS FOLLOWS:

Call to Order

Executive Session

In accordance with Vernon's Texas Codes Annotated, Government Code, Chapter 551, Open Meetings Act:

- I. Legal Advice (Section 551.071)
 - a) Respond to questions and receive legal advice on agenda items. (Council and P & Z)

Open Session

- I. Discussion and direction on changes to zoning, subdivision, fees, building codes, and related proposed regulatory changes.
 - a) Presentation and discussion regarding SB 840, SB 15, and SB 2477, including the new Texas statutory limitations on city regulation of multifamily and single-family development. (Council and P & Z)

Adjourn

In accordance with the provisions of the Open Meetings Act, during Work Sessions, agenda items will be discussed and votes may be taken where appropriate. The City Council and Planning and Zoning Commission may convene into Executive Session to discuss posted items in the session as allowed by law.

The City of Plano encourages participation from all citizens. The facility has accessible restroom facilities, drinking fountains, and power assist entrance doors. The facility is easily accessed from public sidewalks and parking areas, with designated accessible parking nearby. If you require additional assistance or reasonable accommodations under the Americans with Disabilities Act for this meeting or facility, including ASL interpreters, you should submit an ADA Reasonable Accommodation Request Form to the ADA Coordinator at least 48 hours in advance. If you need assistance completing the form, please call 972-941-7152. Complete or download the ADA Reasonable Accommodation Request Form at <https://www.plano.gov/395/Accessibility-Accommodations>.

Date: July 23, 2025

To: Honorable Mayor & City Council
Planning & Zoning Commission

Via: Mark D. Israelson, ICMA-CM, City Manager

From: Christina D. Day, AICP, Director of Planning

Subject: **Joint Work Session – State Legislative Updates related to Land Use (SB 15, SB 840, HB 2477)**

Due to the significant impact and impending deadline of legislation from the 89th Legislative Session, a joint work session is being held on Monday, July 28, 2025, at 4:00 p.m. for the City Council and Planning & Zoning Commission to review and discuss changes to city ordinances and regulations.

The Commission held an initial work session on July 21, 2025. The staff report from that session is attached to this memo. **Additional documents, including a report outlining the Commission's initial direction, will be posted as a supplementary packet.**

This information will be reviewed at the joint work session. Staff is seeking direction from the Council and Commission to incorporate into the draft amendments, which will be presented at the following noticed public hearings in advance of the September 1 effective date for the bills:

Special Called Planning & Zoning Commission Meeting

Wednesday, August 6, 2025
6:00 p.m.

City Council Meeting

Monday, August 25, 2025
7:00 p.m.

AGENDA ITEM NO. 7

DISCUSSION AND DIRECTION: Legislative Update

APPLICANT: City of Plano

CASE PLANNER: Christina Sebastian, AICP

DESCRIPTION: Discussion and direction on impacts from the 89th Legislative Session. Project #DI2025-008.

STAFF REPORT – BACKGROUND & INTRODUCTORY REMARKS

BACKGROUND:

The Regular Session of the 89th Texas Legislature concluded on June 2, 2025. While a special legislative session was called, many bills were passed by the Legislature in the Regular Session that impact the regulation of the Zoning and Subdivision Ordinances and the Planning & Zoning Commission (Commission). The Commission called a public hearing on June 2, 2025 ([staff report](#) | [video](#)) for Zoning Case 2025-007 and Subdivision Ordinance Amendment 2025-001.

Staff is currently drafting amendments to bring the Zoning & Subdivision Ordinances into compliance with the passed legislation. A joint City Council and Commission meeting is scheduled for Monday, July 28, 2025, at 4:00 p.m., the results of which will be incorporated into the draft amendments. The drafts will be presented at public hearings for at a special called Commission meeting on Wednesday, August 6, 2025, at 6:00 p.m. The bills discussed in this report go into effect on September 1, 2025, so amendments are scheduled to be considered for final adoption at the August 25, 2025, City Council meeting.

BILLS REQUIRING CHANGES

The Planning Department monitored over 100 bills this legislative session, 29 of which passed. Of these, three of the bills, summarized below, significantly impact Plano's land use policies and require changes to the Zoning or Subdivision Ordinances and direction from the Commission. Additional bills were also approved that will require more straightforward changes to the ordinances; these bills and changes will be presented to the Commission at the public hearings.

The three bills were each bracketed to only apply to cities with a population over 150,000 located in a county with a population over 300,000, resulting in them affecting 19 Texas cities, as shown in Attachment A. If a city fails to follow the new laws, the bills allow more types of litigants to sue cities and a successful litigant is entitled to attorneys' fees, so cities would be responsible for both their own fees and the successful opposing party's fees.

SB 15 (Small Lot Single-family)

[Senate Bill 15](#) prohibits cities from requiring that residential lots be greater than 3,000 square feet, but only on tracts of land five acres or larger that have never been platted and are zoned for single-family homes (with limited exceptions). The bill also includes various restrictions on what can be regulated by the city for these tracts of land, including parking, height, setbacks, and open space.

SB 840 (Multifamily Permissions and Conversions)

[Senate Bill 840](#) has three main impacts:

1. The bill requires that multifamily or mixed-use residential be permitted in any area (with limited exceptions) that allows office, commercial, retail, warehouse, or mixed-use use or development; for Plano, this means multifamily or mixed-use residential must be permitted in any nonresidential zoning district.
2. The bill places limitations on what the city can regulate in regards to multifamily or mixed-use residential in any zoning district, specifically: density, building height, setbacks, parking, floor area ratio, and requiring nonresidential uses. Additionally, all permits and other authorizations (included plats and site plans) for multifamily or mixed-use residential must be administratively approved.
3. The bill allows conversion of buildings from office, retail, or warehouse uses to multifamily or mixed-use residential (with limited exceptions). When these conversions occur, the city cannot require:
 - a. A traffic impact analysis,
 - b. Construction of improvements or payment in lieu of to mitigate traffic,
 - c. Additional parking spaces,
 - d. The extension, upgrade, replacement, or oversizing of a utility except to provide minimum capacity to serve the proposed conversion,
 - e. Design requirements more restrictive than the city's building code, nor

- f. Impact fees for water, wastewater, drainage, and roadways. The city does not currently have these impact fees, but this needs to be considered if impact fees are adopted in the future.

The bill does allow the city to regulate some elements, including short-term rental regulations, water quality protections, historic preservation, and other regulations that are generally applicable to other development. Park fees and building fees are also permitted under the bill.

SB 2477 (Conversion of Nonresidential Buildings to Multifamily)

[Senate Bill 2477](#) is similar to SB 840, however, it is specific to office conversions (item 3, above). The bill includes language that notes if there is conflicting information between SB 840 and SB 2477, SB 840 takes precedence. The two bills are substantially similar, however, SB 2477 does not allow an additional drainage, detention, or water quality requirement, if the conversion does not increase the amount of impervious cover.

STAFF REPORT – ANALYSIS & RECOMMENDATION

Goals

As the impacts of some of these bills are substantial and vary significantly from the comprehensive plan, the city has identified four main goals as ordinances are amended to comply with the new laws:

1. Preserve Plano's ability to foster economic development, particularly in the Legacy and Research/Technology Crossroads® areas.
2. Preserve neighborhood compatibility, especially as it relates to retail corners.
3. Ensure adequate infrastructure.
4. Require well-built multifamily and mixed-use developments.

Nonconformities

As the Commission reviews these bills and considers how Plano should respond to them, they are encouraged to consider the effect of nonconformities. Nonconforming uses have a number of impacts, including potential financial impacts to business and property owners, and the requirement from [Senate Bill 929 in the 88th Legislative Session](#) to require notification to owners and tenants whose uses are being made nonconforming.

Proposed solutions are intended to avoid the creation of nonconforming uses, so the notice required under Senate Bill 929 was not sent. Any changes proposed that create nonconforming uses would require notice and delay amendments past September 1, 2025.

STAFF REPORT – SENATE BILL 15 DETAILS

Senate Bill 15 (SB 15) requires cities to allow small-lot single-family residential development on land which:

1. Is zoned for single-family homes,
2. Has never been platted, and
3. Is five acres or more.

The bill includes some exceptions, the only one of which applies to Plano is land that is within 3,000 feet of an airport. A map showing these tracts is included as Attachment B.

Under SB 15, cities cannot require tracts that meet the above requirements to be platted at a lot size above 3,000 square feet, even if the tract is zoned for a district with larger minimum lot sizes. The developer may opt to follow the base zoning district or plat larger lots, but the city cannot require it. Additionally, the bill specifies a number of development standards that must be applied to tracts platting under the 3,000 square feet standard, as follows:

Element	Maximum Permitted to Regulate per SB 15	Additional Regulations per SB 15
Lot size	3,000 square feet	n/a
Lot width	30 feet	n/a
Lot depth	75 feet	n/a
Front Yard Setback	15 feet	n/a
Side Yard Setback	5 feet	n/a
Rear Yard Setback	10 feet	n/a
Parking	1 space per home	Cannot require covered parking nor off-site parking
Lot Coverage	Minimum of 70%	Cannot regulate bulk of building
Height	3 stories of 10 feet each	n/a
Wall Articulation	n/a	Cannot require variation in depth of walls

STAFF REPORT – SENATE BILL 15-RELATED RECOMMENDATIONS

In response to SB 15, standards for Small Lot Single-family are proposed to be added to Article 15 (Use-Specific Standards), with development standards compliant with the bill. As noted above, developers of land eligible for development under the SB 15 regulations would have the option of following the Small Lot Single-family use-specific standards, or those of their zoning district. Subdivisions that plat under the SB 15 requirements would have that noted on the subdivision plat.

Additionally, these developments will be required to provide open space based on the number of lots in the subdivision. The Subdivision Ordinance is also proposed to be updated regarding alley design for small lots, to require alleys for lots 50 feet or less in width, to align plat vacation standards with the new legislation, and to require notation of the use of the Small Lot Single-family standards on the plat.

STAFF REPORT – SENATE BILL 840 DETAILS

Senate Bill 840 (SB 840) includes two new definitions, listed below with emphasis underlined:

Mixed-use residential: means the use or development, as applicable, of a site consisting of residential and nonresidential uses in which the residential uses are at least 65 percent of the total square footage of the development. The term includes the use or development of a condominium.

This definition is a substantial change from the way the city currently considers mixed-use development. Plano's policy documents support mixed-use that is a maximum of 50% residential, but where SB 840 is in effect, those policies will be preempted by state law.

Multifamily residential: means the use or development, as applicable, of a site for three or more dwelling units within one or more buildings. The term includes the use or development of a residential condominium.

This definition generally aligns with the city's zoning standard, wherein a multifamily dwelling is *"any building or portion thereof, which is designed, built, rented, leased, or let to be occupied as 3 or more dwelling units or apartments or which is occupied as a home or residence of 3 or more households."*

Under SB 840, Plano must permit mixed-use residential or multifamily residential in all of our nonresidential zoning districts, as each of them allows one or more of the nonresidential uses listed under the bill (office, commercial, retail, warehouse, or mixed-use). See Attachment C for a map of areas impacted by SB 840.

The bill includes some exceptions, including areas within 3,000 square feet of an airport and areas within 1,000 feet of a "heavy industrial use," which is defined by the bill. Planning staff worked with Plano Fire-Rescue and the Environmental Health & Sustainability Department to identify locations that meet the definition for "heavy industrial use" in the bill, which are noted in the Attachment C map.

Additionally, SB 840 also restricts what cities can regulate for mixed-use and multifamily residential uses, and these restrictions also apply to all multifamily residential developments, even those in districts where the listed nonresidential uses are not permitted (i.e., Multifamily Residence-1, Multifamily Residence-2, and Multifamily Residence-3 zoning districts).

Element	Restriction per SB 840	
Density	Greater of	Highest density allowed in city, or 36 dwelling units per acre
Maximum Height	Greater of	Highest height that would apply to nonresidential use on same site, or 45 feet (approximately 3 stories)
Setback or buffer	Lesser of	Setback that would apply to nonresidential use on same site, or 25 feet
Parking	Cannot require	More than one space per dwelling unit, or A multilevel parking structure
Lot Coverage	Cannot restrict building floor area in relation to lot area (effectively means Open Space cannot be required)	

Element	Restriction per SB 840
Nonresidential uses	Cannot require multifamily to contain nonresidential uses when located in an area not zoned for mixed-use residential
Approvals	Plats, site plans, and building permits must be approved administratively

SB 840 explicitly allows cities to regulate the following aspects of mixed-use and multifamily residential:

- Short-term Rental Regulations
- Water Quality Protection Regulations
- Voluntary program that allows less restrictive site development standards
- Sewer and Water Access Requirements
- Building Code
- Stormwater Mitigation Requirements
- Historic Preservation Regulations

Nonresidential Conversions

SB 840 and Senate Bill 2477 require cities to permit the conversion of nonresidential buildings to mixed-use or multifamily residential. The buildings must be used for office, retail, or warehouse uses, and must have been constructed at least five years before the date of the conversion. To qualify, at least 65% of the building and at least 65% of each occupied floor of the building must be converted to mixed-use or multifamily residential.

When qualifying buildings are converted, the bills restrict cities from requiring:

1. A Traffic Impact Analysis
2. The construction of improvements or payment of a fee in connection with traffic mitigation,
3. Additional parking besides what already exists on the site
4. The extension or upgrade of a utility, except to provide minimum capacity necessary to serve the conversion, or
5. Design requirements that are more restrictive than required by the adopted International Building Code.

STAFF REPORT – SENATE BILL 840-RELATED RECOMMENDATIONS

With these restrictions and the city's four goals in mind, staff has developed a number of recommendations to respond to SB 840.

Height Regulations

While SB 840 restricts density, the height of a building can be more visually impactful than the density of dwelling units in the building. The comprehensive plan includes information on this on the [What is Density? webpage](#). Two examples are listed below for comparison:

Windrose Tower Condos

7901 Windrose Avenue
340 feet tall



LVL 29 Apartments

6000 Columbus Avenue
356 feet tall



These two buildings, while similar in height and form, have significantly different densities: 45 dwelling units per acre (DUA) for the Windrose Tower Condos and 156 DUA for the LVL 29 Apartments.

Densities of existing properties in Plano go as high as 156 DUA, and one zoning district, Central Business-1 (CB-1), allows up to 174 DUA for buildings three-stories or higher with a Specific Use Permit. Downtown Plano has development near 100 DUA. Establishing a citywide density would need to consider impacts on districts such as Legacy West, The Shops at Legacy, Legacy North, and Downtown Plano. Since the bill applies the highest density permitted in the city to the whole city, it is challenging to align the development standards of these mixed-use areas with other areas, such as retail corners.

For this reason, and to avoid nonconformities that may be created by adjusting existing maximum densities, staff recommends that density maximums be removed from the Zoning Ordinance, and instead, density can be regulated by maximum heights, minimum unit size, and building code regulations. These standards would provide an effective limit on density.

The following tables show the existing height maximums, the maximum heights permitted for mixed-use and multifamily residential under SB 840, and the proposed new height maximums:

Residential Districts that Permit Multifamily

	MF-1	MF-2	MF-3	RCD
Maximum Height Today	40 feet	35 feet	45 feet	50 feet
Maximum Height for Mixed-use & Multifamily Under SB 840	45 feet	45 feet	45 feet	50 feet
Recommended Maximum Height	45 feet	45 feet	45 feet	Remove MF as permitted use

Low-rise Nonresidential Districts

	O-1	R	LC	NBD	BG
Maximum Height Today	35 feet	35 feet	35 feet	50 feet	4 stories (may be 5 if specific standards are met)
Maximum Height for Mixed-use & Multifamily Under SB 840	45 feet	45 feet	45 feet	50 feet	4 stories (may be 5 if specific standards are met)
Recommended Maximum Height	Nonresidential uses: No changes Mixed-use or multifamily residential: 45 feet			No changes	

Building codes generally require higher-quality construction once buildings exceed a certain height. The comprehensive plan's [Redevelopment and Growth Management Action 8](#) (RGM8) states, “Multifamily developments should also meet a housing diversification or economic development need of the city, including transit-oriented development, special housing needs (as defined by the city’s Consolidated Plan), or be constructed as part of a high-rise 10 stories or greater,” supporting housing diversification through taller buildings. To help ensure that the new mixed-use and multifamily residential that is constructed in Plano due to SB 840 meets these objectives, height minimums are recommended for mixed-use and multifamily uses in areas where taller buildings may be appropriate:

High-rise Nonresidential Districts

	UMU	CC	RC	RE	RT	O-2	CB-1	CE	LI-1	LI-2
<u>Maximum</u> Height Today	15 story	325 feet	325 feet	325 feet	325 feet	none	none	none	none	none
Maximum Height for Mixed-use & Multifamily Under SB 840	15 story	325 feet	325 feet	325 feet	325 feet	none	none	none	none	none
Recommended <u>Minimum</u> Height for Mixed-use & Multifamily	45 feet	45 feet	75 feet	75 feet	120 feet	75 feet	75 feet	120 feet	75 feet	75 feet
Recommended <u>Minimum</u> Height for Other Uses	2 story	none	none	none	none	none	none	none	none	none

Minimum Unit Sizes

As noted above, density is proposed to be regulated by maximum heights, minimum unit size, and building code regulations. The current Multifamily Residence districts include minimum unit sizes for multifamily based on the number of bedrooms; these standards are proposed to be moved out of the Multifamily Residence districts to the use-specific standards for multifamily in Article 15 so they apply to all districts unless noted otherwise.

Design Standards

When mixed-use or multifamily is built, cities can require some enhancements to the site and street frontage. The following ideas are proposed for the Commission's consideration. Staff will make efforts to incorporate those that have the Commission's support into the proposed ordinance changes, though as ordinance language is drafted, the ideas may need to be adjusted slightly to be efficiently administered.

Design Topic	Potential Standard	Intent
Pedestrian Circulation and Surface Parking (Location and Distribution)	<ul style="list-style-type: none">Internal pedestrian network must connect buildings, perimeter sidewalks, and any adjacent parks, trails, and amenitiesSurface parking must be located to the rear, side, or interior of buildingsSidewalks or pedestrian paths required through large parking areas at regular intervals	Promote walkability, accessibility, and safe internal movement while reducing visual impact of parking along major corridors
	Teaser Parking Lane Exception: <ul style="list-style-type: none">Allowed for nonresidential or mixed-use development along arterialsLimited to one double-loaded row	Allow limited front parking in select contexts while maintaining walkability
Parking Structures (if provided)	<ul style="list-style-type: none">Must be screened or wrapped with non-parking uses on public-facing sidesThe appearance of garage entrances must be minimized, not exceed a defined portion of the building frontage, and not immediately face single-family uses without appropriate screening	Enhance urban design quality and limit garage dominance along public frontages
Site Amenity Requirements	<ul style="list-style-type: none">Developments must select a minimum number of amenities from a city-approved listTypes of amenities may include active open space, community rooms, EV charging, public art, etc.	Improve resident livability and project quality; provide flexibility
Building Massing & Articulation	<ul style="list-style-type: none">Facade articulation through wall plane offsets, projections, or other horizontal/vertical variation at defined intervalsArchitectural variation on upper floors through roofline breaks, window rhythm, balconies, or texture changes	Break up large massing, add visual interest, and support compatibility with adjacent single-family or lower-height development

Design Topic	Potential Standard	Intent
Ground Floor Entry Design	<ul style="list-style-type: none"> Ground-floor Entry Design: Ground-floor residential units with individual entrances along a street must incorporate elements such as stoops, porches, or recessed entries Urban/Mixed-Use Development: Provide a prominent main building entry on a suitable street; with secondary access along other streets or other pedestrian routes 	Promote street activation and establish residential character at ground level
Sustainability & Site Efficiency <i>(U.S. Green Building Council Design Standards)</i>	<ul style="list-style-type: none"> Recognized under LEED Rating System 	Promote energy and water efficiency, reduced environmental impact, and enhanced resident livability
Individual Unit Garages	<ul style="list-style-type: none"> Individual garages must be rear-loaded, side-loaded, or detached behind primary structure 	Promote street-facing building presence, reduce driveway clutter, and enhance walkability
Horizontal Mixed-Use	<ul style="list-style-type: none"> Locate residential buildings along local streets or rear of site Orient loading, trash, and service entries away from residential areas, or contain fully within the building Require screening between nonresidential uses and residential uses 	Ensure compatibility between uses and reduce visual and noise conflicts
Vertical Mixed-Use	<ul style="list-style-type: none"> Buildings must front directly on sidewalk to frame and activate street Require awnings, canopies, and ground-floor architectural features Require minimum ground floor transparency 	Enhance pedestrian experience, support retail visibility, and encourage urban character

The Commission should consider their opinions on the changes offered above.

Landscaping Standards

SB 840 requires setbacks for mixed-use or multifamily residential to be the smaller of either what is required for nonresidential uses on the same site or 25 feet. Some districts require a setback greater than 25 feet for nonresidential uses, making mixed-use and multifamily residential more impactful than nonresidential uses on the same site. Therefore, the following approach is recommended:

1. Where the required setback for nonresidential uses is greater than 25 feet:
 - a. The setback for mixed-use or multifamily residential is 25 feet, and
 - b. The landscape edge for mixed-use or multifamily residential is 25 feet, with enhanced requirements aligned with the existing landscaping requirements for overlay districts, and
2. Where the required setback for nonresidential uses is 25 feet or less:
 - a. The setback for mixed-use or multifamily uses is the same as for nonresidential uses, and
 - b. The landscape edge requirements are the same as for nonresidential uses.

Additionally, most overlay districts require enhanced landscape edges that are wider (30 feet) than permitted under SB 840 (25 feet). Therefore, in these overlay districts, the minimum width for landscape edges for mixed-use and multifamily residential must be 25 feet.

Parking Standards

SB 840 mandates that the maximum parking that can be required by cities is one parking space per dwelling unit and that a parking garage cannot be required. To address the appearance of surface parking lots, the Commission is asked to consider:

1. If some or all surface parking should be covered via carports, and
2. If the landscaping requirements for surface parking lots should be enhanced for new developments and redevelopments, with the exception of nonresidential buildings converted to multifamily meeting the SB 840 requirements.

Expressway Corridor Overlay

Many requirements from the recently-adopted [Expressway Corridor Overlay District](#) (EC Overlay) are pre-empted by SB 840 for mixed-use and multifamily residential, including:

1. The requirement for properties within 500 feet of an expressway to provide either:
 - a. 100-foot landscape edge, or
 - b. A nonresidential building or parking structure between the dwellings and expressway, and
2. Prohibiting mixed-use and multifamily residential in the Restricted-Expressway Corridor Area (R-ECA).

Some requirements of the EC Overlay are still permitted, including requirements for:

1. A filter or series of filters with a Minimum Efficiency Reporting Value (MERV) of 13 or higher,
2. Intake openings for outdoor air to be located on the opposite side of the building from the expressway,
3. Building design to address interior noise levels,
4. A 15-foot landscape edge along the property lines closest to the expressways, and
5. Prohibiting single-family uses in R-ECA.

The Commission is asked to consider any of the following options to address the items that are pre-empted by SB 840:

1. Remove the EC Overlay completely, and either:
 - a. Eliminate the standards completely, or
 - b. Require standards 1-4 listed above for all institutional dwellings, multifamily, and mixed-use buildings in the city, with item 4 adapted to a citywide standard.
2. Keep the EC Overlay and:
 - a. Remove the standards that can no longer be required and keep the remaining standards, but have them apply to all dwelling units in the Overlay, and
 - b. Prohibit balconies facing expressways for all dwellings in the Overlay.

Small-scale Multifamily in the RCD Zoning District

The Residential Community Design (RCD) zoning district permits multifamily only when small-scale and when limited to 25% of the units within the district. Small-scale multifamily can be provided as [Manor Homes](#) (maximum 2 stories with 3-6 units per building) or [Stacked Flats](#) (maximum 3 stories with 6-9 units per building). Under the bill, Plano can no longer limit the district to only these types of multifamily. For this reason, and because RCD multifamily housing types are not currently in use in Plano, it is recommended that multifamily be removed as an allowed use in RCD and that options for small-scale multifamily be considered in the future, possibly as part of the [Rewrite](#) of the Zoning and Subdivision Ordinances.

Subdivision Standards

A number of changes are proposed to the Subdivision Ordinance in response to SB 840, including:

1. Street & Block Requirements – In order to promote developments with pedestrian-friendly streetscapes, all multifamily and mixed-use projects over a certain size could be required to provide internal street networks with features such as on-street parking, street trees, and shorter block lengths. These are already required by various means for developments in mixed-use zoning districts, such as the Urban Mixed-Use (UMU) district. These requirements would offer

the additional benefit of providing on-street public parking for residents and visitors, which the city is now limited in regulating on-site or on other nearby properties as part of the development.

2. Infrastructure Analyses – The city’s existing development process has historically relied on detailed infrastructure capacity analysis at the time of site plan, civil engineering plans, and preliminary plat. This was based on a system that assumed any additional capacity needed would be the developer’s responsibility to provide. However, this system may no longer be effective for Plano given changes to state law and case law regarding exactions and the additional challenges of redevelopment compared to new development.

Proposed updates to the Subdivision Ordinance would require the developer to provide an infrastructure impact analysis and schematic engineering designs at preliminary design stages, such as concept plan and preliminary site plan. Additionally, the city is exploring methods used by other cities to model and reserve infrastructure capacity through the development process. This will help in the early detection of capacity needs within the city’s infrastructure network.

3. Cost Participation – The Subdivision Ordinance currently outlines what types of infrastructure improvements are eligible for city cost participation, such as oversizing utility lines or wider streets adjacent to city parks. Staff recommends removing automatic city cost participation and relying upon developer-prepared proportionality assessments. If a development is required to provide infrastructure, the city may choose to enter into a development agreement to detail the cost participation of all parties.
4. Stormwater Mitigation – The Subdivision Ordinance and Zoning Ordinance provide multiple incentives for developments that include vegetative stormwater mitigation, such as bioswales, rather than standard methods of conveyance or onsite detention. Examples of current incentives include lower parking requirements, lot size reductions, and smaller setbacks. Since the legislation limits the city’s current incentive package by preempting parking lot coverage and setback standards, it may be beneficial to require vegetative stormwater mitigation features as a standard for all development, with or without the associated incentives. Supported by the comprehensive plan’s environmental policies, these would provide more sustainable developments and environmental benefits for the city.

Single-family Uses

[Plano’s comprehensive plan](#) generally recommends more single-family homes across the city, as noted in Redevelopment & Growth Management Action 3 (RGM3): “*Develop zoning and design guidelines incentivizing single-family housing options compatible with current market conditions and community needs.*” When residential uses are built in nonresidential zoning districts, city’s land use policies support providing an option to develop single family residential. To help implement these land use goals, the Zoning Ordinance could be updated to also allow single-family uses by right everywhere mixed-use and multifamily uses are allowed under SB840. The following options are presented for the Commission’s consideration:

1. Allow [RCD Tier 1 and Tier 2 housing types](#) in all nonresidential and multifamily districts. These housing types have minimum lot sizes between 1,200 and 3,000 square feet, which may allow a developer to develop something competitive with multifamily.
2. Allow [Patio Home](#) (PH), [Two-Family Residence](#) (2F), and [Single-family Residence Attached](#) (SF-A) developments in all nonresidential and multifamily districts. This is the same type of housing allowed in the [Retail](#) (R) district today by right, and allows minimum lot sizes between

2,250 and 4,000 square feet. However, the larger lot sizes may not “pencil out” economically when compared to the option of building multifamily, but may have advantages when considering the costs needed to upgrade infrastructure, such as sewer capacity.

3. Allow all the residential options listed above: PH, 2F, SF-A, and RCD Tiers 1 and 2.

Note that if single-family uses are permitted by right in all nonresidential districts, the impacts of SB 15 will expand, as more areas will qualify as allowing single-family residential by right. A map of additional parcels that will be impacted by this change is included as Attachment D.

Additional Changes

To accommodate these changes, the Street Design Standards will also need various changes, including requiring a wider alley for lots less than 50 feet wide, as requested by Public Works and Engineering departments for added functionality in higher density development areas.

Additionally, the Parks & Recreation Department is recommending increases to Park Fees, in part due to the inability to require open space for mixed-use and multifamily residential through zoning. This increase will be considered by the Parks Board and City Council.

Additional Ideas

Because the impact of SB 840 diverges significantly from the community’s vision in the comprehensive plan, additional ideas are proposed for the Commission’s consideration:

1. Require developments or nonresidential conversions due to SB 840 to post a sign throughout construction, notifying the public of the project and noting the land use is allowed under state law and not under municipal jurisdiction. This would be similar to the requirement to post a building permit, however, the required sign would likely be much larger, similar to a zoning sign.
2. Charge an additional fee to support sending notices to surrounding properties making them aware of the project and noting the land use is allowed under state law and not under municipal jurisdiction.

Nonresidential Conversions

Since the use permissions for mixed-use and multifamily residential are expanding, limited changes are needed to the ordinances to allow nonresidential conversions, including updates to the Traffic Impact Analysis (TIA) requirements, since TIAs will not be permitted for nonresidential conversions.

STAFF REPORT – REQUEST FOR DIRECTION

At this time, staff is requesting that the Commission provide direction regarding these three Texas Senate bills. Specifically, staff would like the Commission to consider the following questions:

1. Do the [proposed new height maximums and minimums](#) appropriately address the impacts of SB 840 and the community's expectations?
2. Are the [proposed design standards](#) appropriate for new mixed-use and multifamily residences?
3. Should some or all [surface parking](#) be covered via carports?
4. Should the [landscaping requirements for surface parking lots](#) be enhanced for new developments and redevelopments, with the exception of nonresidential buildings converted to multifamily meeting the SB 840 requirements?
5. Should the [Expressway Corridor \(EC\) Overlay](#) be removed?
 - a. If so, should enhanced design be required for all institutional dwellings, multifamily, and mixed-use buildings in Plano?
 - b. If keeping the overlay, should balconies facing the expressways be prohibited for all dwellings in the Overlay?
6. Should multifamily be removed as an allowed use in the [Residential Community Design \(RCD\)](#) zoning district?
7. Should the [Subdivision Ordinance](#) be revised to ensure adequate infrastructure capacity and enhance the city's ability to choose when and how to allocate funding for infrastructure?
8. Should [single-family uses](#) be permitted in more nonresidential districts?
 - a. If so, should [RCD Tier 1 and Tier 2 housing types](#) be allowed?
 - b. If so, should [Patio Home](#) (PH), [Two-Family Residence](#) (2F), and [Single-family Residence Attached](#) (SF-A) developments be allowed?
 - c. Should all residential districts in a. and b. be allowed?
9. Should [signage](#) be required for all developments that receive land use permissions due to SB 840?
10. Should [property owner notices](#) be required for all developments that receive land use permissions due to SB 840?
11. Are the proposed changes to [landscaping standards](#) and [minimum unit sizes](#) appropriate for new mixed-use and multifamily residences?
12. Are there any other issues the Commission would like staff to research further to assist with Plano's response to these bills?

NEXT STEPS:

Outreach

Planning, Communications and Community Outreach, and Media Relations Departments worked collaboratively to prepare information about these bills to share with the Plano community. The information was shared in the [Plano City News](#), [BEST Neighborhoods](#), and Comprehensive Plan email newsletters, the [city's website](#), and on social media on [Facebook](#), [Nextdoor](#), [Instagram](#), and [Reddit](#).

Community members are able to provide feedback on the proposed amendments via the [Zoning Case Response Map](#) and at the public meetings.

Amendments

Staff is currently drafting amendments to bring the Zoning & Subdivision Ordinances into compliance with the passed legislation. A joint City Council and Commission meeting is scheduled for Monday, July 28, 2025, at 4:00 p.m., the results of which will be incorporated into the draft amendments. The drafts will be presented at public hearings for Zoning Case 2025-007 and Subdivision Ordinance Amendment 2025-001 at a special called Commission meeting on Wednesday, August 6, 2025, at 6:00 p.m. and is anticipated to go before City Council on Monday, August 25, 2025, at 7:00 p.m.

RECOMMENDATION:

Staff recommends the Commission provide direction regarding Senate Bills 15, 840, and 2477.

ATTACHMENTS:

- A – Map of Texas Cities Impacted by SB 15 and 840
- B – Map of Parcels Impacted by SB 15
- C – Map of Zoning Districts Impacted by SB 840
- D – Map of Parcels Impacted by SB 15 If Single-family is Allowed in Nonresidential Zoning Districts
- E – Senate Bill 15 Text
- F – Senate Bill 840 Text
- G – Senate Bill 2477 Text

Texas Cities Impacted by SB 15 and SB 840

- City Population

 - 150,000 - 200,000
 - 200,000 - 500,000
 - 500,000 - 1,000,000
 - Over 1,000,000
- County Population

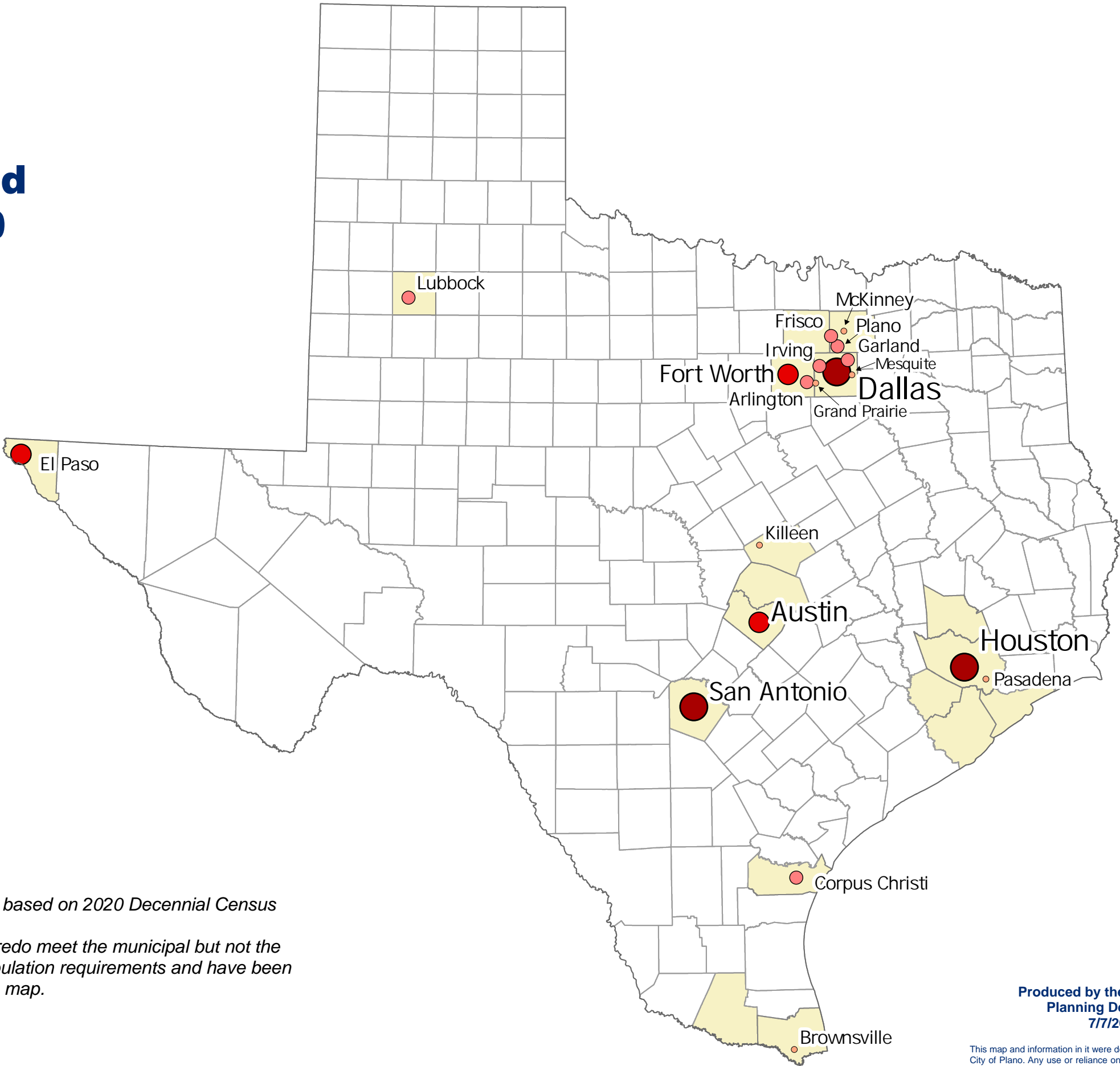
 - Under 300,000
 - Over 300,000

City	Population
Houston	2,304,580
San Antonio	1,434,625
Dallas	1,304,379
Austin	961,855
Fort Worth	918,915
El Paso	678,815
Arlington	394,266
Corpus Christi	317,863
Plano	285,494
Lubbock	257,141
Irving	256,684
Garland	246,018
Frisco	200,509
Grand Prairie	196,100
McKinney	195,308
Brownsville	186,738
Killeen	153,095
Pasadena	151,950
Mesquite	150,108

Count: 19

Population Data based on 2020 Decennial Census

Amarillo and Laredo meet the municipal but not the county-level population requirements and have been omitted from the map.







Produced by the City of Plano
Planning Department
7/7/2025

This map and information in it were developed exclusively for use by the City of Plano. Any use or reliance on this map by anyone else is at the party's own risk and without liability to the City of Plano, its officials or employees for any discrepancies, errors, or variances which may exist.

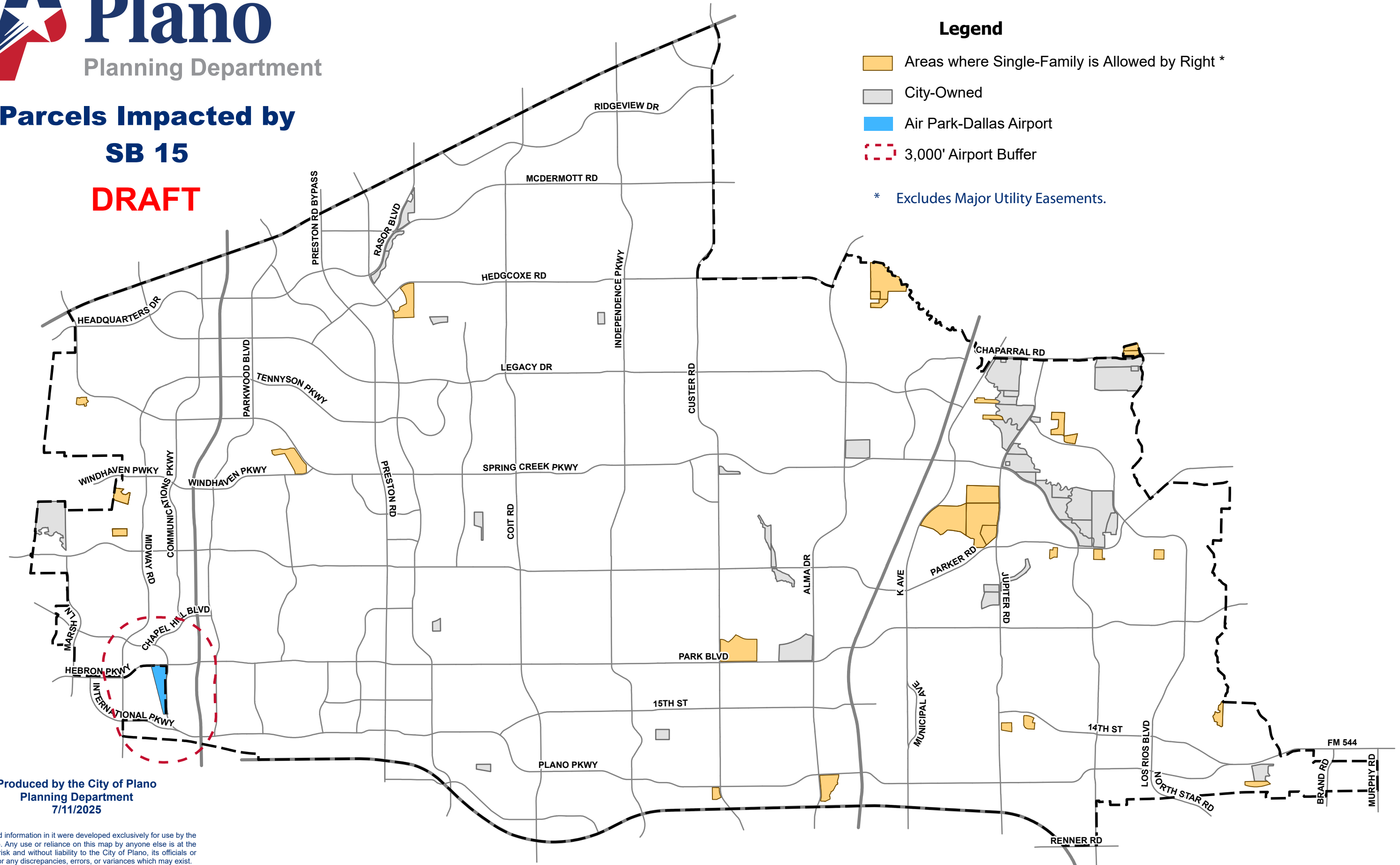
Parcels Impacted by SB 15

DRAFT

Legend

-  Areas where Single-Family is Allowed by Right *
-  City-Owned
-  Air Park-Dallas Airport
-  3,000' Airport Buffer

* Excludes Major Utility Easements.

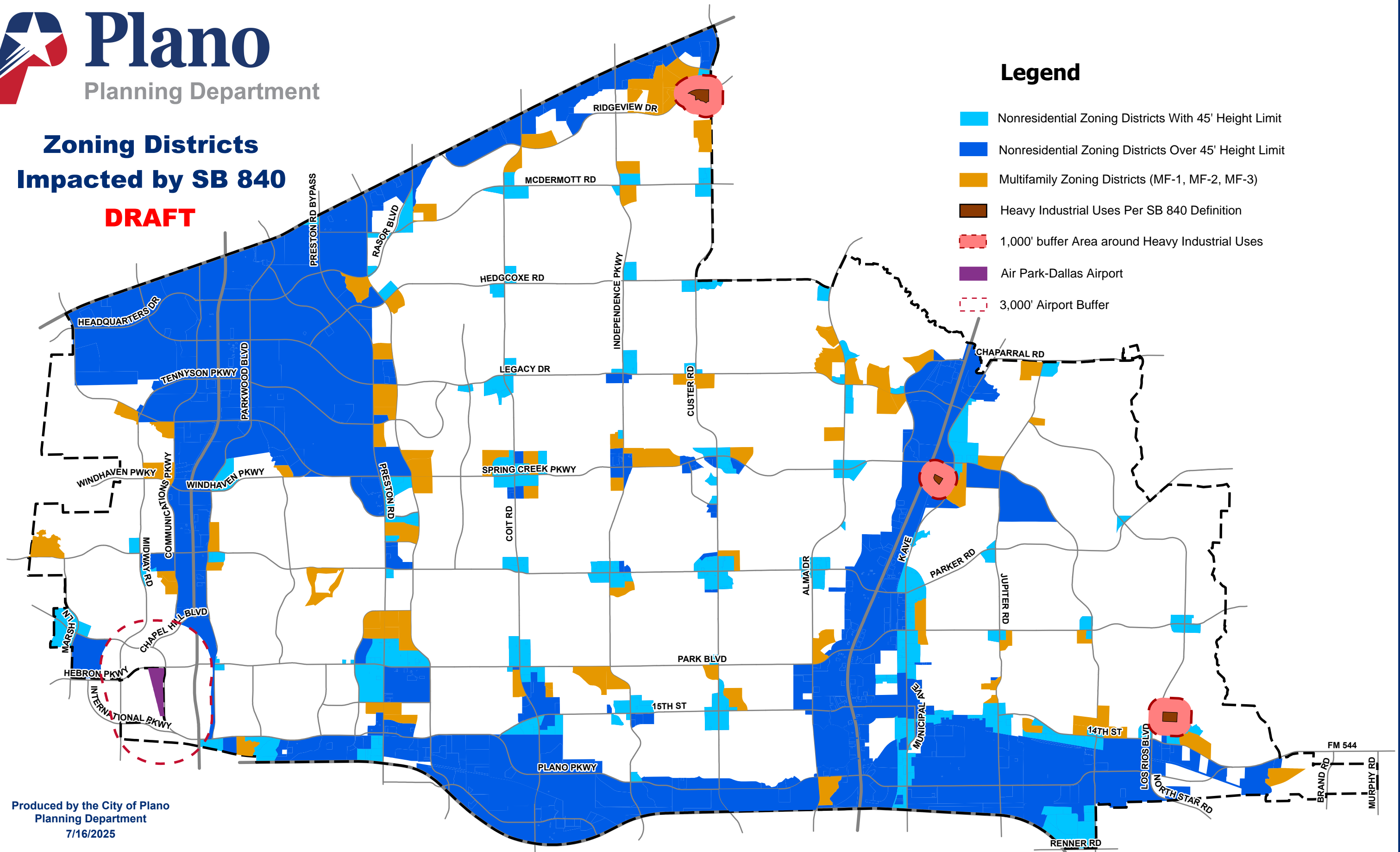


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Zoning Districts Impacted by SB 840

DRAFT



Legend








- Nonresidential Zoning Districts With 45' Height Limit
- Nonresidential Zoning Districts Over 45' Height Limit
- Multifamily Zoning Districts (MF-1, MF-2, MF-3)
- Heavy Industrial Uses Per SB 840 Definition
- 1,000' buffer Area around Heavy Industrial Uses
- Air Park-Dallas Airport
- 3,000' Airport Buffer

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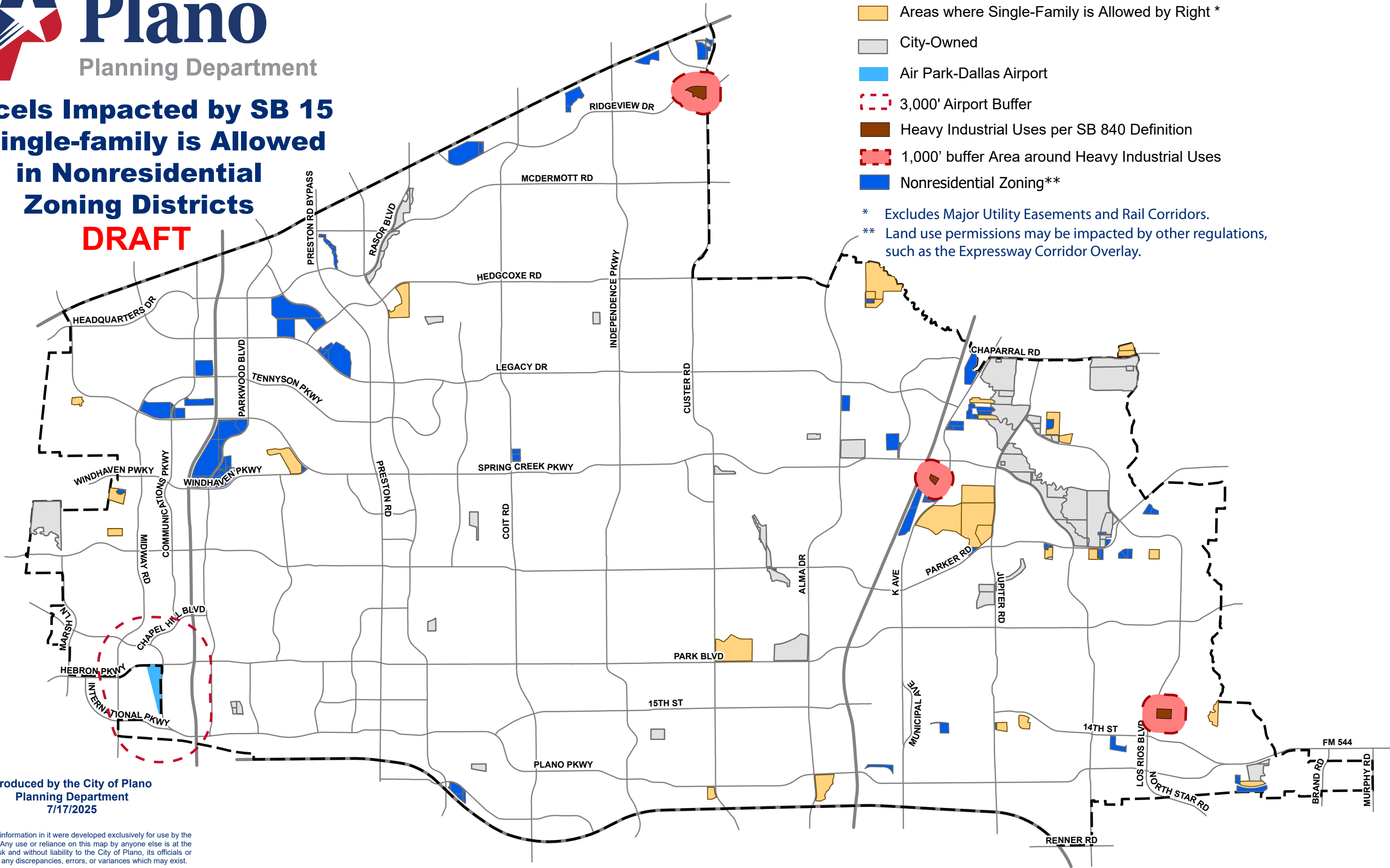
Parcels Impacted by SB 15 If Single-family is Allowed in Nonresidential Zoning Districts **DRAFT**

Legend

-  Areas where Single-Family is Allowed by Right *
-  City-Owned
-  Air Park-Dallas Airport
-  3,000' Airport Buffer
-  Heavy Industrial Uses per SB 840 Definition
-  1,000' buffer Area around Heavy Industrial Uses
-  Nonresidential Zoning**

* Excludes Major Utility Easements and Rail Corridors.

** Land use permissions may be impacted by other regulations, such as the Expressway Corridor Overlay.



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Planning Department
7/17/2025

This map and information in it were developed exclusively for use by the City of Plano. Any use or reliance on this map by anyone else is at the party's own risk and without liability to the City of Plano, its officials or employees for any discrepancies, errors, or variances which may exist.

AN ACT

relating to size and density requirements for residential lots in certain municipalities; authorizing a fee.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 211, Local Government Code, is amended by adding Subchapter D to read as follows:

SUBCHAPTER D. RESIDENTIAL ZONING LIMITATIONS IN CERTAIN MUNICIPALITIES

Sec. 211.051. DEFINITIONS. In this subchapter:

(1) "Housing organization" means a:

(A) trade or industry group organized under the laws of this state consisting of local members primarily engaged in the construction or management of housing units;

(B) nonprofit organization organized under the laws of this state that:

(i) provides or advocates for increased access or reduced barriers to housing; and

(ii) has filed written or oral comments with the legislature; or

(C) nonprofit organization organized under the laws of this state that is engaged in public policy research, education, and outreach that includes housing policy-related issues and advocacy.

(2) "Small lot" means a residential lot that is 4,000

square feet or less.

Sec. 211.052. APPLICABILITY. (a) This subchapter applies only to:

(1) a municipality that:

(A) has a population of more than 150,000; and

(B) is wholly or partly located in a county with a population of more than 300,000; and

(2) a tract of land located in a municipality described by Subdivision (1) that:

(A) will be platted and located in an area zoned for single-family homes;

(B) is five acres or more; and

(C) has no recorded plat.

(b) This subchapter does not apply to an area located within:

(1) one mile of a campus of the perimeter of a law enforcement training center in a county that has a population of 2,600,000 or more;

(2) 3,000 feet of an airport or military base; or

(3) 15,000 feet of the boundary of a military base if the area is designated by a municipality or joint airport zoning board, as applicable, as a military airport overlay zone with a clear zone and accident potential zone designation, as described by the military base's air installation compatible use zone report.

Sec. 211.053. CONSTRUCTION OF SUBCHAPTER. This subchapter may not be construed to affect requirements directly related to:

(1) the use and occupancy of residential units leased

for a term of less than 30 days; or

(2) flooding, sewer facilities, or well water located on an individual residential lot and serving only that lot.

Sec. 211.054. CERTAIN DWELLING UNIT LOT SIZE REQUIREMENTS PROHIBITED. A municipality may not adopt or enforce an ordinance, rule, or other measure that requires:

(1) a residential lot to be:

(A) larger than 3,000 square feet;

(B) wider than 30 feet; or

(C) deeper than 75 feet; or

(2) if regulating the density of dwelling units in a residential development, a ratio of dwelling units per acre that prevents a single-family home from being built on a residential lot that is at least 3,000 square feet.

Sec. 211.055. SMALL LOTS. (a) Except as provided by this section, a municipality may not adopt or enforce an ordinance, rule, or other measure that requires a small lot to have:

(1) a building plane or other setback greater than:

(A) 15 feet from the front or 10 feet from the back of the property; or

(B) five feet from the side of the property;

(2) covered parking;

(3) more than one parking space per unit;

(4) off-site parking;

(5) more than 30 percent open space or permeable surface;

(6) fewer than three full stories not exceeding 10

feet in height measured from the interior floor to ceiling;

(7) a maximum building bulk;

(8) a wall articulation requirement; or

(9) any other zoning restriction that imposes restrictions inconsistent with this subsection, including restrictions through contiguous zoning districts or uses or from the creation of an overlapping zoning district.

(a-1) Notwithstanding Subsection (a)(1), a municipality may require with respect to a small lot a setback related to environmental features, erosion, or waterways, to the extent authorized by federal or other state law.

(b) A municipality may require with respect to a small lot:

(1) the sharing of a driveway with another lot;

(2) permitting fees equivalent to the permitting fees charged for the development of a lot the use of which is restricted to a single-family residence; or

(3) impact fees, to the extent authorized by Chapter [395](#).

(c) Notwithstanding Subsection (a)(5), a municipality may adopt or enforce an ordinance, rule, or other measure with respect to a small lot that:

(1) applies to land located in an aquifer recharge zone; and

(2) relates to the protection of an aquifer.

Sec. 211.056. NO EFFECT ON OTHER ZONING AUTHORITY. Except as expressly provided by this subchapter, this subchapter does not prohibit a municipality from imposing restrictions that are

1 applicable to all similarly situated lots or subdivisions,
2 including requiring all subdivisions or all small lots to fully
3 mitigate stormwater runoff.

4 Sec. 211.057. NO EFFECT ON HOMEOWNERS' ASSOCIATIONS AND
5 OTHER PRIVATE AGREEMENTS. This subchapter does not prohibit
6 property owners from enforcing rules or deed restrictions imposed
7 by a homeowners' association or by other private agreement.

8 Sec. 211.058. ACTION. (a) A person adversely affected or
9 aggrieved by a municipality's violation of this subchapter or a
10 housing organization may bring an action against the municipality
11 or an officer or employee of the municipality in the officer's or
12 employee's official capacity for relief described by Subsection
13 (c).

14 (b) A claimant must bring an action under this section in a
15 county in which the real property that is the subject of the action
16 is wholly or partly located.

17 (c) In an action brought under this section, a court may:

18 (1) enter a declaratory judgment under Chapter 37,
19 Civil Practice and Remedies Code;

20 (2) issue a writ of mandamus compelling a defendant
21 officer or employee to comply with this subchapter; and

22 (3) issue an injunction preventing the defendant from
23 violating this subchapter.

24 (d) A court shall award reasonable attorney's fees and court
25 costs incurred in bringing an action under this section to a
26 prevailing claimant.

27 (e) A claimant in an action brought under this section may

elect in the claimant's petition to designate the Fifteenth Court
of Appeals as the exclusive intermediate appellate court over an
appeal or original proceeding arising from the action.

SECTION 2. This Act takes effect September 1, 2025.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 15 passed the Senate on March 19, 2025, by the following vote: Yeas 28, Nays 3; May 29, 2025, Senate refused to concur in House amendments and requested appointment of Conference Committee; May 30, 2025, House granted request of the Senate; May 31, 2025, Senate adopted Conference Committee Report by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 15 passed the House, with amendments, on May 28, 2025, by the following vote: Yeas 86, Nays 43, two present not voting; May 30, 2025, House granted request of the Senate for appointment of Conference Committee; June 1, 2025, House adopted Conference Committee Report by the following vote: Yeas 78, Nays 57, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor

AN ACT

relating to certain municipal regulation of certain mixed-use and multifamily residential development projects and conversion of certain commercial buildings to mixed-use and multifamily residential occupancy.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter A, Chapter 211, Local Government Code, is amended by adding Section 211.0011 to read as follows:

Sec. 211.0011. ZONING REGULATION OF MIXED-USE RESIDENTIAL AND MULTIFAMILY RESIDENTIAL USE AND DEVELOPMENT. (a) In this section, "mixed-use residential" and "multifamily residential" have the meanings assigned by Section 218.001.

(b) The authority under this chapter related to zoning regulations and the determination of zoning district boundaries in connection with mixed-use residential use and development and multifamily residential use and development is subject to Chapter 218.

SECTION 2. Subtitle A, Title 7, Local Government Code, is amended by adding Chapter 218 to read as follows:

CHAPTER 218. REGULATION OF MIXED-USE AND MULTIFAMILY RESIDENTIAL USE AND DEVELOPMENT IN CERTAIN MUNICIPALITIES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 218.001. DEFINITIONS. In this chapter:

(1) "Heavy industrial use" means a storage,

processing, or manufacturing use:

(A) with processes using flammable or explosive materials;

(B) with hazardous conditions; or

(C) that is noxious or offensive from odors, smoke, noise, fumes, or vibrations.

(2) "Mixed-use residential," when used to describe land use or development, means the use or development, as applicable, of a site consisting of residential and nonresidential uses in which the residential uses are at least 65 percent of the total square footage of the development. The term includes the use or development of a condominium.

(3) "Multifamily residential," when used to describe land use or development, means the use or development, as applicable, of a site for three or more dwelling units within one or more buildings. The term includes the use or development of a residential condominium.

Sec. 218.002. APPLICABILITY. This chapter applies only to a municipality with a population greater than 150,000 that is wholly or partly located in a county with a population greater than 300,000.

Sec. 218.003. NO EFFECT ON OTHER RESTRICTIONS AND RULES. This chapter does not affect the authority of a municipality to:

(1) apply the municipality's regulations on short-term rental units to a mixed-use residential or multifamily residential development;

(2) adopt or enforce water quality protection

regulations to implement or comply with water quality requirements under state or federal law, including Chapter 366, Health and Safety Code;

(3) adopt or enforce a density bonus program or other voluntary program that allows for site development standards that are less restrictive than the standards described by this chapter; or

(4) apply the following regulations that are generally applicable to other developments in the municipality:

(A) except as otherwise provided by this chapter:

(i) sewer and water access requirements; or

(ii) building codes;

(B) stormwater mitigation requirements; or

(C) regulations related to historic preservation, including protecting historic landmarks or property in the boundaries of a local historic district.

SUBCHAPTER B. ZONING AND DEVELOPMENT REGULATIONS

Sec. 218.101. MIXED-USE RESIDENTIAL AND MULTIFAMILY RESIDENTIAL USES ALLOWED. (a) Notwithstanding any other law and subject to Subsection (c), a municipality shall allow mixed-use residential use and development or multifamily residential use and development in a zoning classification that allows office, commercial, retail, warehouse, or mixed-use use or development as an allowed use under the classification.

(b) Notwithstanding any other law and subject to Subsection (c), a municipality may not require the change of a zoning district or land use classification or regulation or an approval of an

amendment, exception, or variance to a zoning district or land use classification or regulation prior to allowing a mixed-use residential use or development or multifamily residential use or development in an area covered by a zoning classification described by Subsection (a). An amendment, exception, or variance to a zoning district or land use classification or regulation includes a special exception, zoning variance, site development variance, subdivision variance, conditional use approval, special use permit, comprehensive plan amendment, or other discretionary approval to allow a mixed-use residential use or development or multifamily residential use or development.

(c) This section does not apply to:

(1) a zoning classification that allows heavy industrial use;

(2) land located within:

(A) 1,000 feet of an existing heavy industrial use or development site; or

(B) 3,000 feet of an airport or military base; or

(3) an area designated by a municipality as a clear zone or accident potential zone.

Sec. 218.102. REGULATION OF MIXED-USE RESIDENTIAL AND MULTIFAMILY RESIDENTIAL USE OR DEVELOPMENT. (a) Notwithstanding any other law, a municipality may not adopt or enforce an ordinance, zoning restriction, or other regulation that:

(1) imposes on a mixed-use residential or multifamily residential development:

(A) a limit on density that is more restrictive

1 than the greater of:

2 (i) the highest residential density allowed
3 in the municipality; or

4 (ii) 36 units per acre;

5 (B) a limit on building height that is more
6 restrictive than the greater of:

7 (i) the highest height that would apply to
8 an office, commercial, retail, or warehouse development
9 constructed on the site; or

10 (ii) 45 feet; or

11 (C) a setback or buffer requirement that is more
12 restrictive than the lesser of:

13 (i) a setback or buffer requirement that
14 would apply to an office, commercial, retail, or warehouse
15 development constructed on the site; or

16 (ii) 25 feet;

17 (2) requires a mixed-use residential or multifamily
18 residential development to provide:

19 (A) more than one parking space per dwelling
20 unit; or

21 (B) a multilevel parking structure;

22 (3) restricts the ratio of the total building floor
23 area of a mixed-use residential or multifamily residential
24 development in relation to the lot area of the development; or

25 (4) requires a multifamily residential development
26 not located in an area zoned for mixed-use residential use to
27 contain nonresidential uses.

(b) Notwithstanding any other law, if a municipal authority responsible for approving a building permit or other authorization required for the construction of a mixed-use residential or multifamily residential development determines that a proposed development meets municipal land development regulations in accordance with this subchapter, the municipal authority:

(1) shall administratively approve the permit or other
authorization; and

(2) may not require further action by the governing
body of the municipality for the approval to take effect.

SUBCHAPTER C. FEES AND REGULATIONS APPLICABLE TO CONVERSION OF
CERTAIN USES

Sec. 218.201. DEFINITION. In this subchapter, "permit" has
the meaning assigned by Section [245.001](#).

Sec. 218.202. APPLICABILITY. This subchapter applies only
to a building or the structural components of the building that:

(1) is being used for office, retail, or warehouse
use;

(2) is proposed to be converted from nonresidential occupancy to mixed-use residential or multifamily residential occupancy for at least 65 percent of the building and at least 65 percent of each floor of the building that is fit for occupancy; and

(3) was constructed at least five years before the
proposed date to start the conversion.

Sec. 218.203. CERTAIN REGULATIONS PROHIBITED.
Notwithstanding any other law, a municipality may not, in
connection with the use, development, construction, or occupancy of

1 a building proposed to be converted to mixed-use residential or
2 multifamily residential use, require:

3 (1) the preparation of a traffic impact analysis or
4 other study relating to the effect the proposed converted building
5 would have on traffic or traffic operations;

6 (2) the construction of improvements or payment of a
7 fee in connection with mitigating traffic effects related to the
8 proposed converted building;

9 (3) the provision of additional parking spaces, other
10 than the parking spaces that already exist on the site of the
11 proposed converted building;

12 (4) the extension, upgrade, replacement, or
13 oversizing of a utility facility except as necessary to provide the
14 minimum capacity needed to serve the proposed converted building;
15 or

16 (5) a design requirement, including a requirement
17 related to the exterior, windows, internal environment of a
18 building, or interior space dimensions of an apartment, that is
19 more restrictive than the applicable minimum standard under the
20 International Building Code as adopted as a municipal commercial
21 building code under Section [214.216](#).

22 Sec. 218.204. IMPACT FEE PROHIBITED. Notwithstanding any
23 other law, a municipality may not impose an impact fee, as defined
24 by Section [395.001](#), on land where a building has been converted to
25 mixed-use residential or multifamily residential use unless the
26 land on which the building is located was already subject to an
27 impact fee before a building permit related to the conversion was

1 filed with the municipality.

2 SUBCHAPTER D. ENFORCEMENT

3 Sec. 218.301. CIVIL ACTION. (a) In this section, "housing
4 organization" means a:

5 (1) trade or industry group organized under the laws
6 of this state consisting of local members primarily engaged in the
7 construction or management of housing units;

8 (2) nonprofit organization organized under the laws of
9 this state that:

10 (A) provides or advocates for increased access or
11 reduced barriers to housing; and

12 (B) has filed written or oral comments with the
13 legislature; or

14 (3) nonprofit organization that is engaged in public
15 policy research, education, and outreach that includes housing
16 policy-related issues and advocacy.

17 (b) A housing organization or other person adversely
18 affected or aggrieved by a violation of this chapter may bring an
19 action for declaratory or injunctive relief against a municipality.

20 (c) The court shall award court costs and reasonable
21 attorney's fees to a claimant who prevails in an action brought
22 under this section.

23 (d) Notwithstanding any other law, including Chapter 15,
24 Civil Practice and Remedies Code, an action brought under this
25 section must be brought in a county in which all or part of the real
26 property that is the subject of the action is located.

27 (e) Notwithstanding any other law, the Fifteenth Court of

1 Appeals has exclusive intermediate appellate jurisdiction over an
2 action brought under this section.

3 SECTION 3. Section 395.011, Local Government Code, is
4 amended by amending Subsection (b) and adding Subsection (b-1) to
5 read as follows:

6 (b) Except as provided by Section 218.204 and Subsection
7 (b-1), political [Political] subdivisions may enact or impose
8 impact fees on land within their corporate boundaries or
9 extraterritorial jurisdictions only by complying with this
10 chapter.

11 (b-1) A political subdivision may not enact or impose an
12 impact fee on land within its~~[, except that impact fees may not be~~
13 ~~enacted or imposed in the]~~ extraterritorial jurisdiction for
14 roadway facilities.

15 SECTION 4. (a) Subchapter B, Chapter 218, Local Government
16 Code, as added by this Act, applies only to a mixed-use residential
17 or multifamily residential development project initiated on or
18 after the effective date of this Act.

19 (b) Subchapter C, Chapter 218, Local Government Code, as
20 added by this Act, applies only to a building proposed to be
21 converted to mixed-use residential or multifamily residential use
22 in which a building permit was submitted to a municipality on or
23 after the effective date of this Act.

24 SECTION 5. This Act takes effect September 1, 2025.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 840 passed the Senate on March 24, 2025, by the following vote: Yeas 23, Nays 7; and that the Senate concurred in House amendments on May 26, 2025, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 840 passed the House, with amendments, on May 21, 2025, by the following vote: Yeas 106, Nays 33, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor

AN ACT

relating to certain municipal regulation of conversion of certain office buildings to mixed-use and multifamily residential occupancy.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle A, Title 7, Local Government Code, is amended by adding Chapter 218 to read as follows:

CHAPTER 218. REGULATION OF MIXED-USE AND MULTIFAMILY RESIDENTIAL
USE AND DEVELOPMENT IN CERTAIN MUNICIPALITIES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 218.001. DEFINITIONS. In this chapter:

(1) "Heavy industrial use" means a storage, processing, or manufacturing use:

(A) with processes using flammable or explosive materials;

(B) with hazardous conditions; or

(C) that is noxious or offensive from odors, smoke, noise, fumes, or vibrations.

(2) "Mixed-use residential," when used to describe land use or development, means the use or development, as applicable, of a site consisting of residential and nonresidential uses in which the residential uses are at least 65 percent of the total square footage of the development. The term includes the use or development of a condominium.

1 (3) "Multifamily residential," when used to describe
2 land use or development, means the use or development, as
3 applicable, of a site for three or more dwelling units within one or
4 more buildings. The term includes the use or development of a
5 residential condominium.

6 (4) "Permit" has the meaning assigned by Section
7 245.001.

8 Sec. 218.002. APPLICABILITY OF CHAPTER. This chapter
9 applies only to a municipality with a population greater than
10 150,000 that is wholly or partly located in a county with a
11 population greater than 300,000.

12 Sec. 218.003. NO EFFECT ON OTHER RESTRICTIONS AND RULES.
13 This chapter does not limit:

14 (1) a municipality from adopting or enforcing an
15 ordinance, regulation, or other measure:

16 (A) to protect historic landmarks or include
17 properties within the boundaries of local historic districts; or

18 (B) related to the use and occupancy of a
19 residential property that is rented for a period not longer than 30
20 consecutive days;

21 (2) a property owner from enforcing rules or deed
22 restrictions imposed by a property owners' association or by other
23 private agreement;

24 (3) except as otherwise provided by this chapter, a
25 municipality from applying the following regulations that are
26 generally applicable to other developments in the municipality:

27 (A) sewer and water access requirements;

SUBCHAPTER B. FEES AND REGULATIONS APPLICABLE TO CONVERSION OF
CERTAIN USES

(1) is being used primarily for office use;

(2) is proposed to be converted from primarily office use to mixed-use residential or multifamily residential occupancy for at least 65 percent of the building and at least 65 percent of each floor of the building that is fit for occupancy; and

(3) was constructed at least five years before the
proposed date to start the conversion.

(b) This subchapter does not apply to a building proposed to be converted to mixed-use residential or multifamily residential use that is located:

(2) within:

(A) 1,000 feet of an existing heavy industrial
use or development site;

(C) 15,000 feet of the boundary of a military base if the area is designated by a municipality or joint airport zoning board, as applicable, as a clear zone or accident potential

1 zone supporting military aviation operations.

2 Sec. 218.102. CERTAIN REGULATIONS PROHIBITED. (a)
3 Notwithstanding any other law, a municipality may not, in
4 connection with the use, development, construction, or occupancy of
5 a building proposed to be converted to mixed-use residential or
6 multifamily residential use, require:

7 (1) the preparation of a traffic impact analysis or
8 other study relating to the effect the proposed converted building
9 would have on traffic or traffic operations;

10 (2) the construction of improvements or payment of a
11 fee in connection with mitigating traffic effects related to the
12 proposed converted building;

13 (3) the provision of additional parking spaces, other
14 than the parking spaces that already exist on the site of the
15 proposed converted building;

16 (4) the extension, upgrade, replacement, or
17 oversizing of a utility facility except as necessary to provide the
18 minimum capacity needed to serve the proposed converted building;

19 (5) a limit on density applicable to the site of the
20 proposed converted building that is more restrictive than the
21 greater of:

22 (A) the highest residential density allowed in
23 the municipality; or

24 (B) 36 units per acre;

25 (6) a building proposed to be converted to multifamily
26 residential occupancy not located in an area zoned for mixed-use
27 residential use to include nonresidential uses;

1 (7) a design requirement, including a requirement
2 related to the exterior, windows, internal environment of a
3 building, or interior space dimensions of an apartment, that is
4 more restrictive than the applicable minimum standard under the
5 International Building Code as adopted as a municipal commercial
6 building code under Section 214.216;

7 (8) the change of a zoning district or land use
8 classification or regulation or an approval of an amendment,
9 exception, or variance to a zoning district or land use
10 classification or regulation prior to allowing conversion of a
11 building to mixed-use residential use or multifamily residential
12 use;

13 (9) a floor-to-area ratio that is less than the
14 greater of:

15 (A) 120 percent of the existing floor-to-area
16 ratio of the building, if the proposed conversion does not increase
17 the existing height or site coverage of the building; or

18 (B) the highest floor-to-area ratio allowed for a
19 building on the site;

20 (10) a limit on impervious cover or site coverage that
21 is less than the existing impervious cover or site coverage of the
22 building or site; or

23 (11) an additional drainage, detention, or water
24 quality requirement, if the proposed conversion does not increase
25 the amount of impervious cover on the building site.

26 (b) For the purposes of Subsection (a)(8), an amendment,
27 exception, or variance to a zoning district or land use

classification or regulation includes a special exception, zoning variance, site development variance, subdivision variance, conditional use approval, special use permit, comprehensive plan amendment, or other discretionary approval to allow conversion of a building to mixed-use residential use or multifamily residential use.

Sec. 218.103. IMPACT FEE PROHIBITED. A municipality may not impose an impact fee, as defined by Section 395.001, on land where a building has been converted to mixed-use residential or multifamily residential use unless:

(1) the land on which the building is located was already subject to an impact fee before a building permit related to the conversion was filed with the municipality; and

(2) for an impact fee related to water and wastewater facilities, the conversion increases the demand for water and wastewater service for the building.

Sec. 218.104. ADMINISTRATIVE APPROVAL REQUIRED. Notwithstanding any other law, if a municipal authority responsible for approving a building permit or other authorization required for the conversion of a building to mixed-use residential use or multifamily residential use determines that a proposed conversion meets municipal regulations in accordance with this subchapter, the municipal authority:

(1) shall administratively approve the permit or other authorization; and

(2) may not require further action by the governing body of the municipality for the approval to take effect.

SUBCHAPTER C. ENFORCEMENT

Sec. 218.201. CIVIL ACTION. (a) In this section, "housing organization" means a:

(1) trade or industry group organized under the laws of this state consisting of local members primarily engaged in the construction or management of housing units;

(2) nonprofit organization organized under the laws of this state that:

(A) provides or advocates for increased access or reduced barriers to housing; and

(B) has filed written or oral comments with the legislature; or

(3) nonprofit organization that is engaged in public policy research, education, and outreach that includes housing policy-related issues and advocacy.

(b) A housing organization or other person adversely affected or aggrieved by a violation of this chapter may bring an action for declaratory or injunctive relief against a municipality.

(c) A court shall award reasonable attorney's fees and court costs to a prevailing claimant in an action brought under this section.

(d) Notwithstanding any other law, including Chapter 15, Civil Practice and Remedies Code, an action brought under this section must be brought in a county in which all or part of the real property that is the subject of the action is located.

(e) Notwithstanding any other law, the Fifteenth Court of Appeals has exclusive intermediate appellate jurisdiction over an

1 action brought under this section.

2 SECTION 2. Section 395.011, Local Government Code, is
3 amended by amending Subsection (b) and adding Subsection (b-1) to
4 read as follows:

5 (b) Except as provided by Section 218.103 and Subsection
6 (b-1), political [Political] subdivisions may enact or impose
7 impact fees on land within their corporate boundaries or
8 extraterritorial jurisdictions only by complying with this
9 chapter.

10 (b-1) A political subdivision may not enact or impose an
11 impact fee on land within its [~~except that impact fees may not be~~
12 ~~enacted or imposed in the~~] extraterritorial jurisdiction for
13 roadway facilities.

14 SECTION 3. Chapter 218, Local Government Code, as added by
15 this Act, applies only to a building proposed to be converted to
16 mixed-use residential or multifamily residential use in which a
17 building permit was submitted to a municipality on or after the
18 effective date of this Act.

19 SECTION 4. (a) This section takes effect only if S.B. 840,
20 89th Legislature, Regular Session, 2025, is enacted and becomes
21 law. If that legislation is not enacted or does not become law, this
22 section has no effect.

23 (b) It is the intent of the 89th Legislature, Regular
24 Session, 2025, that Chapter 218, Local Government Code, as added by
25 this Act, be harmonized with Chapter 218, Local Government Code, as
26 added by S.B. 840, 89th Legislature, Regular Session, 2025, and
27 that this Act may not be construed to supersede, limit, or narrow

1 the application of that legislation. To the extent that a provision
2 of Chapter 218, Local Government Code, as added by this Act,
3 irreconcilably conflicts with a provision enacted by S.B. 840, 89th
4 Legislature, Regular Session, 2025, it is the intent of the 89th
5 Legislature, Regular Session, 2025, that the provision enacted by
6 S.B. 840, 89th Legislature, Regular Session, 2025, shall control.

7 SECTION 5. This Act takes effect September 1, 2025.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 2477 passed the Senate on May 8, 2025, by the following vote: Yeas 28, Nays 3; and that the Senate concurred in House amendments on May 30, 2025, by the following vote: Yeas 28, Nays 3.

Secretary of the Senate

I hereby certify that S.B. No. 2477 passed the House, with amendments, on May 28, 2025, by the following vote: Yeas 112, Nays 26, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor