



City of Fredericksburg

Special Planning and Zoning Meeting Agenda
Monday, March 18, 2024 ~ 5:30 PM
Law Enforcement Center
1601 E. Main Street
Fredericksburg, Texas 78624

Janice Menking, Chair
Jim Jarreau, Member
Daryl Whitworth, Member
Jeff Lawrence, Member
Cindy Scroggins, Member

Tom Musselman, Member
Polly Rickert, Member
Tim Dooley, Vice Chair
Steve Thomas, Member

The City of Fredericksburg Planning and Zoning Commission will meet in a regular session on Monday, March 18, 2024, at 5:30 PM. Link to City of Fredericksburg agenda webpage to watch video of the meeting. <https://fredericksburgtx.portal.civicclerk.com/event/1176/files>

Written Comments: to be submitted remotely:

1. Must be received by 2 p.m. on March 18, 2024.
2. Complete the Citizen Comment Form online at www.fbgtx.org; or
3. Email your comments to scollier@fbgtx.org

Verbal Comments:

1. Sign up in-person between 5:00 p.m. and 5:30 p.m. at the Law Enforcement Center, 1601E. Main Street, in order to comment.

You will be limited to 3 minutes to speak.

1. CALL TO ORDER

2. ROLL CALL

3. ACTION ITEMS

- A. Consider an Amendment to the Planned Unit Development (PUD) request by Nick Skuteris with DC Partners for Property Located at 1149, 1293, 1389, 1413, and 1449 US Hwy 87 North (22.031 acres), formerly referred to as the Seven Hills Development (Request # Z-2401) (Anna Hudson, Director of Development Services)
 - i. presentation by applicant
 - ii. staff report

iii. take action on the PUD Amendments

4. ADJOURN

CERTIFICATION

This is to certify that I, Anna Hudson, posted this Agenda at 5:00. on March 13, 2024, on the bulletin board of the City of Fredericksburg City Hall, 126 W. Main St., Fredericksburg, Texas.



Anna Hudson
Director of Development Services



PLANNING AND ZONING COMMISSION **AGENDA MEMO**

DEPARTMENT: Development Services
TO: Planning and Zoning Commission
FROM: Anna Hudson, Director of Development Services

MEETING DATE: March 18, 2024

CATEGORY: ACTION ITEMS

CAPTION: Consider an Amendment to the Planned Unit Development (PUD) request by Nick Skuteris with DC Partners for Property Located at 1149, 1293, 1389, 1413, and 1449 US Hwy 87 North (22.031 acres), formerly referred to as the Seven Hills Development (Request # Z-2401) (Anna Hudson, Director of Development Services)

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PRESENTATION:

SUMMARY:

The 2006 Comprehensive Plan and the proposed 2024 Comp Plan designate this area "the Y" as a Commercial Center and Mixed Use Corridor given its location at the intersection of two major transportation routes. The proposed hotel, retail, restaurant, condominium development would be one of the first mixed use projects and is an example of horizontal mixed uses where the residential rental units are separated from the commercial uses.

The site in question was previously annexed and approved for a Planned Unit Development (PUD) for the Seven Hills Hotel & Conference Center. DC Partners are requesting approval of a similar project with the addition of residential condominiums that were listed as a Permitted Use in the existing PUD but were not identified on the site plan. The hotel and retail cues and locations have been adjusted on the site but the uses and height maximums are the same. The reduction in conference space and retail spaces has reduced the traffic impact compared to Seven Hills.

The property contains the historic Klingelhoef House, which is a designated landmark, and the proposal shows a landmark overlay that follows the previous property line. The site also includes the retention of the Stork gas station at the "Y".

A Preliminary Plat into a single lot has been approved, combining the three (3) lots into one.

A PUD ties the zoning to a General Development plan. The General Development site plan shows placement of the buildings by type/use, parking, and green space providing for the concept of the development. At this point, the developer is unable to designate exact amounts of retail, restaurant, other uses which could impact the total amount of parking needed. The approval of a PUD or in this

case an amendment to a PUD, allows the developer to continue finalize plans with certainty that the proposed uses, heights, setbacks, and parking calculations are adequate. A detailed site plan is required once programming/uses have been defined. The property is also located within the Entry Corridor and will need to return with renderings to show how the Entry Corridor design standards are being met. Staff does encourage the developer to pursue a more vertical mixed use development and look for opportunities to bring the residential and commercial components together.

Additionally, based on several meetings with TxDOT and the current trip generation and turning movement counts identified in the Traffic Impact Analysis, in addition to the center turn lanes proposed at each driveway and Bob Moritz Drive, staff recommends right turn lanes be provided at each proposed driveway into the site to mitigate any impacts to through traffic. Additionally, it is recommended that representatives with TxDOT, Gillespie County, and the City continue to coordinate on future improvements that could be made to the intersection of US 290W and US 87N (the "Y").

BACKGROUND: PLANNED UNIT DEVELOPMENT (PUD)

A Planned Unit Development is a development which is under unified control and is planned, and developed, as a whole in a single development operation of programmed series or phases of development, each phase of which is specifically integrated into and made a part of the overall plan of development, and which shall include streets, lots, adequate utilities to serve the proposed uses and densities, and which indicates all structures and their relationship to each other and to adjacent uses and improvements, and which provides for common taxation, maintenance, and operation thereof. A Plan Unit Development shall consist of dwelling units, and may also include non-residential uses compatibly and harmoniously incorporated into the unitary design for the Planned Unit Development. A Planned Unit Development where more than five percent of the total area is utilized for non-residential purposes, such as commercial or industrial uses, is a non-residential PUD. See Section 3.700. Sec. 3.700. - PUD: PLANNED UNIT DEVELOPMENT.

Intent:

The purpose of the Planned Unit Development (PUD) Zone provides a means of achieving greater flexibility in the development of land, appropriate in size and shape to facilitate utilization in a manner not possible by conventional zones. The PUD Zone, is intended to encourage more efficient uses of land, while still providing proper arrangement of uses and structures. As such PUDs must be related to the land, surrounding uses and zoning; and would ensure the fulfillment of community needs relative to certain residential, commercial, industrial, recreational and other land uses. Through the exercise of sound and proper planning principles, PUDs incorporate appropriate property development standards, that would not be detrimental to surrounding property or uses nor the public health, safety and welfare. All forms of Planned Unit Developments (PUD) shall be subject to the granting of a Conditional Use Permit and may include mixed combinations of the various forms of residential, civic, commercial, industrial, recreational uses and other forms of land uses.

Principal Permitted Uses

Buildings, structures and land shall be used and structures shall hereinafter be erected, altered or enlarged only for those uses specifically listed in the granting of a Conditional Use Permit, as hereinafter provided for in the following section.

Property development standards, applicable to any Planned Unit Development regarding lot area, lot dimension including width and depth, yards including front, side and rear, building heights, distance between buildings, fences, hedges and walls, signs, lighting, access, off-street parking, vehicular and pedestrian circulation, open spaces, grading and drainage, sanitation, public utilities and such other matters pertinent to the development, shall be determined by the Planning and Zoning Commission and City Council at the time of review of plans denoting the proposed Planned Unit Development (PUD) or associated Conditional Use Permit considerations.

The property development standards denoted in the various zones defined in the Zoning Ordinance

may be used as guidelines for the determining of appropriate property development standards.

Property development standards imposed in conjunction with Planned Unit Development shall in no way be contrary to applicable federal, state or county laws and shall not be inconsistent with any plans enacted pursuant to applicable authority by the legislative body, nor shall such property development standards be in deviation from sound planning principles nor detrimental to the public health, safety and welfare.

The mechanics of the process require the developer to submit a **"General Development Plan"** based on Conditional Use Permit provisions in this ordinance. The Planning and Zoning Commission and the City Council will review the plan for conformance with this ordinance and specify additional conditions to minimize possible adverse effects. Subjects for possible additional conditions include the following:

- A. Access
- B. Services
- C. Design
- D. Physical Environment
- E. Density
- F. Fences, Walls and Visibility
- G. Parking
- H. Yards (Set-Backs/Open Space)
- I. Landscaping and Landscape Preservation
- J. Signage
- K. Amenities
- L. Screening

Construction plans, when submitted, must indicate that each condition is met as the project continues.

Site Area: 959,671 sq ft - 22.03 Acres

Zoning: Planned Unit Development (PUD)

Building Coverage: 20% - 166,00 sq ft

Impervious Coverage: 49% - 468,125 sq ft

Heights: Hotel up to 4-stories/48 ft, Condominium (up to 38') (proposed is 2 stories),
Retail/Restaurant up to 3stories/38' (proposed is 2 stories)

Residential Unit Count: 45 Condominium Units

Commercial: up to 200 Hotel Rooms
up to 40,000 sq ft for retail and restaurant

Parking: 638 required with 672 provided
90 parking spaces required for Condos
205 parking spaces required for Hotel
343 parking spaces for Retail/Cocktail Lounge

Entry Corridor: Entry Corridor will be reviewed at a later date when architectural plans are finalized.

Landscape and Screening:

	Seven Hills (existing PUD)	DC Partners (proposed)
Total Property Size	22+ Acres – 959,671 sq ft	22+ Acres – 959,671 sq ft
Max Building Coverage	75%	75%
Actual Building Coverage	168,200	20% - 166,00 sq ft
Max Impervious Coverage	80%	80%
Actual Impervious Coverage	618,800	49% - 468,125 sq ft
Max Height	4 Stories – 48 ft	4 Stories – 48 ft (hotel only)
Density Calculations	7 units per acre	11 units per acre
Hotel Rooms	160 Units	200 Units
Hotel/Conference Sq Ft	97,400	88,900 sq ft
Retail/Restaurant Sq Ft	70,800	40,000 sq ft
Condominium Units	0	45
Condominium Sq Ft	0	37,100 sq ft
Parking Spaces Required	730	638
Parking Spaces Provided	484 = 34% Reduction	672 = 34 extra spaces

STAFF RECOMMENDATION:

At the Planning & Zoning Commission meeting on March 6, 2024, a motion to approve failed with a 6-3 vote. A special Planning & Zoning meeting has been called for March 18th to provide for a recommendation from the Commission. The Commission's recommendation will be presented at the City Council meeting on March 19th.

City staff recommends approval conditioned upon the following:

1. Approval of Civil Construction Plans (staff approval)
2. Approval of Traffic Impact Analysis by TxDOT, Gillespie County, and City of Fredericksburg, including left and right turn bays at each driveway and a center turn bay for Bob Moritz Dr. (staff approval)
3. Approval of a Final Plat Including Dedication of ROW and/or Roadway Easement to Allow for Future Intersection Improvements at the "Y" (P&Z to approve)
4. Approval of Entry Corridor requirements (P&Z approval)
5. Approval of Final Site Plan (P&Z Approval)
6. Approval of Conditional User Permits for final uses and locations (City Council approval)
7. Approval of Sign Package (City Council)

ATTACHMENTS:

1. DC Partners Presentation
2. EDC Support Letter
3. Special P&Z Commission Meeting

APPROVAL/REVIEW:



Garret Bonn, Assistant City Manager

Date: March 13, 2024

Rachel Raggio, TOASE Attorney

Date: March 13, 2024



Anna Hudson, Director of Development Services

Date: March 13, 2024



March 18th, 2024 Planning and Zoning



Application: Z-2401

Developer: DC Partners

Project Location: HWY 290
and HWY 87 (“The Y”)



Agenda

1. Timeline
 - DC Partners
2. Site Plan Changes and Considerations
 - DC Partners
3. City Staff Recommendations & Next Steps
 - DC Partners
4. Community
 - Turner Construction
5. Placemaking - Creation of a Successful Mixed-use Community
 - Merriman Anderson Architects
6. TIA and TXDOT
 - Dunaway Civil

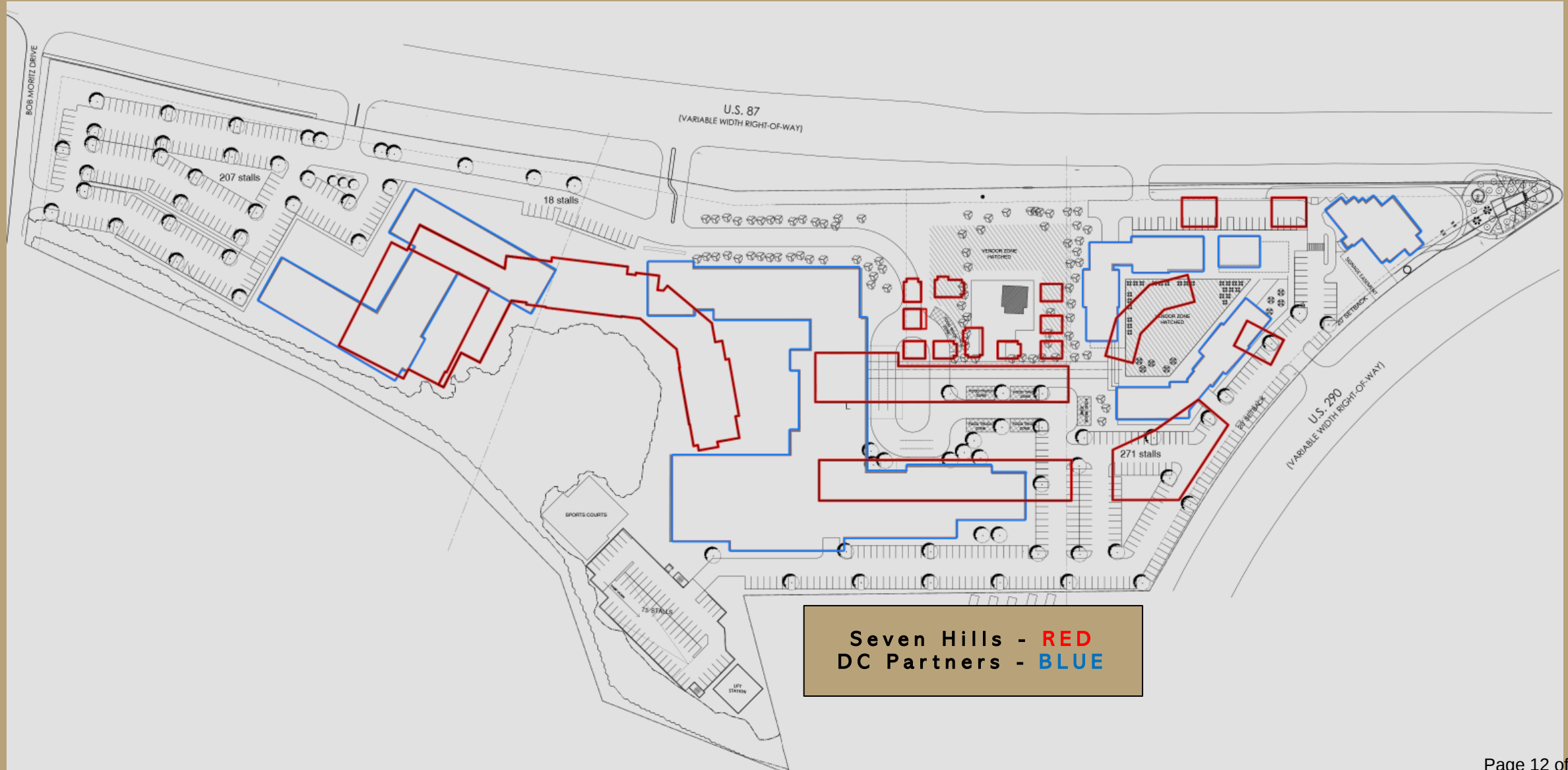


1. Timeline

(*City RFP---* $\rightarrow$ *Today*)

- September 4th, 2018
 - Seven Hills PUD Approval
 - Ordinance No. 28-013
- February 22nd, 2022
 - RFP issued
- April 22nd, 2022
 - RFP due
- July 18th, 2022
 - DC Partners presented RFP at City Council
- March 27th, 2023
 - DC Partners first PUD Amendment submission
- August 2nd, 2023
 - PZ vote, not in favor
 - Multiple meetings with FBGTx staff and project stakeholders to make project adjustments
- December 6th , 2023
 - Discussion item only, no vote
 - Following PZ, continued coordination with FBGTx staff and TXDOT
- January 3rd , 2024
 - Discussion item only, no vote
 - Following PZ, continued coordination with FBGTx staff and TXDOT
- March 6th , 2024 PZ and March 18th , 2024 PZ
- March 19th , 2024 City Council

Mixed-use Community Comparison- Seven Hills vs. DC Partners Site Plan



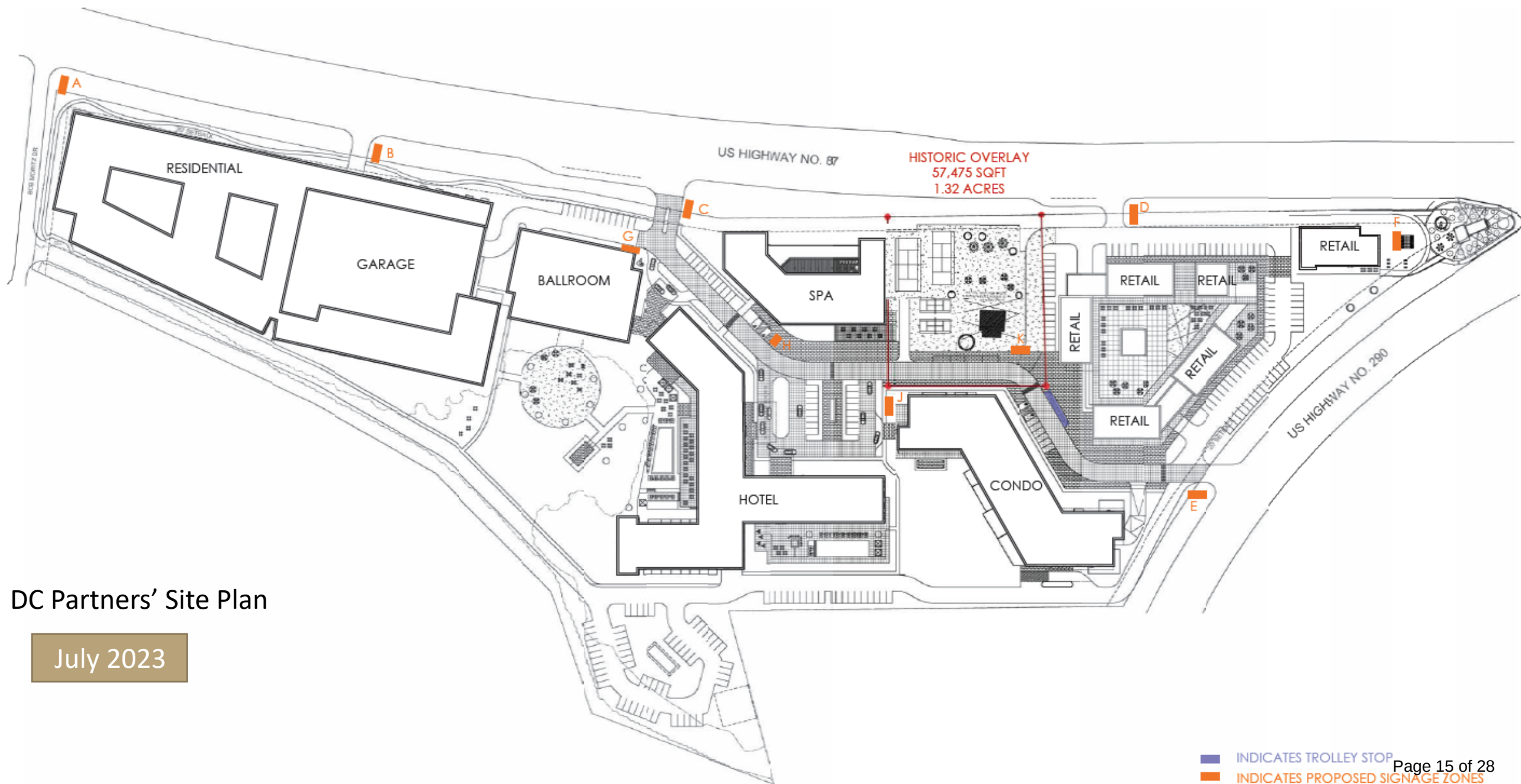


Current PUD vs Amended PUD

	Seven Hills	DC Partners
Total Property Size	22+ Acres – 959,671 sq ft	22+ Acres – 959,671 sq ft
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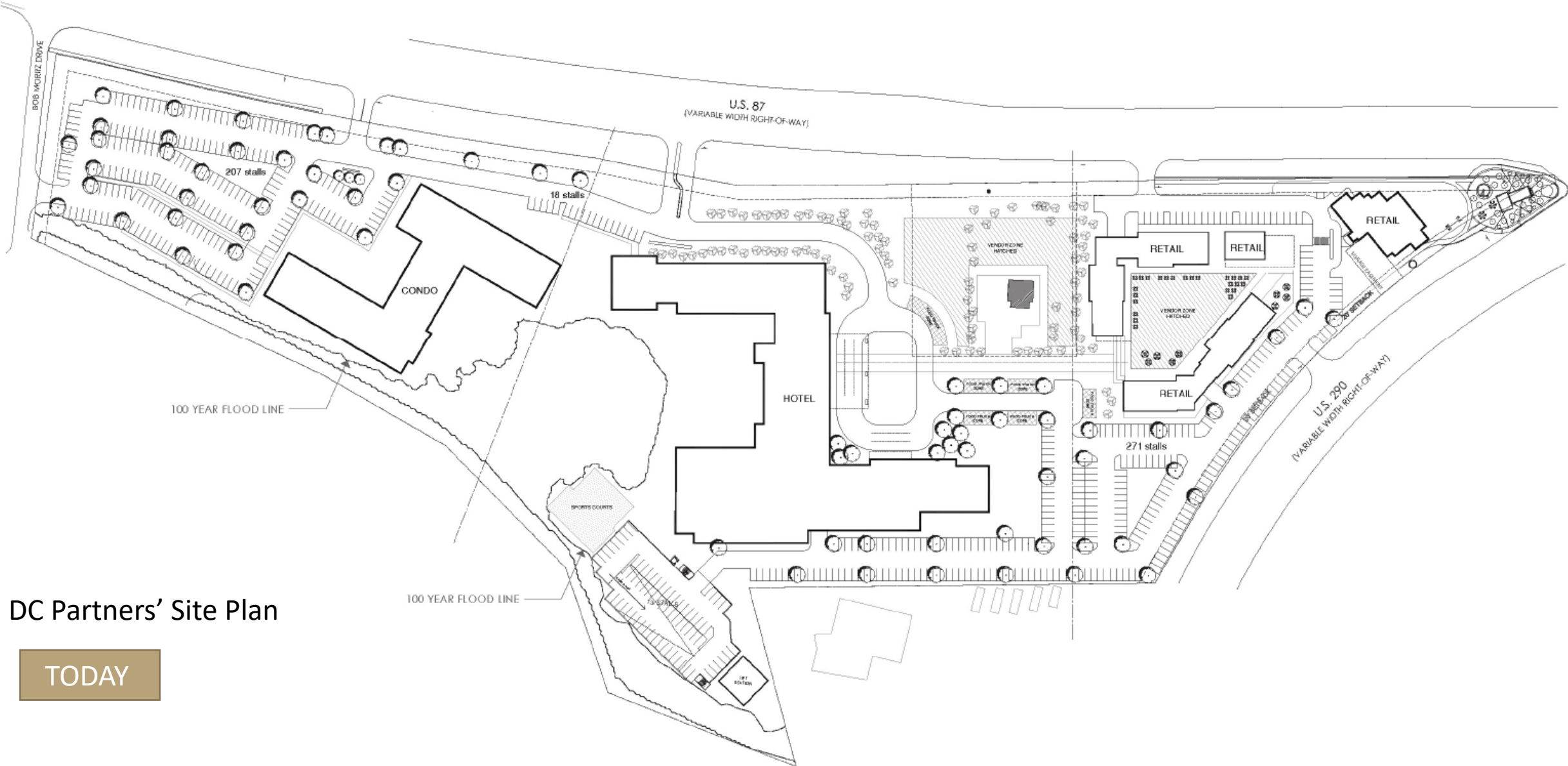


2. Site Plan Changes and Considerations



DC Partners' Site Plan

July 2023



DC Partners' Site Plan

TODAY



2. Site Plan Changes and Considerations

1. Removal of standalone multifamily building from the property and reducing density
2. Provide all City Code required parking
 - 1-to-1 based on city parking ordinance
3. Decrease overall traffic impact
 - New TIA submitted (Bryan Sherrieb)
4. Include underground parking beneath condo and near ballroom
5. Reduce condo building height from 3-story to 2-story
6. Hotel height is 2-story from 87 and 3-story from 290
7. Increase distance between buildings and TXDOT highways
8. Increased green space and visibility surrounding Klingelhofer House



2. Site Plan Changes and Considerations

9. *Continued coordination with City Staff, TXDOT, and Gillespie County for ingress and egress
 - Relocation of Bob Moritz entry/exit
 - New TIA submitted (Bryan Sherrieb)
10. *Continued coordination with CVB
 - Meeting space coordination
 - Outreach to CVB board (calls and face-to-face meetings)
11. Commitment to implement water conservation efforts throughout the development
 - Rainwater and condensate harvesting for landscape irrigation
 - Bio-swales - collect runoff from impervious surfaces and direct runoff
 - Native plant selection - drought tolerant/native plants that will require less water
 - Irrigation - very efficient irrigation system design
12. Infrastructure availability
 - Location and capacity
13. Community outreach and benefit
 - Face-to-face, letters (CVB, EDC, community members), and project partnerships (NFPO's)
 - Tax impact for the community

*takeaway from January 3rd, 2024 PZ



3. City Staff Recommendations and Next Steps

1. Documents being considered today:
 1. Amendment to the existing Seven Hills PUD (Site Plan, Zoning Notes, and Permitted Uses)
2. City staff recommends approval conditioned upon the following:
 1. Approval of a Final Plat Including Dedication of ROW and/or Roadway Easement to Allow for Future Intersection Improvements at the "Y" (P&Z approval)
 2. Approval of Civil Construction Plans (Staff approval)
 3. Approval of Traffic Impact Analysis by TxDOT, Gillespie County, and City of Fredericksburg, including left and right turn bays at each driveway and a center turn bay for Bob Moritz Dr. (Staff approval)
 4. Approval of Conditional Use Permits for final uses and locations (City Council approval)
 5. Approval of Entry Corridor requirements (P&Z approval). This is a technical review.
 6. Approval of Final Site Plan (P&Z Approval). This is a technical review to ensure site plan uses are still in compliance with overall PUD Amendment. (P&Z Approval needs to be more defined, as the PUD Amendment includes the site plan, DC Partners would recommend this goes to P&Z technical review during the permit process).
 7. Approval of Sign Package (City Council approval). This would not reopen the PUD Amendment and would be for review of the Sign Package Exhibit only.



3. City Staff Recommendations and Next Steps

3. Pending approval from City Council on 3/19, the following would take place.
 1. Amendment to the existing Seven Hills Annexation Agreement (revising the Exhibits to align with DC Partners proposed PUD Amendment)
 2. Release design team to begin civil construction plans.
 3. Complete the TXDOT TIA submission and release design to begin TXDOT construction submission package.
 4. Release design team to begin Entry Corridor submission documents.
 5. Release design team to review site signage and begin Sign Package documentation.
 6. Final plat submission would take prior to project completion.
 7. Further coordination with CVB on meeting space.
 8. TIRZ initiation/first steps.



4. Project Partners/Community

- Turner will plan 2 to 3 community outreaches before we will go to bid.
 - Project overview, general scopes of work, and bidding calendar/opportunities.
- How a trade partner becomes pre-qualified with Turner.
- How a trade partner receives bid invites and the process for award.



5. Placemaking - Creation of a Successful Mixed-use Community

- Connectivity
- Compatibility
- Relationships
- Open space
- Flexibility



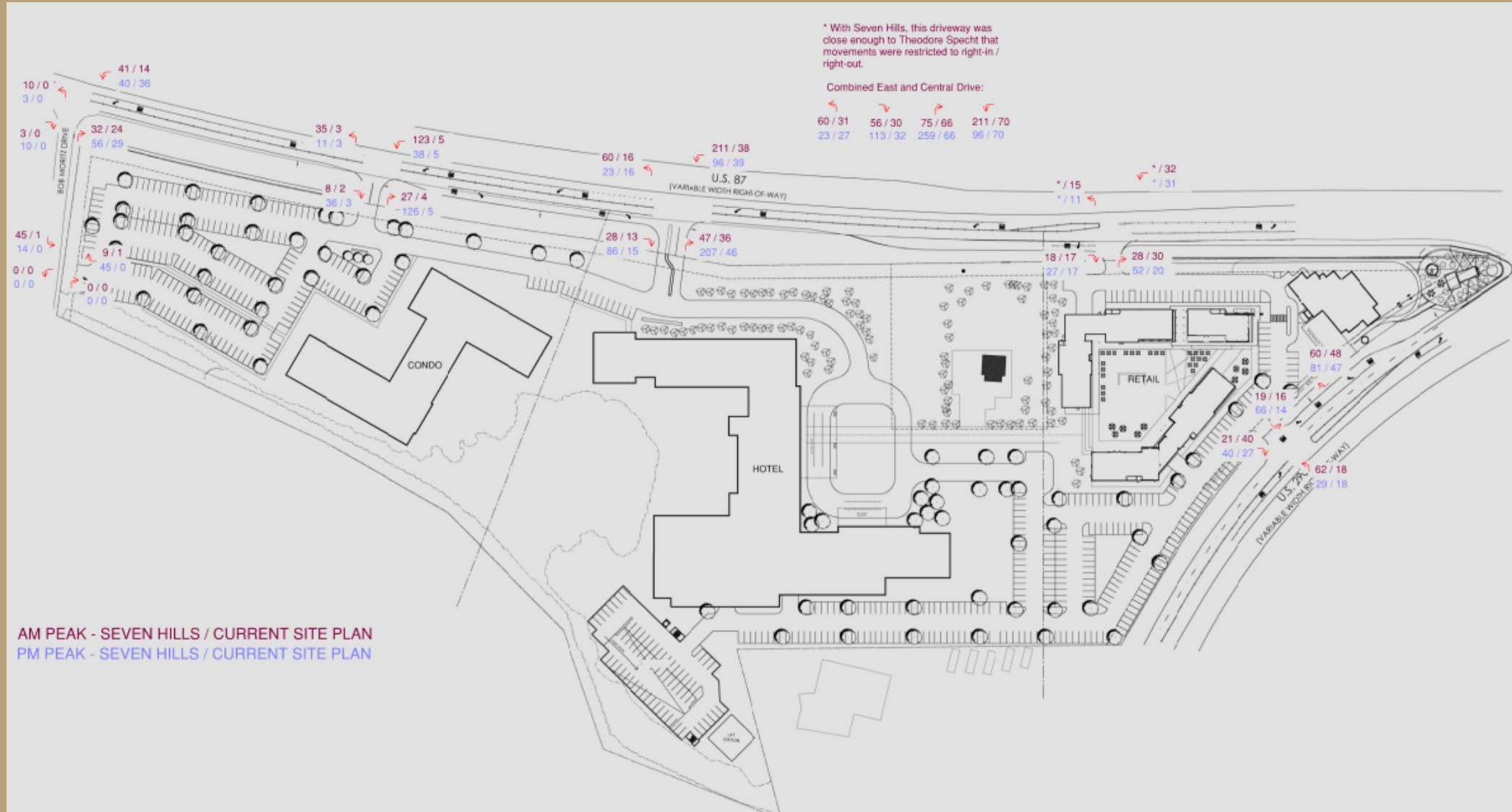
6. TIA and TXDOT

- TIA for the current site plan submitted to:
 - City on 2/16/24
 - TxDOT on 2/20/24.
- TIA based on traffic generated by current land uses
 - Significant reduction in trips generated compared to 2023 land plan and 2018 development.
- TxDOT and City have provided preliminary feedback
- Preliminary feedback and formal feedback will be incorporated into the project design.

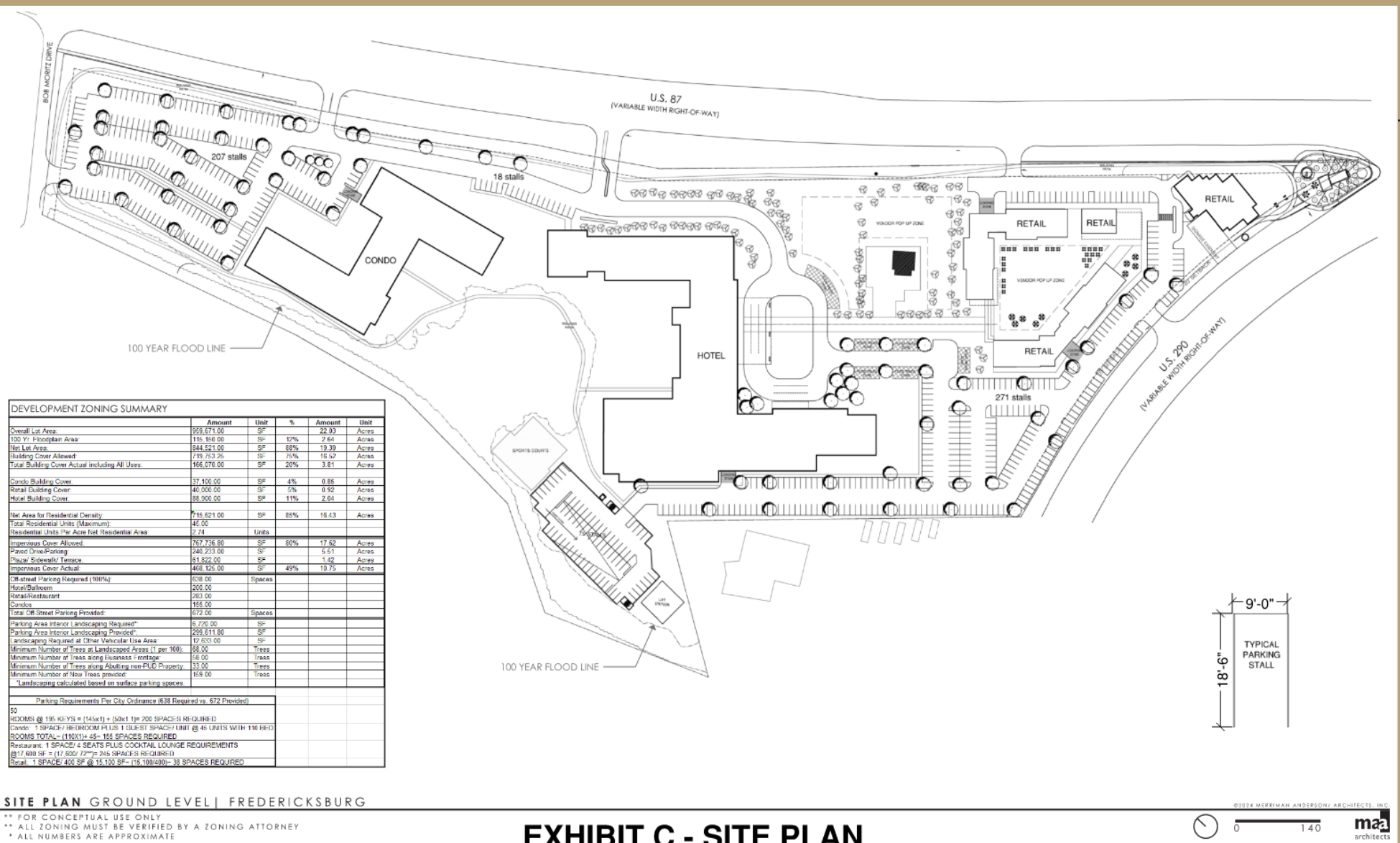
TIA and TXDOT Exhibit



1. Seven Hills had a “convention center” which had major traffic impacts
2. Seven Hills had more retail (see previous site plan comparison)



Site Plan



Gillespie County

Economic Development Commission

FREDERICKSBURG - HARPER - STONEWALL - DOSS - WILLOW CITY



February 20, 2024

Mr. Acho Azuike
Chief Operating Officer and Managing Director
DC Partners
2425 West Loop South, 7th Floor
Houston, TX 77027

Dear Mr. Azuike:

On behalf of the Gillespie County Economic Development Commission, I am pleased to write this letter of support for the proposed mixed-use development by DC Partners located on 22 acres at the intersection of U.S. Highway 87 North and U.S. Highway 290 West. The site is well-located at the end of West Main Street and was annexed into the City of Fredericksburg in 2018 under Planned Unit Development zoning. It is a prime location for the landmark project that is being proposed.

Fredericksburg is thriving and continues to see significant growth as an established tourism destination and the epicenter of the burgeoning Hill Country wine region. Despite seeing an estimated 1.8 million visitors per year, our city has not added a new hotel in nine years and, at the present time, still does not have a full-service hotel nor a hotel with adequate meeting space to accommodate many of the conference groups that would like to meet here. The mixed-use development being proposed addresses a variety of needs including bringing the quality hotel brand Kimpton.

Fredericksburg is in Gillespie County which is not part of any Metropolitan Statistical Area (MSA). The most recent Census survey of July 2021 estimates the City's population to be 11,072. In addition, Fredericksburg is not within the outer boundary of any city or town having a population of over 20,000. As such, it is believed that the development site meets all qualifications established by Congress to be considered a Rural Targeted Employment Area (TEA) for the purposes of the EB-5 Immigration Investment Program.

As head of economic development in the community, I am pledging my support to this effort and wish to extend a warm welcome to the international investor communities that the project is attracting.

Sincerely,

Tim Lehmberg
Executive Director



City of Fredericksburg

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