



# **INFORMATION MEMORANDUM**

TO: Mayor and City Council

THROUGH: Ben Williamson, City Manager

FROM: Marcos Narvaez, Deputy Director of Planning

DATE: May 7, 2024

SUBJECT: Conduct a public hearing and consider adopting Ordinance No. 3857 for a zoning amendment for mixed-use development on approximately 10.18 acres located at 1960 LBJ Freeway within the Planned Development District No. 99 (PD-99) zoning district; and take appropriate action.

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## **Summary:**

The applicant, Chris Zielke, Centurion American, requests to amend Planned Development District No. 99 (PD-99) for a mixed-use development known as “Mercer Boardwalk.” The original detailed site plan depicting five restaurant and retail buildings was approved by the City Council on December 10, 2019 (Res. 2019-182). A subsequent site plan amendment was approved on January 5, 2021 (Res. 2021-004). Phase One construction is now complete (Buildings 3, 4, and 5) and the developer proposes to modify plans for Phase Two with this request.

Specifically, the applicant proposes developing Building 1 as a new pickleball entertainment complex with 12 outdoor courts and an indoor bar and restaurant. Building 2 is proposed as an indoor event center for private and corporate events, and a new pad site building (Building 6) is proposed with half of the building dedicated to restaurant use and a secondary suite for office or retail use.

The subject site is located within the “Urban Commerce” subdistrict of PD-99 which allows restaurant, retail, and indoor commercial amusement uses by right. To accommodate the proposed development, the applicant proposes adding Event Center and Outdoor Commercial Amusement uses to PD-99.

In addition, the applicant proposes to install an approximately 50-foot-tall LED sign adjacent to LBJ Freeway (I-635), rather than the 36-foot-tall multi-tenant pylon sign approved with the previous detailed site plan. Animated or electronic signage is currently prohibited within PD-99. Several other deviations from PD-99 standards are requested, as described in this report, including certain special exceptions approved with the previous detailed site plan.

**Adjacent Zoning Districts and Land Uses:**

Direction	Zoning District	Land Use
North	Planned Development District No. 99 (PD-99)	Multifamily (across LBJ Fwy)
South	Planned Development District No. 88 (PD-88)	Multifamily (across lake)
East	Planned Development District No. 99 (PD-99)	Vacant (future multifamily)
West	Planned Development District No. 88 (PD-88)	Gas Station (across creek)

**Proposed Development:**

Three of the five buildings depicted on the original detailed site plan have been constructed. Building 5 is currently operating with three restaurant uses (Black Agave, Barrel and Bones, and Dough Bro’s). Buildings 3 and 4 are constructed but not yet occupied. The changes proposed with this request for the remaining buildings are summarized below:

Building 1

The previously approved site plan depicted Building 1 as a 11,651-sf restaurant with 1,667-sf patio seating. With this request, the applicant proposes a two-story restaurant and bar (approximately 4,777-sf) with additional patio and outdoor seating. Ten outdoor pickleball courts, two outdoor padel courts, and a lawn area with outdoor bar are also proposed.

Building 2

The previously approved site plan depicted Building 2 as a 13,141-sf restaurant with 1,910-sf patio seating. With this request, the applicant proposes an approximately 10,192-sf indoor event center for private and corporate events. The front (northern) building façade remains as originally approved but the southern façade has been modified with increased glazing to promote views of the adjacent lake.

Building 6

Building 6 was not shown on the previously approved site plan. Instead, this location was shown as a landscaped area. The applicant now proposes an approximately 5,000-sf single-story building with two tenant spaces. One suite will be occupied by restaurant use and the other is planned for office or retail use. The architectural design and materials proposed are consistent with the other buildings in the Mercer Boardwalk development.

### Buildings 3, 4, and 5

The previous site plan labeled Buildings 3, 4, and 5 as having a mix of restaurant and retail uses. With this request, the applicant proposes that Buildings 3 and 5 be occupied entirely for restaurant uses. Building 4 is still proposed to include retail use in addition to restaurant.

Both PD-99 and the developer's agreement for Mercer Boardwalk require that the subject property be developed with not less than 75% of cumulative building square footage dedicated to restaurant and/or commercial indoor amusement. Additionally, portions of the buildings occupied by retail uses may not be more than 10% personal services uses. With this request, the applicant proposes that Event Center or Banquet Hall uses be counted towards the minimum 75% square footage requirement. If approved, the proposed development will meet the 75% threshold.

### **Site Access:**

The existing development is accessed from the eastbound LBJ Freeway frontage road via a single-drive approach. Connection with the future multifamily development to the east is proposed through shared access easements. A 12-foot-wide hike and bike trail was constructed by the applicant along the entirety of the southern property line (adjacent to the lake) with the development of Phase One. A low-water pedestrian crossing was also installed across the lake to provide connectivity to the adjacent trail system serving nearby multifamily and hotel developments. No changes to vehicular or pedestrian access are proposed with Phase Two of this development.

### **Parking:**

The previously approved site plan included a special exception related to parking, as the site was two spaces deficient based on PD-99 requirements (395 spaces required and 393 provided). All 393 parking spaces were constructed with Phase One. No additional parking spaces are proposed with this zoning amendment or Phase Two development.

PD-99 establishes minimum parking ratios for commerce uses: one space per 150-sf of restaurant, one space per 250-sf of retail, and one space per 300-sf of office. Event Center uses were not originally envisioned by PD-99 and do not have a separate parking requirement. For commerce uses, PD-99 allows a parking plan prepared by a Texas professional engineer to be submitted outlining how mixed-use development will accommodate parking demand. The developer has provided this parking analysis and a copy is attached to this report. However, the analysis was formulated based on a preliminary version of the site plan and it does not reflect the final square footages and building uses proposed by this request.

As a point of reference, parking ratios were updated within the Comprehensive Zoning Ordinance (CZO) in 2021, reducing parking requirements for many uses in standard zoning districts. The CZO requirement of one parking space per 400-sf for general retail, restaurant, and event center uses would generate a demand of approximately 172 spaces for the Mercer Boardwalk development. However, this property is subject to PD-99 standards which supersede the CZO.

### **Landscaping and Street Trees:**

PD-99 includes minimum requirements for street trees, landscaped area within surface parking lots, and all unpaved ground areas being planted within turf grass, vegetative groundcover and/or flowering vegetation. The majority of site landscaping was installed on the property with development of Phase One, meeting the PD-99 requirements. No changes are proposed, other than modification to the tree alignment surrounding the proposed pickleball complex (Building 1). In total, the development will include 108 trees of varying species and approximately 8,000-sf of landscaping within the parking lot area.

### **Building Elevations:**

The development agreement between the City and the applicant requires that the subject property comply with the PD-99 zoning district architectural requirements, including the adopted Mercer Crossing design guidelines. PD-99 requires that each exterior building facade be a minimum 75% masonry/stone with Texas Tudor design elements with tri-partite architecture. The exteriors of all proposed buildings consist of brick, stone veneer, and precast stone, and each building elevation meets or exceeds the minimum 75% masonry requirements.

### **Signage:**

The applicant proposes to install an approximately 50-foot-tall pylon sign along the northern property boundary to promote visibility from LBJ Freeway. This sign features a double-sided LED message board (approximately 435 sf in area) with six tenant name plaques. Advertising on the sign is limited to businesses and events located on the Mercer Boardwalk property only. Section 62.14(b) of the Code of Ordinances outlines additional requirements for electronic message boards, including illumination and timing of graphic or text changes.

The previously approved site plan included a 36-foot-tall multi-tenant pylon sign (without electronic messaging) as recommended by the Mercer Crossing Pattern Book, which calls for a maximum sign height of 40 feet. Chapter 62 of the Code of Ordinances also limits pylon signs along the IH-635 frontage to 40 feet in height with a maximum sign area of 150 square feet. However, the PD-99 signage standards supersede this ordinance requirement.

Future attached building signage will be permitted separately on a case-by-case basis through the Community Services Department, subject to all PD-99 requirements.

### **Other Items for Consideration:**

The following Special Exceptions were adopted with the previous detailed site plan for this development and remain in place for this request:

- *Minimum ground floor fenestration requirements (Section IV.B.4.b.(2))*

PD-99 requires between 60% and 90% fenestration on ground floor commerce building facades facing a street frontage. This development was approved with lower fenestration

requirements (minimum 16%) given that buildings are setback more than 200 feet from the adjacent right-of-way for LBJ Freeway.

- *Building placement from the required front setback (Section IV.B.1.b.(7))*

PD-99 requires a minimum of 50% of commercial building facades to be within 50 feet of the required 10-foot front setback line (i.e., 60-foot maximum setback). This development was approved with the buildings, outdoor patios, and trail amenities oriented south towards the lake in order to achieve a boardwalk style design.

- *Surface parking between the buildings and adjacent right-of-way (Section V.C.1.c.(2))*

PD-99 allows a maximum of 25% of surface parking to be located forward of the front building façades. As described above, this development was approved with buildings positioned towards the lake front and surface parking located between the buildings and LBJ Freeway.

**Comprehensive Plan Recommendation:**

The Farmers Branch 2045 Comprehensive Plan designates this site as “Mixed-Use” on the Future Land Use Map. This designation recommends a mix of complementary residential, commercial, office, and recreational uses to create a cohesive district. The existing and proposed development for Mercer Boardwalk is consistent with the recommendations of the Comprehensive Plan.

**Public Response:**

On March 28, 2024, 13 notification letters were mailed to the surrounding property owners and Carrollton-Farmers Branch and Dallas Independent school districts. A zoning notification sign was also placed on the site on the same day. In addition, the required public hearing notice was published in the Dallas Morning News on April 19, 2024. As of the writing of this report, no written correspondence has been received by the City.

**Recommendation:**

On April 8, 2024, the Planning and Zoning Commission considered this request and recommended approval by vote of five (5) in favor to one (1) opposed.

**Applicable Zoning and Development Case History: (most recent to oldest)**

Date Approved	Case #	Description
1/5/2021 Resolution No. 2021-004	20-SP-05	Detailed site plan amendment with special exceptions for five restaurant/retail buildings and associated site improvements on the subject site.

<p>8/10/2020 Ordinance No. 3643</p>	<p>20-ZA-08</p>	<p>Amendment to PD-99 related to development performance standards and uses, including certain development performance obligations by the applicant prior to specified time frames.</p>
<p>12/10/2019 Resolution No. 2019-182</p>	<p>18-SP-16</p>	<p>Approval of a detailed site plan with special exceptions for the subject property for five restaurant/retail buildings and associated site improvements (repealed with Res. 2021-004).</p>
<p>07/23/2019 Ordinance No. 3581</p>	<p>18-ZA-08</p>	<p>Amended PD-99 related to development performance standards and uses, including providing for completion of certain development performance obligations by the applicant.</p>
<p>03/07/2017 Ordinance No. 3429</p>	<p>16-ZA-07</p>	<p>Amended PD-99 including incorporating the design guidelines and pattern book, allowing additional single-family uses, allowing amenity center use by right, and amendments to several appendices.</p>
<p>03/15/2016 Ordinance No. 3359</p>	<p>15-ZA-04</p>	<p>Established PD-99 allowing for a variety of land uses, including single-family, multi-family, office and a variety of retail/commerce uses.</p>