

Impacts of Land Use Bills Passed in the 89th Texas Legislature

City Council Work Session

August 19, 2025

Relevant Land Use Bills

Effective September 1, 2025

- **SB 1883** – Impact Fees
- **SB 840 & 2477** – Mixed Use Residential and Multifamily Development
- **SB 15** – Small Lot (Residential)
- **HB 24** – Zoning Notice and Protests
- **HB 2464** – Home Based Business
- **HB 3866** – Outdoor Storage Containers at Commercial Facilities

SB 1883 - Impact Fee Program

- Adds a financial audit (details are defined in the bill)
- Adds 120 days to the overall public comment period
- Advisory Committee changes
 - City Plan Commission can no longer serve as an advisory committee
 - 50% must represent the real estate, development, or building industries
- Ordinance Updates to establish advisory committee criteria and that members will be nominated at large and appointed by Council
 - Transportation Impact Fee: Capital Improvements Advisory Committee (CIAC)
 - 7 regular members + 2 alternates
 - Water Impact Fee: Capital Improvements Plan Advisory Committee (CIPAC)
 - 8 regular members including 1 representative from the ETJ

SB 840 - Impact Fee Program

- City cannot apply an impact fee on land where a building has been converted to mixed-use or multifamily residential (*change of use*) unless the land already was assessed an impact fee
 - This aligns with the existing program
 - Ordinance updates will clarify that this is the case

Transportation Impact Fee Program

Ordinance Updates Required (Ch 30, [Article VIII: Transportation Impact Fees](#))

§30-154	CIAC definition will be removed and defined in §30-159 Update Change of Use and Shell Building definitions for clarity
§30-159	Amended to include the establishment of the committee, its composition, and functions of the committee
§30-173	Update (a) to clarify assessments on new development and shell building first finish-out only

Implementation Plan (Schedule):

- Ordinance updates will be presented to Council on August 26th

Water Impact Fee Program

Ordinance Updates Required (Ch 35, [Div 2: Water and Wastewater Impact Fees](#))

§ 35-70.18	New section to establish and define the composition and functions of CIPAC, replacing Resolution 1487
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Implementation Plan (Schedule):

- Ordinance updates will be presented to Council on August 26th

SB 840 & SB 2477 – Multifamily & Mixed-Use Residential

Multifamily means the use or development 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.

Mixed-use residential means the use or development 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.

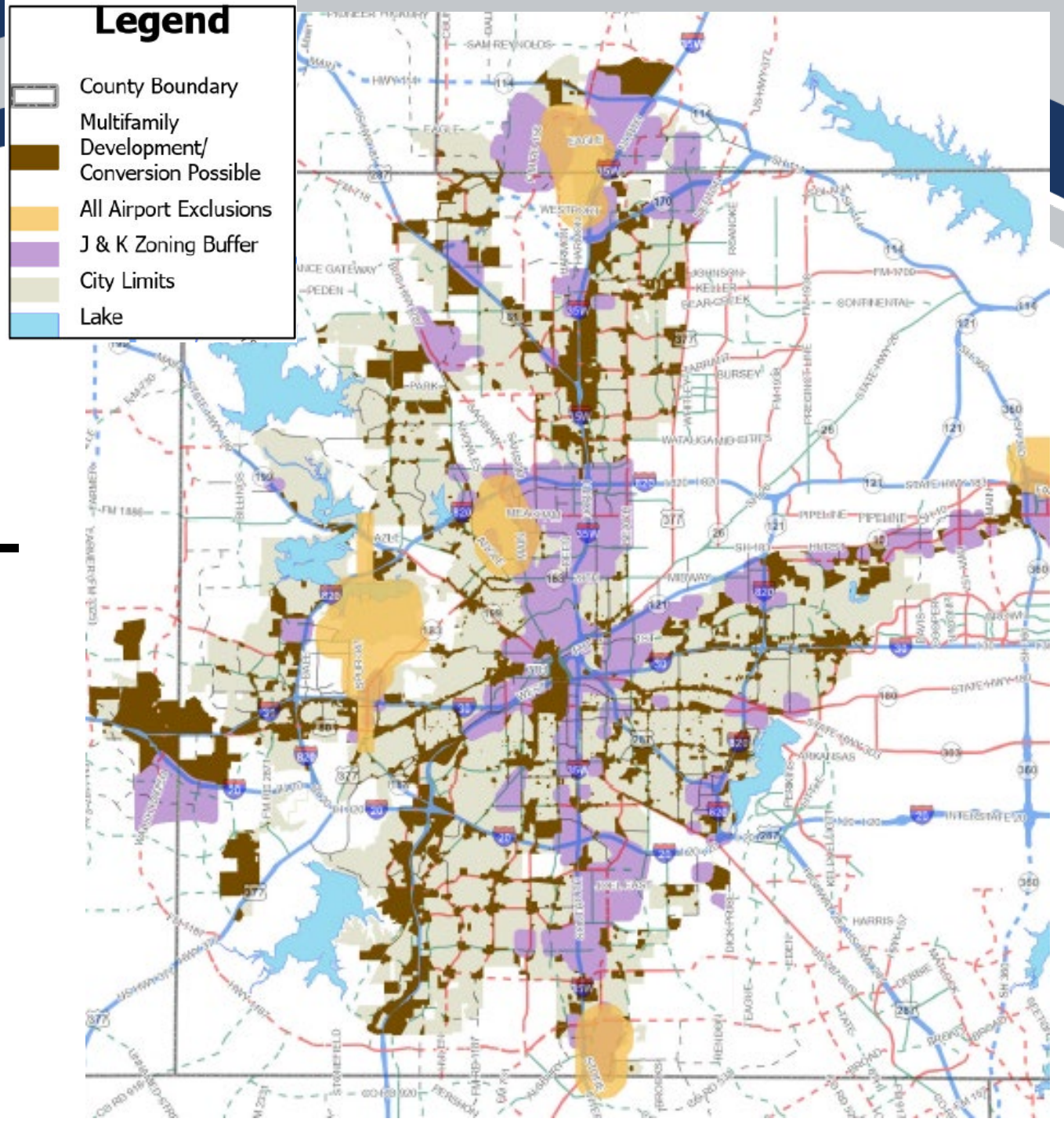
SB 840 & SB 2477 – Multifamily & Mixed-Use Residential

Multifamily and **mixed-use residential** must be allowed by right in the following districts that previously did not allow it:

- **ER** – Neighborhood Commercial Restricted
- **E** – Neighborhood Commercial
- **FR** – General Commercial Restricted
- **F** – General Commercial
- **G** – Intensive Commercial
- **I** – Light Industrial

Exemptions

- *1,000 feet of heavy industrial uses*
- *3,000 feet of an airport or military base*
- *Area designated as an accident potential zone*
- *Historic districts and designations*



SB 840 & SB 2477 Multifamily & Mixed- Use Residential

SB 840 & SB 2477 – Multifamily & Mixed-Use Residential

- Cannot require multifamily development to include a **nonresidential component**.
- The proximity test and location requirements for nonresidential uses will no longer apply in the following form based code districts:
 - MU-1 and MU-2 – Mixed Use
 - Camp Bowie
 - Near Southside
 - Stockyards
 - Trinity Lakes

SB 840 & SB 2477 – Multifamily & Mixed-Use Residential

- Bills require the City to allow the following:
 - **Density** – The highest residential density in the city, which, under the City's current Zoning Ordinance, is unlimited
 - **Building Height** – The greater of the applicable height of the district for the site or 45 feet
 - **Setbacks** – Maximum of 25 feet
 - **Parking** – Maximum requirement of 1 space per dwelling unit (typically require 1 per bedroom and parking for office/recreational areas)

SB 840 & SB 2477 – Multifamily & Mixed-Use Residential

- **Administrative Approval** – Bills require administrative approval of Multifamily and Mixed-Use Residential developments
 - Eliminates requirement to rezone property
 - Eliminates **Urban Design Commission** (UDC) and **Downtown Design Review Board** (DDRB) review of plans
 - Eliminates **Zoning Commission** and **City Council** approval of PD Site Plans
 - May eliminate **Urban Design Commission** (UDC) and **Downtown Design Review Board** (DDRB) consideration of waiver requests

SB 840 & SB 2477 – Multifamily & Mixed-Use Residential – **NEW CONSTRUCTION**

For **new construction, city can continue to regulate:**

- Façade design, fenestration, building entries
- Open space and urban forestry
- Other items related to pedestrian-oriented urban form: sidewalks, lighting, street trees, benches, and bicycle parking
- Signage

SB 840 & SB 2477 – Multifamily & Mixed-Use Residential – BUILDING CONVERSIONS

Buildings used for office, retail, or warehouse, can be converted to mixed-use residential or multifamily if the building was constructed at least 5 years before the conversion

Prohibits:

- (1) Traffic Impact Analysis (TIA)
- (2) traffic improvements
- (3) additional parking
- (4) additional utilities except to meet min capacity
- (5) certain density limits
- (6) nonresidential use requirements

- (7) design requirements
- (8) zoning changes/ variances
- (9) certain floor to area ratios, certain impervious cover or site coverage limits
- (10) additional drainage if impervious cover unchanged
- (11) impact fees unless land was subject to impact fees before building permit applied for

SB 840 & SB 2477 – Multifamily & Mixed-Use Residential – BUILDING CONVERSIONS

The design standards in the following form based code districts and design overlay may be affected when the project is a building conversion:

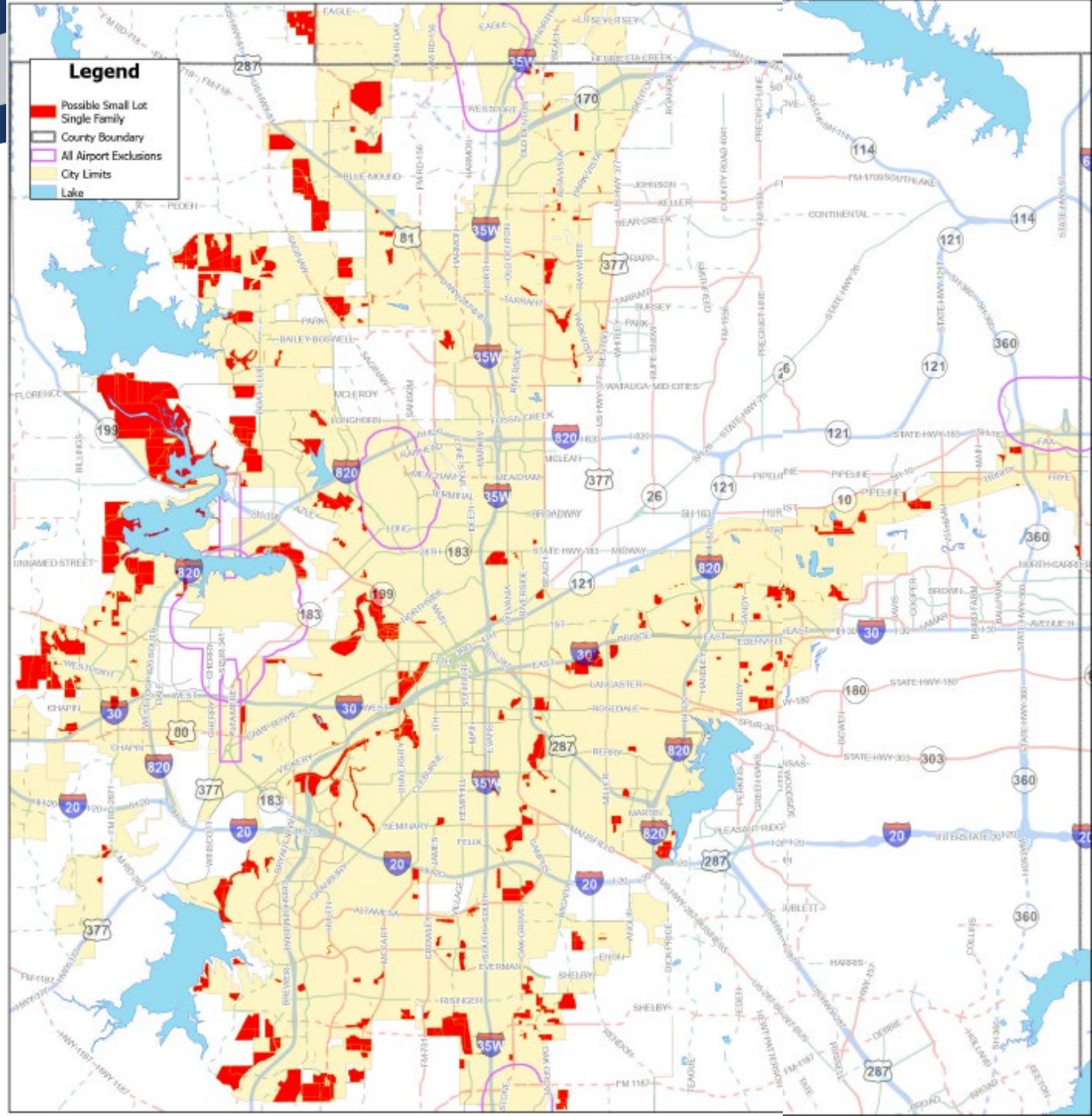
- Downtown Urban Design District
- Camp Bowie
- Near Southside
- Stockyards
- Berry University

SB 15 – Small Lots

Every zoning district that allows single family can have a lot size as small as **3,000 square feet** (equivalent to R1) on an **unplatted parcel** that is at least **5 acres**.

Exemptions

- 3,000 feet of an airport
- 15,000 feet of a clear zone and accident potential zone
- Development agreements



SB 15 – Small Lots

Bill requires the City to allow the following on lots that are less than **4,000 square feet**:

- Parking – no covered parking; 1 space per unit where City typically requires 2-4 spaces
- Design Standards – no regulation on bulk and wall articulation
- Lot Coverage – limited to requiring no more than 30% lot coverage or permeable surface

City can continue to regulate these standards for lots greater than 4,000 square feet.

HB 24 – Zoning Notice and Protests

Bill changes requirements for zoning notice and protests:

- Defines “Comprehensive Zoning Changes” as changes that: (1) will have the effect of allowing more residential and apply uniformly to each parcel in one or more zoning districts; (2) adopt a new zoning code or zoning map that applies to entire City; or (3) adopt a zoning overlay district that allows more residential development and includes an area along major roadway, highway, or transit corridor.
- Changes protest requirements from 20% to 60% within 200 feet if the proposed change would allow more residential uses.
- Requires proposed zoning changes to be published in newspaper and on the City’s website.

HB 24 – Zoning Notice and Protests

- A zoning change that allows more residential development is presumed valid if no action to invalidate within 60 days of the effective date
- For Comprehensive Zoning Changes, only newspaper notice and mailed notice to nonconforming owners is required
- For proposed zoning change not applying to entire City, Zoning Commission must post sign:
 - On the property (or right-of-way if multiple properties)
 - 10th day before zoning Commission until final Council determination
 - 24 inches long by 48 inches wide
 - Zoning commission or applicant must provide, maintain and pay for sign

HB 2464 – Home Based Business

- Home-Based Business (HBB) is defined as business that is operated from (1) residential property, (2) by owner or tenant of the property, and (3) for the purpose of: manufacturing, providing or selling a lawful good, or providing a lawful service
- No-impact home based business (NIHBB) is defined as a HBB that:
 - Has at any time on the property where the business is operated a total number of employees and clients or patrons of the business that does not exceed the city's occupancy limit for the property (currently 5)
 - Does not generate on-street parking or a substantial increase in traffic through the area
 - Operates in a manner in which none of its activities are visible from a street

HB 2464 – Home Based Business

For NIHBBs

- **City cannot:** prohibit NIHBB, require a permit to operate, require rezoning to non-residential, require sprinklers if single-family detached or 2 unit multifamily

For HBBs

- **City can require:** HBB to meet certain federal, state, and local regulations related to health and sanitation, fire code and building code, solid or hazardous waste, pollution and noise; HBB to be compatible with the surrounding residential use; and secondary use to the primary use as a residential dwelling
- Allows the city to prohibit HBB's from certain uses like selling of alcohol or illegal drugs or an SOB

HB 3866 – Outdoor Storage Containers

Allows outdoor storage containers at commercial facilities

- Defines intermediate bulk container recycling facility
- Allows cities to adopt an ordinance regulating where intermediate bulk container recycling facilities (within 2,000 feet of a residence)
- Allows TCEQ to adopt regulations



Planned Community Engagement

- Neighborhood Groups
- Downtown Fort Worth Inc.
- Near Southside Inc.
- Camp Bowie District
- Fort Worth Stockyards, Inc.
- Development Advisory Committee (DAC)
- Real Estate Council (REC)

Important Dates

7/9 – City Plan Commission (CPC)

8/13 – Zoning Commission briefing

8/19 – City Council briefing

8/21 – Urban Design Commission (UDC) briefing

8/21 – Development Advisory Committee (DAC) briefing

8/26 – Adopt resolution Complying with State Law; Adopt Impact Fee Ordinance amendments

8/25 through 8/29 – Train Staff

9/1 through 9/5 – Community Engagement

9/10 – Zoning Commission Public Hearing for Code Amendments

9/18 – DAC update

9/30 – City Council Public Hearing & Adoption of Code Amendments

Looking forward

- Additional future code changes may be recommended by staff
- Assess Comprehensive Plan, Water and Sewer Plans, Transportation Plan and Capital Improvements Plan to determine infrastructure investment priorities

Questions?