

## Legislation Details (With Text)

<b>File #:</b>	21-1021	<b>Name:</b>	
<b>Type:</b>	Ordinance	<b>Status:</b>	Passed
<b>File created:</b>	9/28/2021	<b>In control:</b>	City Council
<b>On agenda:</b>	10/11/2021	<b>Final action:</b>	10/11/2021

**Title:** Approval of the second and final reading of an ordinance regarding a proposed rezoning to apply a Special Use Permit to allow residential use in the M-2 Heavy Industrial District and short term rental of a single-family residence on Lot 3 Milltown Extension 1, addressed at 757 Oasis Street.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Aerial Map, 2. Oasis Land Use Maps, 3. Site Plan & Floor Plan, 4. Notification Map, 5. Photographs, 6. PC Draft Minutes Oasis, 7. Ordinance

Date	Ver.	Action By	Action	Result
10/11/2021	1	City Council	approved	Pass

**PRESENTER:**

Christopher J. Looney, AICP; Planning and Development Services Director

**SUBJECT:**

Approval of the second and final reading of an ordinance regarding a proposed rezoning to apply a Special Use Permit to allow residential use in the M-2 Heavy Industrial District and short term rental of a single-family residence on Lot 3 Milltown Extension 1, addressed at 757 Oasis Street.

**DEPARTMENT:** Planning and Development Services

**COUNCIL DISTRICTS IMPACTED:** Council District 5

**BACKGROUND INFORMATION:**

Case No.: SUP21-270

Applicant/Owner: Cole Riley  
Texas Horizon Development, LLC  
204 Scott Street  
San Marcos, TX 78666  
(605) 645-2486      14rileyc@gmail.com

Staff Contact: Holly Mullins  
(830) 221-4054      hmullins@nbtexas.org

**City Council held a public hearing on September 27, 2021 and unanimously approved the first reading of the applicant’s requested rezoning/SUP ordinance with recommended conditions. (7-0-0)**

The subject property is located in the Old Mill neighborhood, just behind Marketplace Shopping Center. This area is currently zoned M-2 Heavy Industrial, as it was adjacent to the textile mill that operated in New Braunfels until the early 2000’s. The existing single-family residence was constructed in 1927. This Special Use Permit (SUP) request is to allow short term rental (STR) of the existing residence.

## Residential Use

As a pre-1987 “cumulative” zoning district, residential uses were allowed in M-2 when the zoning was applied. In 2019, amendments to the Zoning Ordinance removed residential as an allowed use in all industrial zoning districts. This action was taken to preserve land for industrial development/job creation, and to mitigate compatibility concerns for both residential and industrial property owners that was less of an issue in the early part of the last century.

Existing residential uses in M-2 are now non-conforming, and City Council directed staff to facilitate the rezoning of such residential neighborhoods as appropriate. This will be accomplished on a large scale with neighborhood-wide rezoning cases, potentially following sub-area, community or neighborhood plans adopted as part of implementing Envision New Braunfels, the City’s Comprehensive Plan. In the meantime, properties that want to pursue alterations, reconstruction, or expansion of use (such as STR) can be brought into compliance through the rezoning/SUP process at no application cost to the property owner.

Included in this SUP is a request to properly allow the existing single-family residential use in the M-2 Heavy Industrial zoning district, remedying the non-conforming status.

## Short Term Rental

The house is currently being remodeled to include four bedrooms and four bathrooms. Per the Zoning Ordinance, maximum occupancy of the proposed STR is 10 guests (2 per bedroom plus 2 additional guests). At least four off-street parking spaces are required. There is room for a driveway that could accommodate four vehicles; however, it is not currently paved. The applicant is willing to pave the required parking spaces to City standards (permeable pavement, concrete or asphalt with a concrete approach) prior to operating the short-term rental. Note: the gravel area along Oasis Street is within the right-of-way and although street parking is allowed, it does not count toward the off-street parking requirement. A building permit is required for paving.

### *Surrounding Zoning and Land Use:*

- North - M-2/ Two-family residence
- South - Across Oasis Street, M-2/ Commercial shopping center
- East - M-2/ Single-family residence
- West - M-2 SUP/ Single-family residence with STR

## ISSUE:

When paved parking for at least four vehicles is provided, the proposed SUP will meet all Zoning Ordinance requirements for a short-term rental, and is consistent with the following actions from Envision New Braunfels:

- Action 1.3: Encourage balanced and fiscally responsible land use patterns.
- Action 1.14: Ensure regulations do not unintentionally inhibit the provisions of a variety of flexible and innovative lodging options and attractions.

Future Land Use: The property is situated within the New Braunfels Sub-Area, in close proximity to Market and Employment Centers and the Recreational River Corridor.

The proposed STR is centrally located inside Loop 337, within a short drive to many visitor attractions, and in a transitional area around the Old Mill that contains a mix of residential and commercial uses including an event venue. An SUP for short-term rental was approved next door at 747 Oasis Street in June, 2021.

Short term rental standards in the Zoning Ordinance help to ensure proper measures are in place to protect public health, safety and neighboring properties. If the SUP is approved, the registration of the short-term rental

and online payment of hotel occupancy taxes are required.

**FISCAL IMPACT:**

If approved, the property will be subject to local and state hotel occupancy tax (HOT).

**RECOMMENDATION:**

**Committee Recommendation:**

The Planning Commission held a public hearing on September 8, 2021 and recommended approval of the request with staff recommendations. (8-0-0 with Commissioner Gibson absent)

Staff recommends approval with the following conditions:

1. Off-street parking for at least four vehicles must be paved in accordance with City standards prior to operating the short term rental.
2. The residential character of the property must be maintained.
3. The property will remain in compliance with the approved site plan. Any significant changes to the site plan will require a revision to the SUP.
4. Occupancy is limited to a maximum of 10 guests.
5. The applicant will register the short-term rental and create an account for online payment of hotel occupancy taxes.
6. All other standards of the Zoning Ordinance will also be met.

*Mailed notification pursuant to state statute:*

Public hearing notices were sent to 17 owners of property within 200 feet of the request. To date, the City has received no responses.

**Resource Links:**

- Chapter 144, Sec. 3.3-12 (M-2) of the City's Code of Ordinances:  
[https://library.municode.com/tx/new\\_braunfels/codes/code\\_of\\_ordinances?nodeId=PTIICOOR\\_C H144ZO\\_ARTIII\\_ZODI\\_S144-3.3ZODIREPRZOPRJU221987](https://library.municode.com/tx/new_braunfels/codes/code_of_ordinances?nodeId=PTIICOOR_C H144ZO_ARTIII_ZODI_S144-3.3ZODIREPRZOPRJU221987)
- Chapter 144, Sec. 3.6 (SUP) of the City's Code of Ordinances:  
[https://library.municode.com/tx/new\\_braunfels/codes/code\\_of\\_ordinances?nodeId=PTIICOOR\\_C H144ZO\\_ARTIII\\_ZODI\\_S144-3.6SPUSPE](https://library.municode.com/tx/new_braunfels/codes/code_of_ordinances?nodeId=PTIICOOR_C H144ZO_ARTIII_ZODI_S144-3.6SPUSPE)
- Chapter 144, Sec. 5.17 (Short-term Rental) of the City's Code of Ordinances:  
[https://library.municode.com/tx/new\\_braunfels/codes/code\\_of\\_ordinances?nodeId=PTIICOOR\\_C H144ZO\\_ARTVDEST\\_S144-5.17SHTEREOC](https://library.municode.com/tx/new_braunfels/codes/code_of_ordinances?nodeId=PTIICOOR_C H144ZO_ARTVDEST_S144-5.17SHTEREOC)

**Attachments:**

1. Aerial Map
2. Land Use Maps (Zoning, Existing, Future Land Use, STR)
3. Site Plan and Floor Plan
4. Notification Map
5. Photograph
6. Draft Minutes from Planning Commission
7. Ordinance