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CITY SECRETARY DALLAS, TEXAS



Public Notice

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POSTED CITY SECRETARY DALLAS, TX

ZONING ORDINANCE ADVISORY COMMITTEE (ZOAC)

Tuesday, October 3, 2023 **9:00 a.m.**

AGENDA

The Zoning Ordinance Advisory Committee meeting will be held by videoconference at https://bit.ly/zoac100323 and in person in Room 6ES at Dallas City Hall, 1500 Marilla Street, Dallas, TX 75201. The public can also listen by calling (469) 210-7159 and use webinar number: 2488 199 1850

Individuals who wish **to speak** on an agenda item must register by **12:00 p.m. (noon) Sunday**, **October 1, 2023** by visiting <u>https://forms.office.com/q/PCdcrRFtc2</u>. Speakers must have their **camera on** when speaking virtually. To request an interpreter, please email <u>Sarah.May@dallas.gov</u> at least three business days in advance of a meeting. Late requests will be honored, if possible.

Para solicitar un intérprete, mande un correo electrónico a <u>Sarah.May@dallas.gov</u> al menos 3 días laborales antes de una reunión. Solicitudes con retraso serán respetadas, si es posible.

DISCUSSION:

(1) DCA223-008 City Attorney's Office Consideration of amending the notice requirements for zoning cases and code amendments that may result in the creation of a nonconforming use and the requirements for initiating and conducting a board of adjustment hearing to establish a compliance date in the Dallas Development Code.

OTHER MATTERS:

(2) Approval of meeting minutes from September 19, 2023.

ADJOURNMENT.

Handgun Prohibition Notice for Meetings of Governmental Entities

"Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun."

"De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistola oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta."

"Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly."

"De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista.

A quorum of the City Plan Commission may attend this Zoning Ordinance Advisory Committee Meeting.

ZONING ORDINANCE ADVISORY COMMITTEE

TUESDAY, OCTOBER 3, 2023

Staff: City Attorney's Office

FILE NUMBER:DCA223-008DATE INITIATED: September 1, 2023TOPIC:Amendment to the Dallas Development Code to bring code
into alignment with SB 929

COUNCIL DISTRICT: All CENSUS TRACTS: All

- **PROPOSAL:** Consideration of amending the notice requirements for zoning cases and code amendments that may result in the creation of a nonconforming use and the requirements for initiating and conducting a board of adjustment hearing to establish a compliance date in the Dallas Development Code.
- **SUMMARY:** The proposed code amendments update Chapter 51A to bring our notice requirements and board of adjustment compliance date hearings into compliance with the Texas Local Government Code following the state's adoption of SB 929.

STAFF RECOMMENDATION: <u>Move to CPC, as briefed per staff's</u> recommendation.

APPENDIX:

Texas SB 929: https://capitol.texas.gov/tlodocs/88R/billtext/html/SB00929F.htm

STAFF RECOMMENDED AMENDMENTS:

9-22-23

ORDINANCE NO.

An ordinance amending Chapter 51A, "Dallas Development Code: Ordinance No. 19455, as amended," of the Dallas City Code by amending Sections 51A-1.105, 51A-4.701, and 51A-4.704; providing that additional notice must be given to owners and tenants of property whose use may become nonconforming due to an amendment to the Dallas Development Code or a change in zoning district and that a request to establish a compliance date for a nonconforming use may only be initiated by city council; providing a penalty not to exceed \$2,000; providing a saving clause; providing a severability clause; and providing an effective date.

WHEREAS, the 88th Texas Legislature met in regular session between January 10, 2023 and May 29, 2023; and

WHEREAS, S.B. 929 was filed on February 14, 2023; and

WHEREAS, S.B. 929 provides that additional notice must be given if an amendment to the Dallas Development Code or a change in zoning district may render a use nonconforming; and

WHEREAS, S.B. 929 provides that if the board of adjustment establishes a compliance date for a nonconforming use, the owner or lessee may opt to receive a payment from the city to cover the costs directly attributable to ceasing the nonconforming use of the property and the diminution of the market value of the property or may opt to continue operating the business until the costs and diminution in market value are recovered; and

WHEREAS, S.B. 929 was approved by both chambers of the Texas Legislature; and

WHEREAS, S.B. 929 was signed by Governor Greg Abbott on May 19, 2023 and took effect immediately; and

WHEREAS, the city plan commission and the city council, in accordance with the Charter of the City of Dallas, the state law, and the ordinances of the City of Dallas, have given the required notices and have held the required public hearings regarding this amendment to the Dallas City Code; Now, Therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That Paragraph (4) of Subsection (b), "Fees for Board of Adjustment Applications," of Section 51A-1.105, "Fees," of Article I, "General Provisions," of Chapter 51A, "Dallas Development Code: Ordinance No. 19455, as amended," of the Dallas City Code is amended to read as follows:

"(4) Fee schedule.

Type of Application	Application Fee
Single family variance	\$600.00
Single family special exception	\$600.00
Multifamily or nonresidential variance	\$900.00 + \$25 per acre
Multifamily or nonresidential special exception	\$1,200.00 + \$25 per acre
Landscaping or tree mitigation special exception	\$1,200.00 + \$50 per acre
Variance and special exception to off-street parking requirements	\$900.00 + \$100 per parking space variance or special exception requested
[Compliance request for a nonconforming use	<u>\$1,000</u>]
All other non-sign appeals	\$900.00
Sign special exceptions	\$1,200.00
All other sign appeals	\$900.00"

SECTION 2. That Subsection (a), "Initiation," of Section 51A-4.701, "Zoning Amendments," of Division 51A-4.700, "Zoning Procedures," of Article IV, "Zoning Regulations," of Chapter 51A, "Dallas Development Code: Ordinance No. 19455, as amended," of the Dallas City Code is amended by adding a new Paragraph (1.1) to read as follows:

"(1.1) In addition to any notice required by Paragraph (1) of this subsection, the director shall send written notice of each public hearing for a change to this chapter or a zoning district under which a current conforming use would become a nonconforming use if the change to this chapter or zoning district is adopted or amended. The notice must:

(A) be mailed by U.S. mail to each owner of real or business personal property where the proposed nonconforming use is located as indicated by the most recently approved municipal tax roll and each occupant of the property not later than the 10th day before the hearing date;

(B) contain the time and place of the hearing; and

(C) include the following text in bold 14-point type font or larger: "THE CITY OF DALLAS IS HOLDING A HEARING THAT WILL DETERMINE WHETHER YOU MAY LOSE THE RIGHT TO CONTINUE USING YOUR PROPERTY FOR ITS CURRENT USE. PLEASE READ THIS NOTICE CAREFULLY.""

SECTION 3. That Subparagraph (A), "Request to Establish a Compliance Date," of Paragraph (1) of Subsection (a), "Compliance Regulations for Nonconforming Uses," of Section 51A-4.704, "Nonconforming Uses and Structures," of Division 51A-4.700, "Zoning Procedures," of Article IV, "Zoning Regulations," of Chapter 51A, "Dallas Development Code: Ordinance No. 19455, as amended," of the Dallas City Code is amended to read as follows:

"(A) <u>Request to establish compliance date</u>. The city council may request that the board of adjustment consider establishing a compliance date for a nonconforming use. [In addition, any person who resides or owns real property in the city may request that the board consider establishing a compliance date for a nonconforming use.] Upon receiving <u>the</u> [such a] request, the board shall hold a public hearing to determine whether continued operation of the nonconforming use will have an adverse effect on nearby properties. If, based on the evidence presented at the public hearing, the board determines that continued operation of the use will have an adverse effect on nearby properties, it shall proceed to establish a compliance date for the nonconforming use; otherwise, it shall not."

SECTION 4. That Subparagraph (D), "Determination of Amortization Period," of Paragraph (1) of Subsection (a), "Compliance Regulations for Nonconforming Uses," of Section 51A-4.704, "Nonconforming Uses and Structures," of Division 51A-4.700, "Zoning Procedures," of Article IV, "Zoning Regulations," of Chapter 51A, "Dallas Development Code: Ordinance No. 19455, as amended," of the Dallas City Code is amended to read as follows:

"(D) <u>Determination of remedies</u> [amortization period].

(i) If the board determines that continued operation of the nonconforming use will have an adverse effect on nearby properties, <u>the director</u> [it] shall, in accordance with the law, <u>determine</u>: [provide a compliance date for the nonconforming use under a plan whereby the

owner's actual investment in the use before the time that the use became nonconforming can be amortized within a definite time period.

(aa) the costs incurred by the owner or lessee of the property that are directly attributable to ceasing the nonconforming use of the property, including expenses related to demolition, relocation, termination of a lease, or discharge of a mortgage; and

(bb) an amount equal to the greater of, as determined by the board, the diminution in the market value of the property, computed by subtracting the current market value of the property after the imposition of the requirement to stop the nonconforming use of the property from:

(22) the market value of the property on the day before city council authorizes a request to establish a compliance date under this section.

(ii) The property owner or lessee may choose to:

(aa) receive a payment from the city for the amount calculated in

Romanette (i); or

(bb) continue operating the nonconforming use until the owner or lessee recovers the amount calculated in Romanette (i) through the owner's or lessee's continued business activities according to generally accepted accounting principles. [following factors must be considered by the board in determining a reasonable amortization period:

(aa) The owner's capital investment in structures, fixed equipment, and other assets (excluding inventory and other assets that may be feasibly transferred to another site) on the property before the time the use became nonconforming.

(bb) Any costs that are directly attributable to the establishment of a compliance date, including demolition expenses, relocation expenses, termination of leases, and discharge of mortgages.

(cc) Any return on investment since inception of the use, including net income and depreciation.

(dd) The anticipated annual recovery of investment, including net income and depreciation.]"

SECTION 5. That Subparagraph (E), "Compliance Requirement," of Paragraph (1) of Subsection (a), "Compliance Regulations for Nonconforming Uses," of Section 51A-4.704, "Nonconforming Uses and Structures," of Division 51A-4.700, "Zoning Procedures," of Article IV, "Zoning Regulations," of Chapter 51A, "Dallas Development Code: Ordinance No. 19455, as amended," of the Dallas City Code is amended to read as follows:

"(E) <u>Notice of board action</u>. Not later than the 10th day after the board imposes a requirement to stop operating a nonconforming use, the director shall give written notice to each owner or lessee of the property, as indicated by the most recently approved municipal tax roll, who is required to stop a nonconforming use of the property of the requirement and of the remedies which an owner or lessee of the property is entitled to under Subparagraph (D). [Compliance requirement. If the board establishes a compliance date for a nonconforming use, the use must cease operations on that date and it may not operate thereafter unless it becomes a conforming use.]"

SECTION 6. That Subparagraph (F) of Paragraph (1) of Subsection (a), "Compliance Regulations for Nonconforming Uses," of Section 51A-4.704, "Nonconforming Uses and Structures," of Division 51A-4.700, "Zoning Procedures," of Article IV, "Zoning Regulations," of Chapter 51A, "Dallas Development Code: Ordinance No. 19455, as amended," of the Dallas City Code is amended to read as follows:

"(F) <u>Notice of choice of remedy</u>. An owner or lessee of property who receives a notice to stop a nonconforming use under Subparagraph (E) shall not later than the 30th day after the date that the director gives the notice respond in writing to the director indicating the remedy chosen under Subparagraph (D) by the owner or lessee of the property. If there is a conflict in the choice of remedy by the owner and a lessee of the property, the owner's choice of remedy controls. If there is a conflict in the choice of remedy made by the owner or owners holding the greater ownership interest in the property controls. The director may choose the remedy if the owner or lessee does not provide notice of its choice of remedy by the 30-day deadline. [For purposes of this paragraph, "owner" means the owner of the nonconforming use at the time of the board's determination of a compliance date for the nonconforming use.]"

SECTION 7. That Paragraph (1) of Subsection (a), "Compliance Regulations for Nonconforming Uses," of Section 51A-4.704, "Nonconforming Uses and Structures," of Division 51A-4.700, "Zoning Procedures," of Article IV, "Zoning Regulations," of Chapter 51A, "Dallas Development Code: Ordinance No. 19455, as amended," of the Dallas City Code is amended by adding a new Subparagraph (G), "Compliance Date," to read as follows:

"(G) <u>Compliance date</u>.

(i) An owner or lessee receiving a payment in accordance with Section 51A-4.704(a)(1)(D)(ii)(aa) must stop operating the nonconforming no later than the 10^{th} day after the date of the payment.

(ii) An owner or lessee who continues operating the nonconforming use in accordance with Section 51A-4.704(a)(1)(D)(ii)(bb) must stop the nonconforming use immediately on the recovery of the amount determined under Subparagraph (D)."

SECTION 8. That Paragraph (1) of Subsection (a), "Compliance Regulations for Nonconforming Uses," of Section 51A-4.704, "Nonconforming Uses and Structures," of Division 51A-4.700, "Zoning Procedures," of Article IV, "Zoning Regulations," of Chapter 51A, "Dallas Development Code: Ordinance No. 19455, as amended," of the Dallas City Code is amended by adding a new Subparagraph (H), "Appeals," to read as follows:

"(H) <u>Appeal of remedy</u>.

(i) A person entitled to a remedy under this section may appeal the director's determination under Subparagraph (D) to the board of adjustment not later than the 20^{th} day after the determination is made. The director has the burden of proof to establish the correctness of his or her determination.

(ii) A person seeking to continue operation of a nonconforming use under Subparagraph (D) who appeals the decision of the director under Subparagraph (D) may continue to operate the property in the same manner pending the appeal unless the building official shows cause to stay the nonconforming use by certifying in writing to the board facts supporting the building official's opinion that continued operation of the nonconforming use would cause imminent peril to life or property. On a showing of cause the board may, after notice to the building official, grant a restraining order to stay continued operation of the nonconforming use.

to:

(iii) If the board of adjustment determines that an owner or lessee is entitled

(aa) a payment under this section in an amount different than the amount determined by the director under Subparagraph (D), the board shall order, as applicable:

(11) additional payment to the owner or lessee; or

(22) the owner or lessee to reimburse the city; or

(bb) an amount of time to operate the nonconforming use that is different than the amount of time initially received under Subparagraph (D), the board shall order the director to allow the an owner or lessee to operate the nonconforming use for additional or less time.

The board's decision is final unless appealed to the district court within (iv) 20 days in accordance with Section 211.019 of the Texas Local Government Code."

SECTION 9. That a person violating a provision of this ordinance, upon conviction, is punishable by a fine not to exceed \$2,000.

SECTION 10. That Chapter 51A of the Dallas City Code shall remain in full force and effect, save and except as amended by this ordinance.

SECTION 11. That any act done or right vested or accrued, or any proceeding, suit, or prosecution had or commenced in any action before the amendment or repeal of any ordinance, or part thereof, shall not be affected or impaired by amendment or repeal of any ordinance, or part thereof, and shall be treated as still remaining in full force and effect for all intents and purposes as if the amended or repealed ordinance, or part thereof, had remained in force.

SECTION 12. That the terms and provisions of this ordinance are severable and are governed by Section 1-4 of Chapter 1 of the Dallas City Code, as amended.

SECTION 13. That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

TAMMY L. PALOMINO, Interim City Attorney

By_____ Assistant City Attorney

Passed_____

APPENDIX: TEXAS SB 929:

https://capitol.texas.gov/tlodocs/88R/billtext/html/SB00929F.htm

S.B. No. 929

AN ACT

relating to the notice and compensation a municipality must provide before revoking the right to use property for a use that was allowed before the adoption of or change to a zoning regulation or boundary.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: SECTION 1. Section 211.006, Local Government Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) In addition to any notice required by this section or Section 211.007, the governing body of a municipality or a zoning commission, as applicable, shall provide written notice of each public hearing regarding any proposed adoption of or change to a zoning regulation or boundary under which a current conforming use of a property is a nonconforming use if the regulation or boundary is adopted or changed. The notice must:

(1) be mailed by United States mail to each owner of real or business personal property where the proposed nonconforming use is located as indicated by the most recently approved municipal tax roll and each occupant of the property not later than the 10th day before the hearing date;

(2) contain the time and place of the hearing; and

(3) include the following text in bold 14-point type or

larger:

"THE [MUNICIPALITY NAME] IS HOLDING A HEARING THAT WILL DETERMINE WHETHER YOU MAY LOSE THE RIGHT TO CONTINUE USING YOUR PROPERTY FOR ITS CURRENT USE. PLEASE READ THIS NOTICE CAREFULLY."

SECTION 2. Subchapter A, Chapter 211, Local Government Code, is amended by adding Section 211.019 to read as follows:

Sec. 211.019. NONCONFORMING LAND USE. (a) In this section, "market value" means the price the sale of the property would bring in an arms-length transaction when offered for sale by one who wishes, but is not obliged, to sell and when bought by one who is under no necessity of buying it.

(b) A person using a property in a manner considered to be a nonconforming use as a result of the adoption of or change to a zoning regulation or boundary may continue to use the property in the same manner unless required by a municipality to stop the nonconforming use of the property.

(c) A requirement imposed by a municipality to stop a nonconforming use of a property under this section includes:(1) an official action by the governing body of the

municipality or a board, commission, department, or official of the municipality; or a determination by the municipality that a (2) nonconforming use has an adverse effect or other necessary determination that a municipality must make before imposing a requirement to stop a nonconforming use under applicable law. If a municipality requires a property owner or lessee to (d) stop the nonconforming use of a property as described by Subsection (b), the owner or lessee of the property is entitled to: payment from the municipality in an amount equal (1)to the sum of: the costs incurred by the owner or lessee of (A)

the property that are directly attributable to ceasing the nonconforming use of the property, including expenses related to demolition, relocation, termination of a lease, or discharge of a mortgage; and

(B) an amount equal to the greater of, as determined by the municipality, the diminution in the market value of the property, computed by subtracting the current market value of the property after the imposition of a requirement to stop the nonconforming use of the property from:

(i) the market value of the property on the day before the date the notice was given under Section 211.006(a-1); or

(ii) the market value of the property on the day before a person submits an application or request to the municipality to require or the municipality otherwise requires a person to stop using the property in a manner that is a nonconforming use as described by Subsection (b); or

(2) continued nonconforming use of the property until the owner or lessee recovers the amount determined under Subdivision (1) through the owner or lessee's continued business activities according to generally accepted accounting principles.

(e) Not later than the 10th day after the date a municipality imposes a requirement to stop a nonconforming use of a property under this section, the municipality shall give written notice to each owner or lessee of the property, as indicated by the most recently approved municipal tax roll, who is required to stop a nonconforming use of the property of the requirement and of the remedies which an owner or lessee of the property is entitled to under Subsection (d).

(f) The owner or lessee of a property that is subject to a requirement to stop a nonconforming use of the property under this section shall not later than the 30th day after the date the municipality gives the notice required by Subsection (e) respond in writing to the municipality indicating the remedy under Subsection (d) chosen by the owner or lessee. In the event of a conflict in the choice of remedy by the owner and a lessee of the property, the owner's choice of remedy shall control. In the event of a conflict in the choice of remedy by the owners of a property that has more than one owner, the choice of remedy made by an owner or owners holding the greater ownership interest in the property shall control. If the municipality does not receive timely notice from an owner or lessee, the municipality may choose the remedy provided under this section.

(g) A person receiving a payment under Subsection (d)(1) must stop the nonconforming use not later than the 10th day after the date of the payment.

(h) A person who continues the nonconforming use under Subsection (d)(2) must stop the nonconforming use immediately on the recovery of the amount determined under Subsection (d)(1).

(i) If more than one person seeks a payment from the municipality under Subsection (d)(1), the municipality shall apportion the payment between each person based on the market value of the person's interest in the property. A person may appeal the apportionment in the manner provided by this section.

(j) A person entitled to a remedy under this section may appeal a determination under Subsection (d)(1) or (2) to the board of adjustment of the municipality not later than the 20th day after the date the determination is made. At the hearing before the board of adjustment, the municipality has the burden of proof to establish the correctness of its determination.

(k) A municipality or a person aggrieved by the final decision of the board of adjustment under Subsection (j) may seek judicial review of the decision by filing suit as provided by Section 211.011 not later than the 20th day after the date the final decision is made. The court shall review the decision in the manner provided by Section 211.011 except that:

(1) the municipality has the burden of proving by clear and convincing evidence that its determination was correct; and(2) the court:

(A) in reviewing the municipality's decision may not use a deferential standard in the municipality's favor; and

(B) is not limited to determining whether a decision of the board meets the requirements of this chapter or other applicable law.

(1) A person seeking to continue a nonconforming use under Subsection (d)(2) who appeals the decision of the municipality or board of adjustment may continue to use the property in the same manner pending the appeal unless an official of the body that made the decision shows cause to stay the nonconforming use by certifying in writing to the board of adjustment or court with jurisdiction over the appeal facts supporting the official's opinion that continued nonconforming use of the property would cause imminent peril to life or property. On a showing of cause the board of adjustment or court with jurisdiction over the appeal may, after notice to the official, grant a restraining order to stay continued nonconforming use of the property.

(m) If the board of adjustment or court with jurisdiction over an appeal determines that an owner or lessee is entitled to:

(1) a payment under this section in an amount different than the amount determined by the municipality under Subsection (d)(1), the board of adjustment or court shall order, as applicable:

(A) additional payment to the owner or lessee; or

(B) the owner or lessee to reimburse the municipality; or

(2) an amount of time to operate the nonconforming use that is different than the amount of time initially received under Subsection (d)(2), the board of adjustment or court shall order the municipality to allow an owner or lessee to continue the nonconforming use for additional or less time.

(n) An owner or lessee may waive the rights and remedies provided by this section by providing to the municipality a written waiver.

(o) This section does not apply to a nonconforming use that has been intentionally abandoned for at least six months.

(p) A municipality's immunity from suit and governmental immunity from liability are waived for purposes of an action brought by a property owner or lessee to enforce the rights and remedies under this section.

SECTION 3. (a) Section 211.006, Local Government Code, as amended by this Act, and Section 211.019, Local Government Code, as added by this Act, apply to a property for which:

(1) on or after June 1, 2023, the governing body or zoning commission of a municipality considers a proposed adoption of or change to a zoning regulation or boundary under which a current conforming use of the property is a nonconforming use; or

(2) on or after February 1, 2023, the governing body or a board, commission, department, or official of a municipality requires, by ordinance or otherwise, or receives an application or request to require a person to stop nonconforming use of the property due to its nonconformity with the property's current zoning.

(b) Subsection (a)(2) of this section applies to a property regardless of whether the governing body or a board, commission, department, or official of the municipality is required by applicable law to make a determination that the nonconforming use has an adverse effect or other determination before the nonconforming use is required to stop.

SECTION 4. This Act takes effect immediately if it receives

a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2023.

President of the Senate Speaker of the House

I hereby certify that S.B. No. 929 passed the Senate on April 20, 2023, by the following vote: Yeas 30, Nays 1.

Secretary of the Senate

I hereby certify that S.B. No. 929 passed the House on May 4, 2023, by the following vote: Yeas 136, Nays 8, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor