

Zoning Request	Crestwood Center - 1904 Old Ranch Road 12 FD to CM
ZC-26-02	



Summary

Request:	Zoning change from Future Development "FD" to Commercial "CM"		
Applicant:	Hugo Elizondo Jr., PE Cuatro Consultants. Ltd. 120 Riverwalk Dr. #208 San Marcos, TX 78666	Property Owner:	UC2, Ltd. 3355 Bee Caves Rd. #700 West Lake Hill, TX 78746

Notification

Application:	March 9, 2026	Neighborhood Meeting:	None required
Published:	March 29, 2026	# of Participants	N/A
Posted:	March 27, 2026	Personal:	March 27, 2026
Response:	None as of the date of this report		

Property Description

Legal Description:	Thomas Forsyth Survey No. 2, Abstract No. 173		
Location:	Old Ranch Road 12 between Craddock Avenue and County Estates Drive, approx. 700 feet east of County Estates Drive intersection		
Acreage:	1.45 acres	PDD/DA/Other:	N/A
Existing Zoning:	None (released from ETJ)	Proposed Zoning:	Commercial - CM
Existing Use:	Retail center	Proposed Use:	Same
Preferred Scenario:	Mixed Use Low within Neighborhood Preferred Scenario Center	Proposed Designation:	Same
CONA Neighborhood:	N/A	Sector:	N/A
Utility Capacity:	Available (wastewater request with annexation)	Floodplain:	No
Historic Designation:	N/A	My Historic SMTX Resources Survey	No

Surrounding Area

	Zoning	Existing Land Use	Preferred Scenario
North of Property:	ETJ & released land	Warehouse	Mixed Use Low
South of Property:	General Commercial (GC), Planned Development District (PDD), Community Commercial (CC), Single Family – 6 (SF-6)	Funeral home, research (Texas State forensic anthropology lab), retail (dive shop), single family residential	Mixed Use Low, Conservation/ Cluster
East of Property:	Light Industrial (LI), Multifamily – 12 (MF-12), Public (P)	Self-storage, multifamily, church	Mixed Use Low, Neighborhood Medium, Conservation/ Cluster
West of Property:	General Commercial (GC), ETJ	Veterinary clinic, retail & services, church	Mixed Use Low, Conservation/ Cluster

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Staff Recommendation

☒ Approval as Submitted	☐ Alternate Approval	☐ Denial
Staff: Lauren Clanton, AICP		
Title: Chief Planner		Date: April 1, 2026

Commission Recommendation

Approval as Submitted

Recommendation from the Planning and Zoning Commission Meeting held April 14, 2026.

Speakers in favor or opposed:

Christian Umstattd (in favor)

A motion was made by Commissioner Agnew, second by Commissioner Burleson, to recommend approval of the request.

The vote passed with a 9-0 vote.

For: 9 (Agnew, Bryan, Burleson, Case, Costilla, Dunn, Hardy, Johnson, Van Oudekerke)

Against: 0

Absent: 0

Discussion Topics:

Intensity of Uses and Development – Commissioner Bryan inquired about allowed uses within Commercial zoning and the appropriateness of the district for the area. Staff stated that annexation and zoning will allow for regulation of uses by bringing the property into the City. While CM is Not Preferred under the Comprehensive Plan, this is a high-level approach and staff deemed the proposed district appropriate for the surrounding neighborhood.

Conditional Use Permit Requirement – Commissioner Agnew acknowledged that a restaurant/ grocery establishment existing on the site conducts on-premise alcohol sales. Commissioner Agnew asked to confirm that the existing business will be brought in and will not be required to obtain a CUP, but future businesses will fall under this requirement. This was confirmed by staff, and annexation was prioritized as the first step for bringing the property into compliance. Staff acknowledged that a CUP may be required in the future, as in the case of an ownership change.

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History

The subject property is the Crestwood retail center and is located on Old Ranch Road 12 between Craddock Avenue and Wonder World Drive.

This site is currently outside the City Limits and Extraterritorial Jurisdiction and is running concurrently with a request for annexation (AN-26-01). The approximate 1.45 acres was released from the Extraterritorial Jurisdiction in 2024, and the property will be required to return to the ETJ prior to annexation. The owner is pursuing annexation, consistent with staff's recommendation, to address an ongoing sanitary sewer issue on the property through a connection to City wastewater service.

Additional Analysis

The proposed Commercial zoning is consistent with existing uses within the retail center. The location contains the Three Six General restaurant and grocery serving on premise beer and wine. Additional tenants include two restaurants, a cleaning service, insurance company, and smoke shop. While all of the abovementioned uses are Permitted in the CM zoning district, any new business offering on-premise alcohol consumption will be required to obtain a Conditional Use Permit.

The site is located within the Mixed Use Low Preferred Scenario Place Type per the Comprehensive Plan. This designation is described as "smaller commercial centers that are walkable and typically in or near neighborhoods... distributed throughout the city, such as along corridors and near major intersections." The CM zoning district is intended as a "commercial gateway" along major corridors and is consistent with this context.

See additional analysis below.

Comments from Other Departments

Police	No Comment
Fire	No Comment
Public Services	No Comment
Engineering	No Comment

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Evaluation			Criteria for Approval (Sec.2.5.1.4)
Consistent	Inconsistent	Neutral	
<u>X</u>			Whether the proposed zoning map amendment implements the policies of the adopted Comprehensive Plan and preferred scenario map; <i>Commercial zoning is designated as “Not Preferred” in the Mixed Use Low place type per the Comprehensive Plan, as indicated in Table 4.1 of the Development Code. However, the zoning district is recommended by staff because it allows the continuation of existing uses and is consistent with the neighborhood character along Old Ranch Road 12, including the height, building type, and orientation of existing buildings.</i>
		<u>N/A</u>	Whether the proposed zoning map amendment is consistent with any adopted small area plan or neighborhood character study for the area; <i>Studies were not complete at the time of the request.</i>
		<u>X</u>	Whether the proposed zoning map amendment implements the policies of any applicable plan adopted by City Council; <i>See above response.</i>
		<u>N/A</u>	Whether the proposed zoning map amendment is consistent with any applicable development agreement in effect; <i>There are no development agreements in effect for this site.</i>
<u>X</u>			Whether the uses permitted by the proposed change in zoning district classification and the standards applicable to such uses shall be appropriate in the immediate area of the land to be reclassified; <i>The proposed zoning is consistent with the location of the property along a commercial corridor with a mix of commercial, public, and institutional uses near residential development.</i>
<u>X</u>			Whether the proposed zoning will reinforce the existing or planned character of the area; <i>The adjacent area is designated as Mixed Use Low per the Comprehensive Plan. This area is characterized by walkable commercial centers in and near neighborhoods and is compatible with the proposed zoning. The CM district is intended to serve as a “commercial gateway” along corridors, making it appropriate for this context.</i>
		<u>X</u>	Whether the site is appropriate for the development allowed in the proposed district; <i>The CM district allows for a variety of low- to mid-intensity commercial uses. The retail center is existing on the site; the commercial building is consistent with the standards of CM zoning. Parking is not allowed in the first layer – between the street frontage and the building – and this standard would apply if the site were to be redeveloped.</i>

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Consistent	Inconsistent	Neutral	
<u>X</u>			Whether there are substantial reasons why the property cannot be used according to the existing zoning; <i>The site will be automatically zoned as Future Development (FD) upon annexation. Per Section 4.4.1.1 of the Development Code, FD is intended to be a temporary zoning district for properties that will develop in the future but have been newly annexed and/or are not yet ready to be zoned for a particular use.</i>
<u>X</u>			Whether there is need for the proposed use at the proposed location; <i>The proposed zoning district will allow for continuation of the existing uses within the retail center.</i>
<u>X</u>			Whether the City and other service providers will be able to provide sufficient public facilities and services including schools, roads, recreation facilities, wastewater treatment, water supply and stormwater facilities, public safety, and emergency services, while maintaining sufficient levels of service to existing development; <i>The property will be served by the City of San Marcos for water, wastewater, and electricity, per the annexation service agreement (concurrent case AN-26-01).</i>
		<u>X</u>	Whether the proposed rezoning will have a significant adverse impact on property in the vicinity of the subject property; <i>No known adverse effects.</i>
		<u>N/A</u>	For requests to a Neighborhood Density District, whether the proposed amendment complies with the compatibility of uses and density in Section 4.1.2.5; <i>This is not a request for a Neighborhood Density District.</i>
<u>X</u>			The impact the proposed amendment has with regard to the natural environment, including the quality and quantity of water and other natural resources, flooding, and wildlife management; <i>The site is located in the Edwards Aquifer Recharge Zone, and all environmental requirements will be met.</i>
<u>X</u>			Any other factors which shall substantially affect the public health, safety, morals, or general welfare; <i>There are no other factors which would substantially affect public health, safety, morals, or general welfare. Annexation and zoning will address an ongoing sanitary sewer need on the property through connection to City wastewater.</i>