

**HOUSE OF REPRESENTATIVES
COMPILATION OF PUBLIC COMMENTS**

Submitted to the Committee on Land & Resource Management
For SB 840

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Hearing Date: April 24, 2025 8:00 AM

Michael Gallops, President/CEO
Metrocrest Chamber of Commerce
Farmers Branch, TX

The Metrocrest Chamber of Commerce expresses strong support for Senate Bill 840, which promotes greater flexibility and local authority in facilitating housing development by allowing municipalities to permit multifamily and mixed-use residential projects in commercial zoning districts. This legislation represents a balanced, forward-thinking approach to addressing Texas' growing demand for attainable housing, especially in high-opportunity areas like the Metrocrest region.

Addison, Carrollton, and Farmers Branch—our member cities—are experiencing rapid economic growth and an increasing need for diverse housing options to support a dynamic, expanding workforce. Employers across industries routinely cite housing affordability and availability as key barriers to attracting and retaining talent. SB 840 empowers cities to adapt to these challenges by enabling more efficient use of underutilized commercial areas for residential development, without stripping local governments of their oversight or planning capacity.

By promoting mixed-use and multifamily development in commercial corridors, this bill also encourages more walkable, livable communities—bringing housing closer to jobs, reducing traffic congestion, and supporting small businesses that benefit from higher residential density. Importantly, SB 840 still allows cities to establish reasonable design and compatibility standards to protect neighborhood character while embracing thoughtful growth.

We believe SB 840 is aligned with Texas' economic future and the needs of our region. It gives communities the tools they need to respond to housing market realities, support working families, and strengthen the connection between where people live and where they work. We thank Senator West for his leadership and respectfully urge the Legislature to support SB 840.

Tommy Joaquin Hancock

self

Austin, TX

Honorable Committee Members

I am contacting you to address threats to Texas' native golden-cheeked warbler as the Texas Legislature is set to consider bills in the House and Senate that would pave the way for the destruction of the warbler's habitat. Sen. Adam Hinojosa and Rep. Ellen Troxclair are sponsoring a pair of companion bills (HB 3798 and SB 1927) this legislative session that seek to strip cities of their ability to protect ashe juniper trees, a key component of golden-cheeked warbler habitat. In addition to being habitat for the golden-cheeked warbler, ashe junipers prevent soil erosion, support healthy watersheds, and shelter wildlife. Any bills aimed at reducing ashe-junipers are incredibly short-sighted and harmful. Please DO NOT support this bill.

Tommy Joaquin Hancock

Steve Mayer

Self

Georgetown, TX

I am a resident of Georgetown. I strongly urge every legislator to consider the impact of not allowing municipal governments to consider the impact of this bill. Multifamily buildings in many cases impact infrastructure costs which shouldn't be borne by the residents and taxpayers that live in the city. Developers should be assessed impact fees. Current growth in a city should be taken into account. A city like Georgetown is experiencing tremendous growth and Municipal Governments should have a say regarding parking, adherence to local rules, and how any conversion might impact an existing neighborhood

Roy Atwood

Self, Pastor

Dallas, TX

Senate Bill 840 offers a targeted and well-balanced solution to the housing challenges facing Texas cities. By allowing mixed-use and multifamily residential development in areas already zoned for office, commercial, retail, or warehouse use, this bill makes efficient use of existing urban spaces without compromising safety or overriding environmental protections.

This legislation simplifies local zoning processes by ensuring that cities cannot impose separate, more restrictive approval requirements for residential developments in zones that already permit similar levels of commercial activity. Under SB 840, cities must allow these residential projects without requiring zoning changes, special permits, or other discretionary approvals — a change that streamlines the process without removing local authority over health, safety, or environmental standards already required by law.

Importantly, SB 840 maintains municipal authority in key areas. Cities may still regulate short-term rentals, enforce water quality protections consistent with state and federal requirements, and offer density bonus programs that reward developers who choose to go above and beyond baseline standards. The bill also ensures that no residential developments are placed within 1,000 feet of heavy industrial sites, airports, or military bases — preserving clear boundaries between incompatible land uses.

When it comes to repurposing older office, retail, or warehouse buildings, SB 840 removes unnecessary costs by prohibiting new fees, parkland dedications, and redundant parking or traffic requirements for these conversions. Projects that meet minimum code standards can move forward without facing costly add-ons that often delay or derail much-needed housing.

SB 840 is not about eliminating standards — it's about removing duplicative or arbitrary barriers. It reflects a commitment to responsible development, property rights, and practical governance. I urge support for this bill to help create more opportunities for Texans

Thomas Reeves
City of Baytown
Baytown, TX

The City of Baytown opposes this bill.

Laura Klein Plunkett
Self-retired
Georgetown, TX

As a concerned resident of Georgetown, I strongly oppose the passage of this bill, which undermines our city's ability to manage growth responsibly and threatens the quality of life for current and future residents. While I understand the intent to increase housing options, this one-size-fits-all approach strips local governments of essential zoning authority and jeopardizes municipal budgets. It is, in effect, another unfunded mandate.

This bill restricts our city's ability to regulate mixed-use and multifamily developments in commercial zones, mandating high-density projects with minimal parking and no requirements for traffic studies or utility upgrades. These provisions will increase traffic congestion and overburden infrastructure, making residents' daily commutes—and even running errands—more frustrating and time-consuming. By waiving impact fees, parkland dedications, and permit fees, the bill forces taxpayers to subsidize new developments, leading to higher property taxes or cuts to city services. The bill's enforcement mechanisms, including potential tax rate caps and civil actions, punish cities for attempting to tailor development to local needs. Georgetown does a good job of managing our explosive growth through thoughtful planning that balances growth with livability. Texans deserve cities that prioritize well-planned neighborhoods, adequate infrastructure, and fiscal stability—not cities forced to accommodate unchecked development at the expense of residents' quality of life.

I urge you to reject this bill and instead, collaborate with local communities to craft housing solutions that respect municipal authority and local control, and protects taxpayers.

Joseph Dingman
self
Dallas, TX

The distinction between commercial and multifamily zoning is just that, not a difference. Most Cities are happy to approve a zoning case from the former to the latter for the simple reason that it increases property tax revenue. The bill will save both parties, the property owner and the City, from the administrative action and lost time to process a zoning case. In addition, this will help mitigate a critical shortage of housing, reason enough to pass the bill.

Jessica Black
Texas Neighborhood Coalition
Arlington, TX

Honorable Members of the House Land and Resource Management Committee,

I am writing to voice my strong opposition to SB 840. In a state as big and diverse as Texas, decisions regarding land use and zoning should be made at the local level, with public input, by local elected leaders who are accountable to local voters. While I'm all for cities identifying opportunities at the *local* level to convert underutilized and outdated commercial properties into mixed use or multi-family, the State allowing developers to convert to *any* commercial property to residential *by right* is not sound public policy.

Every budget cycle in Arlington, we're told the key to reducing the property tax burden on residents is to increase the percentage of property tax the city generates from commercial properties. Commercial properties also generate sales tax that add to the city's general fund. In a city like Arlington that's nearly built out and currently facing a \$20 million dollar budget shortfall, it's important we make smart decisions about how to best utilize our commercially zoned property in order to minimize the property tax burden on residents. If the city no longer has any say in which properties are commercial vs residential, that could have unintended negative consequences for the city's finances and residents' property tax bills long term.

One of the biggest challenges in commercial to residential conversions is that the cost of the necessary retrofits and renovations makes many projects financially infeasible. If the state really wants to encourage these type of conversions, then instead of taking away cities' ability to decide which properties are well suited to these kind of conversions, a better solution would be to create a program to help subsidize the conversions that cities decide make sense for their communities.

Please vote NO on SB 840.

Sincerely,

Jessica Black

Stephanie Behring
Self, Architect
Dallas, TX

I am a licensed Texas Architect and small business owner with an expertise in multifamily and mixed use projects. I strongly support this bill. In Dallas, where I live and practice architecture, there have been efforts by City Council to amend zoning in certain neighborhood commercial zones that would have essentially the same effect as this bill. However, they have met with a great deal of opposition by neighbors who don't seem to understand the benefits. In fact, current zoning would prohibit many of the small town Main Streets that we have today - with ground floor retail and a few apartments above. This bill would encourage missing middle housing and contribute to creating walkable neighborhood districts.

I recommend one amendment - by my reading, the bill prohibits jurisdictions from requiring a traffic study. Currently, if a City of Dallas project is expected to generate over 1,000 trips a day a traffic study is required. It is my opinion that jurisdictions should be allowed to continue applying the same traffic study requirements on these projects as on any other. Without these requirements, our streets frustration will not be able to keep up.

David Morin
MNO Partners
San Antonio, TX

My name is David Morin and I am a real estate developer in San Antonio, TX. I strongly encourage the adoption of this bill. Our zoning laws have held back innovation and have dramatically increased the cost of living while also decreasing our quality of life. Bills like SB 840 are a great first step to unlocking common sense real estate development and to put us a path towards a mixture of uses. Mixed-use cities are more resilient and anti-fragile. Just think of the recent commercial office crisis. We decided to require that only office buildings could be built on certain parcels. Billions of dollars were invested in those single-use office buildings. Then, a pandemic and the adoption of remote work nearly wiped out 25-50% of the asset values in just less than two years. Single use zoning is not resilient, and it does not enable us to create the places that we want and the places that we need. Let's keep Texas affordable, strong, and resilient. Thank you.

Clayton Husband
Self - city planner (municipal government)
FORT WORTH, TX

Chairman Gates and members of the Committee:

While I professionally and personally support increasing the availability and affordability of housing in Texas, I oppose this bill as written for the following reasons:

- SB 840 mandates allowing multifamily or mixed-use residential development or building conversion in any office, retail, commercial, or warehouse zoned district without regard to the context of the surrounding area being suitable for residential development.
- School districts carefully monitor where residential growth is planned or occurring in determining the location of schools and attendance zones. This bill will cause significant stress on local districts by creating uncertainty in how districts plan for providing services to students and stakeholders.
- SB 840 prohibits collection of building permit fees or impact fees, meaning the taxpayers of each city will subsidize the construction instead of the developer paying their own way.
- SB 840 essentially eliminates the stability of land use planning in a community, leaving residents no input into whether the redevelopment of an office building into hundreds of multifamily units is appropriate next to their neighborhood.

I urge the committee to reject the bill as written and consider other alternatives to addressing the need for housing development in Texas.

Bob Roberts
Stewart Title
Austin, TX

I completely support SB 840!

Bryan Tony
Dallas Housing Coalition
Dallas, TX

The Dallas Housing Coalition and its 300+ members support this bill.

Ashley Brundage, CEO
Dallas Area Habitat for Humanity
Dallas, TX

Dallas Area Habitat for Humanity supports this bill.

Christina Day, Mrs.
City of Plano, Texas
Plano, TX

April 23, 2025

The Honorable Gary Gates (etc.)
Chair, House Committee on Land & Resource Management
P.O. Box 2910
Austin, TX 78768

Dear Chairman Gates,

The city of Plano recognizes the struggle of many Texans and future Texans to find affordable housing, and limited supply is a contributing factor to increasing prices. We support reasonable solutions and are already doing our part to make room for new Texans.

Plano is 96% developed and home to approximately 300,000 residents and 270,000 jobs. Strategic growth, through our Comprehensive Plan, is how we are fulfilling our community vision of "a global leader, excelling in exceptional education, abounding with world class businesses, and vibrant neighborhoods."

Despite the community's limited land resources, Plano continues to add housing. By 2030, we anticipate population growth of 14,000 new residents will be accommodated through existing zoning and development processes.

We must oppose SB 840 as written for the following reasons:

- The maximum density allowed is 174 dwelling units per acre in our central business district zoning (Legacy area). This extreme density would be allowed by right under SB 840 in all the city's non-residential zoning districts. Per our adopted land use policies, our community does not find 174 dwellings per acre to be an appropriate density to replace a neighborhood retail shopping area next to quiet neighborhoods with single family homes.
- Less restrictive density, height, setback and parking requirements and prohibitions on requiring studies, improvements, parkland and permit fees, as mandated by SB 840, encourage multifamily development of inferior quality which will strain local resources, such as parks, roads, and sewer capacity, without paying the typical fair share of costs. Those costs will be borne by current residents.
- SB 840 undermines redevelopment efforts – to improve blighted areas through increasing density as an incentive – by opening residential development to prime economic development locations.
- Many areas where SB 840 mandates allowing multifamily or mixed-use residential development or building conversion would destroy the city's orderly environment and quality of life of our residents.

We ask that you substantially revise or oppose this legislation to fit with community values.

Sincerely,

Christina Day, AICP
Director of Planning

Dave Schwarte

Texas Neighborhood Coaliton

Arlington, TX

SB840 As Written Strips Cities of the Power to Manage the Conversion of Certain Lots to Specified Residential Purposes -- And Is a Backdoor Real Estate Tax Increase on Existing Homeowners and Must Be Rejected or Amended to Avoid That Result
My name is Dave Schwarte. I am a cofounder of the Texas Neighborhood Coalition. Our coalition is broadly supportive of measures that will convert land presently zoned as commercial, retail, warehouse, or mixed use to residential uses. Clearly that approach is one path that cities should take to facilitate the construction of new housing. But it is cities that will know best where and how these conversions make sense. So, we urge that this bill not be passed out of committee.

Moreover, this bill, as written, is a top-down mandate that not only restricts cities from managing the conversion process, but in addition affords cities very little flexibility to ensure that the conversion does not foist onto the backs of existing homeowners the costs that the developers should incur as part of these conversion projects.

For example, section 218.203 forbids a city from requiring that a traffic impact study be done. So, after construction, who picks up the cost of remediating the traffic congestion that, depending upon the nature of the particular neighborhood, may be the inevitable result? Answer: the city and its taxpayers.

But the worst provision of the bill is Section 218.206, which forbids the affected cities from assessing on the developer "impact fees." Section 395.001 of the Local Government Code has long allowed cities to assess these impact fees to recoup their cost. To underscore the nature of the added costs to cities – and their citizens – for which a city has been able to recoup its cost, that section allows a city to generate revenue:

"...for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to the new development."

In short, as written this bill strips from cities the power to manage these conversions and is a backdoor tax increase on existing homeowners. It should be rejected or amended to avoid that result.

Stewart McGregor

Texas Economic Development Council

Kaufman, TX

On behalf of Texas Economic Development Council as Co-Chair of our Legislative Committee, I wish to submit written testimony "on" SB 840. The Texas Miracle has brought significant growth in our economy, small businesses and workforce. This miracle was intentional due to foresight by leaders past and present to ensure Texas is the best state to conduct business. While the Texas Miracle has brought about significant benefits, it has brought about challenges with regard to our state's cost of living. While we're not at the level seen among coastal states, we certainly have witnessed major property value increases. Therefore, we must be careful in our policy to strike a balance between an "all of the above" solution to housing while also ensuring it's addressing the needs of working Texans and serving as quality developments in communities that will stand the test of time.

Our association appreciates Texans for Reasonable Solutions to work in language exempting multifamily/mixed-use allowances from "heavy industrial" areas. However, we do feel all industrial areas should be exempted for the following reasons:

- Economic developers promote a balanced tax base in communities ensuring smart growth that leads to a lower property tax burden shared by residents. By leveraging industrial areas for true industry development (whether warehouses, light industry or related), we are promoting a balanced tax base by shifting the tax burden away from residents while enhancing our state's GDP and securing our domestic supply chain.
- The value basis of industrial land vs. multifamily or commercial land is vastly different, as well. If an investor buys land zoned for industrial purposes, the value may cost in the single digits per foot. Multifamily land is more comparable to commercial/retail land selling at a higher price point. The passage of this bill currently as written could mean a patchwork of industrial land selling at a higher price vs. the comps around it, which could lead some investors to sell land for value alone without balancing the greater needs of the site and community.
- Industrial (of virtually any type) located near residential areas creates quality of life challenges. Traffic patterns and mixing of trucks with passenger cars, noise, light pollution, street wear and tear and other occasional characteristics of industrial areas can create challenges for residents living near these developments (even warehouse distribution centers).
- While we may have a housing shortage, our economy also faces a warehouse shortage, with vacancy rates hovering at less than 4%. We don't want to swing the pendulum too far the opposite way to the detriment of our state's economic opportunities. More on that here: <https://www.marketplace.org/story/2025/03/04/the-inventory-of-small-warehouses-isnt-meeting-demand>

By exempting industrial uses from this bill we are promoting economic growth while supporting the needs of our workforce.

Stewart McGregor

Samuel Hooper
Institute for Justice
Austin, TX

Chair Gates, Vice Chair Lalani, and Members of the Committee:

My name is Samuel Hooper. I am Legislative Counsel at the Institute for Justice (IJ), a nonprofit law firm that works to protect civil and economic liberties, including property rights. Through strategic litigation in courthouses and advocacy in statehouses, IJ's Zoning Justice Project seeks to reform restrictive zoning and land-use regulations that limit housing supply, drive up costs, and infringe upon private property rights.

Texas faces an ongoing housing affordability crisis, driven in part by restrictive zoning laws that artificially separate commercial and residential uses, preventing the natural evolution of cities and limiting housing supply. SB 840 tackles this issue by requiring municipalities and counties to allow mixed-use and multifamily development in areas already zoned for office, commercial, retail, or warehouse use. This approach unlocks the practical use of underutilized commercial spaces and enables property owners to respond to market demands by adding much-needed housing where necessary infrastructure already exists.

Removing arbitrary restrictions on the building of housing in commercial areas will provide significant benefits to Texas communities. It will increase the supply of housing, reducing costs for both renters and homeowners. It will encourage economic revitalization by allowing vacant or struggling commercial properties to be repurposed as residential spaces, breathing new life into business districts and generating local tax revenue. And it will support walkability and public transit use, reducing traffic congestion and making communities more livable.

SB 840 also removes unnecessary bureaucratic hurdles that are known to delay and drive up the cost of housing construction. By streamlining the approval process and ensuring this bill provides property owners and developers with the certainty needed to invest in new construction or the conversion of underutilized commercial spaces. Furthermore, by prohibiting excessive impact fees and other regulatory costs, the bill ensures that local governments do not use convoluted bureaucratic processes as a de facto ban on certain types of development.

SB 840 offers a proven, market-driven solution to the housing crisis that respects property rights and fosters economic growth. By advancing this bill, the committee will be taking a proactive step toward making housing more affordable and accessible while ensuring that communities thrive.

Sincerely,

Samuel Hooper
Legislative Counsel
Institute for Justice
Telephone: (512) 569-6343
shooper@ij.org | www.ij.org

Andrew Muras
Tx Neighborhood Coalition and self
Grapevine, TX

At first glance this bill seems reasonable to potentially address housing challenges, until you give it a second critical look and realize this is actually a tax increase bill for residents. What many fail to understand is that cities carefully balance commercial and residential zoning to balance revenue - and that tax revenue from commercial zoning allows cities to lower taxes for residents. If you allow developers and investors to randomly turn commercial into residential, it's a "double whammy" for taxing residents. First it will cost the city extra funds they had not planned to spend to update the infrastructure required to convert commercial to residential, ie more costs to cities and residents. Second, the loss of taxes from the commercial property means less revenue for the city, which can then only be overcome with increased taxes or less services. Both factors will increase the tax burden on residents.

While it might make sense to convert some underutilized commercial property to residential/multifamily use, this needs to be done in conjunction with city planning to minimize negative impacts and tax increases on residents, and not left to the whims of investors and developers who come and go.

Please prevent tax increases and vote NO on SB 840.

Julie Goodgame

City of Tyler

Tyler, TX

There are definite pros and cons. It could provide much-needed housing density, mixed-use development, etc., but it also comes with many unfunded mandates and liabilities to cities. It prohibits necessary studies as well as permit fees used to recover review costs, which for commercial to residential renovation projects, may be time-consuming from a staff perspective. The bill wouldn't apply to buildings within 1,000 feet of heavy industrial which is good from a health and safety standpoint, but in our experience there are many other types of land uses such as metal/wood shops, auto repair, warehousing, etc. that have expressed concern about residential being too close to their operations. They wouldn't fall under the "heavy industrial" as it is written, and so they may be concerned with the effects of this bill on their operations. It is also unclear whether the definition of "mixed-use residential" means that any nonresidential has to be allowed in all office, commercial, retail, etc. zoning classifications. If so, does this allow all kinds of retail or commercial activity in office zoning so long as 65% of the building is residentially used? It's worth mentioning that many areas that are zoned for office have been done so intentionally to serve as a transition of land uses and often are adjacent to neighborhoods. They are typically used between 8 and 5 and not much after-hours activity. This bill could change that dynamic/expectation in and around established neighborhoods.

Possible revisions:

Allow corridors previously identified as significant for retail or commercial development via an overlay district, financing district, and economic development incentives to be exempt from the bill.

Allow the requirement of Traffic Impact Analyses (TIAs) to identify high-risk intersections and improvements to manage traffic flow. Even if developers do not need immediate improvements recommended by a TIA, cities can utilize the results to plan and budget for future roadway improvements.

Cities should be required to provide a process allowing for mixed-use and multifamily development of existing commercial land or buildings, with appropriate fees and study/improvement requirements.

Additional considerations for adjacent land uses which may not be compatible near residential developments that can be up to 36 units per acre.

Clarifications as described to avoid confusion in implementation.

Taylor Laredo

Texas Housers

Houston, TX

Texas Housers is encouraged by all of the improvements made to SB840, which will increase the supply of multifamily housing in Texas at a time when the state has a need for available and affordable housing. We are especially encouraged by the addition of a provision that prohibits development in areas close to heavy industrial use. In the same spirit of protecting community health, we recommend that the committee adopt an additional provision that requires a 1000 foot buffer between developments and freeways. There is a large body of research that illustrates the harmful impacts on health, especially the health of children who live within 1000 feet of a freeway. We recommend that SB 840 adopt this 1000 foot buffer but allow for an exemption if enhanced air filtration is provided by the development.

Connor Ogilvie
UT Habitat for Humanity
Austin, TX

Dear Chairman and Members of the House Land and Resource Committee,
As leaders of the Habitat for Humanity Campus Chapter at the University of Texas at Austin (UT Habitat) and advocates for housing affordability and access, we are writing in support of HB 5187 and SB 840
As students, we see firsthand the growing need for housing options that fit a variety of needs and price ranges in Texas cities. HB 5187 has the potential to allow for new housing typologies that increase variety—often in proximity to our jobs and school, while increasing housing supply. This bill represents an alternative approach to expanding housing supply by streamlining the conversion of unused office space into housing units. By reducing red tape and encouraging adaptive reuse, HB 5187 helps more accessible communities that benefit not just ourselves, but the people we serve and hope to become.
SB 840 offers similar benefits by allowing for mixed-use and residential developments in areas previously zoned for other uses. This is yet another bill that streamlines the process for readapting outdated spaces into housing near job centers. This bill allows cities to evolve to meet the shifting needs of their community.
We urge the committee to support HB 5187 and SB 840 so that the State of Texas can take another step forward towards affordability and adaptability.
Thank you for all the work you do!
Sincerely,
The Habitat for Humanity UT Campus Chapter Officer Board

Angela Smith
Self, Guest House owner/operator
Fredericksburg, TX

This is a big NO....quit Californicating Texas

Kathy Ponce
Self
Maypearl, TX

This bill contains a "density bonus" program. Do you all realize that is what California does? Republicans are pushing these developer bills that increase state control and push density. You all be voting yourselves right out of office.
NO to this bill.Stop with the density insanity

Sue Evenwel
Self
Mt Pleasant, TX

I am opposed to the state government getting in the way of local government and counties making their own decisions when regulating lot sizes and density. This bill directly takes the liberty away from a community to doing what is in their best interest. Why would the state government know better? Gett out of the way of Freedom and do a better job of the things you are suppose to do.