**Chapter 6: Urban Development**

Urban development is a central component of the Comprehensive Plan because it is closely tied to all other plan elements such as utility infrastructure, transportation, economics and parks and recreation. It is also a powerful force in shaping the look and feel of a community. As Conroe continues to attract residential and commercial growth, both the positive and negative impacts of development will be magnified. By examining current development patterns and trends in the Conroe area, this chapter aims to:

- Understand how development is currently influencing and shaping the broader community
- Estimate likely directions of future growth based on current trends and future population forecasts
- Explore whether Conroe would benefit from adopting additional regulations to influence local development patterns.

**Key Issues**

**Rapid Pace of Growth**

The City of Conroe is in the midst of a transition from a rural County Seat to an urban center in a rapidly growing region. In the last five year period (2001-2005), the City issued permits for 3,700 housing units. This is more than three times the number of units permitted in the preceding five-year period (1996-2000). This level of growth has brought many advantages such as new housing and neighborhoods, a more robust tax base and additional retail services. On the other hand, growth has also increased traffic congestion, resulted in substantial tree loss, and placed new demands on city infrastructure and services. These trade-offs can cause concern among community members who will want assurance from City leaders that future growth will enhance, rather than degrade, the quality of life in the community.

**Redevelopment and Revitalization**

While new commercial and residential growth has thrived in many areas of the City, some areas have not attracted the same level of investment from the real estate market. Older neighborhoods and commercial corridors are showing signs of decline with abandoned and dilapidated buildings, retail vacancies, and a general unkempt appearance. Some of these corridors (i.e. South Frazier and SH 105 east of downtown) are heavily traveled thoroughfares and gateways into the community that leave residents and visitors with a negative image of the City. Residential neighborhoods in need of revitalization often have housing in need of repair. This is more than an issue of image and aesthetics, but one that affects the health, safety and welfare of local residents while also placing a burden on the community tax base.
Housing and Neighborhood Choice

The City’s housing stock offers residents affordable housing options for both owner-occupied and rental units. As of 2000, the median value of owner occupied units was $78,500 with 71 percent of owner-occupied units valued below $150,000. These prices have drawn many first-time homebuyers and young families to the area, contributing to the City’s success and rapid growth in recent years. Housing that is of higher value tends to be located outside of city limits near Lake Conroe and other amenities such as golf courses. As a result, the City is not benefiting from the higher property tax revenues that these homes generate. A more diverse housing stock that accommodates a range of income levels and housing preferences will help balance the City’s housing market; retain residents as their housing needs change; and improve the City’s ability to weather changing real estate trends.

Development Control and Incentives

The City of Conroe is a community that welcomes development and business investment and has therefore consciously decided to minimize land use regulations on landowners. This has resulted in a mix of different land uses and development styles that are incompatible with each other in some areas. For example, some areas have a mix of rural residential (small homes on large lots fronting a major road), heavy commercial (i.e., manufactured home sales, equipment sales and rental), and various levels of industrial (from warehousing to scrap yards) within close proximity to each other and, in some cases, near established residential neighborhoods, parks and schools. Conflicts between various land uses will likely increase without incentives or regulations to strategically locate and/or mitigate the negative impacts of high-intensity uses.

Existing Development Patterns

Land Use Inventory

A generalized land use inventory of Conroe’s planning area was conducted in 2006 to document existing development patterns. The inventory was completed by analyzing aerial photography taken by the Houston-Galveston Area Council in 2004. Driving tours and consultation with City staff were used to check for accuracy and document new development that has occurred since the aerials were taken. The inventory was not intended to document parcel-specific land uses, but rather to show general patterns of land use and development.

The results of the land use inventory are illustrated in Figure 6-1. The categories used in the analysis are defined below.

- **Rural/Vacant (Light Gray)** — areas that are either undeveloped or have some development at very low densities. Typical uses include agricultural, natural areas, and low-density residential. Limited commercial and industrial activity (such as mining) can also be found in these areas but is typically buffered from other uses by large areas of undeveloped land and open space.

- **Single Family (Yellow)** — areas primarily consisting of one-family detached dwellings, though duplexes
are also accounted for in single family areas.

- **Multi Family (Orange)** — areas with structures of more than two residential units as well as medium-density housing such as townhomes and patiohomes.

- **Manufactured Housing (Brown)** — areas with manufactured home subdivisions (owner-occupied) and manufactured home parks (renter occupied). Individual manufactured homes on large rural lots are not included in the manufactured housing category and are instead noted as rural/vacant in the existing land use inventory.

- **Commercial Retail (Red)** — areas that promote activities for the sale of goods and services. This includes small shops and services, larger “big box” retail centers, restaurants, hotels and motels, service stations, and various other customer-oriented establishments.

- **Downtown Mixed Use (Dark Gray)** — the City of Conroe’s traditional downtown area with a variety of uses including government, private offices, small-scale commercial and arts and cultural facilities.

- **Commercial Office (Pink)** — areas used primarily for professional business activity not involving direct sales or manufacturing.

- **Industrial (Purple)** — areas of both light and heavy industry. This includes activities such as manufacturing, assembly, warehousing, distribution, or maintenance of products.

- **Business Park (Plum)** — specific areas that have been planned to accommodate a mix of business and industrial uses in one area (i.e. Conroe Park North). Uses found include office space, warehousing, research and development, and light assembly.

- **Public (Blue)** — uses typically owned and operated by a governmental body or provide services accessible to the community. Public uses in the Conroe area include government facilities and offices, schools and the County airport.

- **Semi-Public (Turquoise)** — uses that provide community services such as places of worship and hospitals and clinics.

- **Parks and Recreation (Green)** — areas for public or private recreation such as parks, community centers, sports fields and golf courses.
Table 6-1 shows the land use composition within Conroe’s city limits and planning area. As the table shows, the City of Conroe has a significant amount of land dedicated to rural/vacant uses (41.5 percent). This leaves a substantial land reserve to accommodate future growth. Of the developed uses, single-family is the most predominant use covering 29 percent of city limits.

Development Trends

Through the land use analysis and comprehensive planning process, several development trends were observed and are summarized below.

Residential Growth

- An increasing share of recent development is occurring within city limits (although significant growth continues in unincorporated portions of Montgomery County).
- New single-family subdivisions within the City will help diversify the local housing stock. As of 2000, the City had a low home-ownership rate, low median house value, and high percentage of multi-family and manufactured housing when compared to similar jurisdictions.
- The City of Conroe has begun to attract some high-end development within its city limits, though most housing for high-income residents is still located in unincorporated areas around Lake Conroe.
Commercial Growth

- Conroe Park North, a major business/industrial park, is attracting new investment and jobs to the area.
- There has been significant expansion of retail centers along IH 45 and other highways, boosting sales tax revenue and providing jobs and retail choice for residents.
- In some areas, particularly at key interchanges (I-45 and State Highway 105, I-45 and N. Loop 336), strip retail development exists along the roadway frontages causing traffic congestion on a regular basis.
- The western segment of State Highway 105 toward Lake Conroe has long been—and continues to be—a magnet for retail development. The resulting “strip development pattern along much of this corridor has traffic safety and aesthetic implications for the Conroe area.
- The County airport and convention/event facilities add another strong opportunity to the area economy.

Capital Investments

- The City and partners have been actively upgrading facilities and infrastructure to accommodate growth including a new public works center; Conroe Park North business park; new roads (Sgt. Ed Holcomb); Carl Barton Park; school construction and expansion; and Downtown improvements and programs for revitalization.

Revitalization

- Growth and prosperity is not shared by all areas of the City. Along some older commercial corridors (portions of Frazier, Davis Street east of downtown) dilapidated and abandoned buildings are evident. This poses the risk of entire areas slipping into general decline.
- Some residents of older neighborhoods and manufactured housing parks are living in substandard, often overcrowded housing. Though new housing under construction in the City may be affordable for those making the median household income, low-income residents often do not have access to decent affordable housing.
- State Highway 105 is a key gateway to the community and is in need of revitalization, primarily on the east side. This entrance to the city is unattractive with a mix of industrial and heavy commercial activities lining the corridor.

Mix of Uses and Development Styles

- Development has occurred in the City with minimal regulation, resulting in a mix of different land uses that are incompatible in some cases.
**Future Development Patterns**

The City of Conroe’s existing development patterns and trends coupled with future population projections help to provide some insight as to what the future might hold for the City if it continues on its current path. While it is nearly impossible to determine what the real estate market will do over the next 20 years, it is worthwhile to predict what it might do given the information available.

**Figure 6-2** presents a potential growth scenario for 2025 based on:

- An estimated residential population of approximately 90,000 residents within the city limits (nearly double the current estimated population);
- 2025 population concentrations projected by H-GAC (**Figure 6-3**);
- 2025 employment concentrations projected by H-GAC (see Chapter 7, **Figure 7-2**);
- Recent locations of residential and commercial building permits within the city limits (**Figure 6-4**);
- Assumptions about prime developable sites (i.e. sites close to local amenities with road access will develop before others);
- Typical development patterns as reflected in recent and upcoming development activity.

**Implications**

The growth scenario shown in Figure 6-3 attempts to show what might happen if the Conroe area continues to grow at its current pace and intensity. This growth pattern has several implications that affect the character and basic operations of the community.

- **Loss of trees and natural areas**— The Conroe area is known throughout the region for its small town charm and beautiful pine forests. Residents have already expressed concern that these amenities are being lost at a very rapid rate. The recent assessment of the City’s tree preservation ordinance found that the area has lost over 1,000 acres of tree canopy in the last decade. Though the City still has a significant amount of rural and undeveloped land, most of this will likely be developed in coming years to accommodate the 90,000 residents expected by 2025.

- **Increased cost of services**— Accommodating future development requires expansion of municipal services such as water and wastewater (discussed further in Chapter 4: Growth Capacity). The City’s existing development pattern is fairly spread out running all the way from Lake Conroe south to the Woodlands. Continuation of this development pattern will require a great length of costly water and sewer pipe. Though initial on-site improvements are traditionally completed by the developer, major expenses such as upgrading plants or maintaining infrastructure are borne by the City.
• **Drainage**—Development of buildings, roads and parking lots over a broader area results in a significant increase in impervious (hard) surfaces. This inhibits the natural cycle of rainwater infiltration and increases risk of local flooding. Developers are required to address storm drainage impacts through mitigation techniques. However, residents and City staff have noted that many areas do flood more frequently, likely as a result of increased development activity.

• **Traffic**—Transportation improvements will be required to keep pace with growth in order to prevent traffic congestion. The City already has many congested roadways as noted in the Transportation Chapter. Much of this congestion is due to sheer population growth, though it can also be attributed to the strip retail patterns along many area roadways such as SH 105 and IH 45. Road improvements and access management techniques will be necessary to ensure traffic problems do not degrade the quality of life and economic attractiveness of the City.

• **Retail pull**—The spread-out nature of the City’s development patterns have attracted retail development in an equally spread-out pattern that follow’s the City’s major thoroughfares. The existing land use map shows Conroe’s retail being stretched along IH 45 from the south 336 Loop all the way north to League Line Road. Along SH 105, retail is stretched from Lake Conroe to Cut-and-Shoot. As new retail areas emerge to follow residential development, older retail tends to struggle and become blighted (i.e. retail along South Frazier). The City’s retail could fall into this cycle without sufficient levels of residential concentration surrounding retail to provide adequate local market capture.

**Land Management Alternatives**

To zone or not to zone is a question that continually arises in communities that do not have zoning regulations (and often in communities that do). The issue tends to be a divisive one for residents, business owners and local officials. For many, the idea of zoning represents unnecessary government intervention in the real estate market and additional red tape for landowners and developers. For others, zoning creates some assurance and predictability for what future development might bring to their neighborhood. Often overlooked in this debate are alternative forms of land
management that might better suit a community like the City of Conroe that seeks to both accommodate the market and ensure that development meets the standards and values of the community.

The debate about if and how to manage land is important to consider as the City begins to implement the Comprehensive Plan. Should the City choose to amend its development regulations, it has many options that range from very flexible and “market-friendly” to very restrictive. Three alternatives are briefly discussed here in order to present a range of options for future consideration.

**Improve Existing Subdivision Regulations**

The first and least restrictive option (aside from no amendment to current development regulations) is to simply amend existing subdivision regulations to better encourage the type of development that the City wants to promote. This includes providing additional options currently not available under existing subdivision regulations such as conservation subdivisions. It also includes amending existing ordinances that have proven to be ineffective at delivering the intended results (i.e. the current tree preservation ordinance). Since subdivision regulations do not control land use or density, this option allows the market to determine the location and types of land uses in the community. However, improvements to regulations will help ensure that development meets higher standards with fewer negative impacts. Though this list is not exhaustive, some specific ways to improve the City’s subdivision regulations include:

- **Revise the City’s Tree Preservation and Landscape Ordinance**—In 2006 an evaluation of the City’s tree preservation and landscape ordinance was conducted. The study results showed that trees located in “preservation zones” defined by the ordinance were lost at a rate of 50 percent. Furthermore, the ordinance only applies to commercial properties, while many trees are lost to residential developments.

The Tree Preservation Ordinance Analysis provides recommendations on ways that the ordinance can be improved to ensure that development occurs in a manner that does not permanently deplete one of the area’s greatest natural assets. Some recommendations include protecting trees on residential development sites; requiring tree preservation throughout the site (rather than limiting it to tree preservation zones); requiring the preservation of small trees; requiring tree surveys; and adopting an official manual with guidelines for tree protection. These recommendations and others identified in the study should be implemented to make the City’s tree preservation and landscape ordinance effective.

- **Allow and Encourage Conservation Subdivisions**—Conservation subdivisions use innovative site design to protect desirable natural features and open spaces. This is achieved by clustering homes on smaller lots in order to protect a large area of open space for the shared enjoyment of residents. The open space is owned and maintained by a homeowner’s association, land trust or the City and can be kept in
its natural state or designed as a recreational amenity with hike and bike trails or park space.

Conservation subdivisions allow the developer to have the same number of lots as conventional subdivisions (based on the minimum lot size in the subdivision ordinance), making this an economically viable alternative for developers. What residents sacrifice in individual lot size, they gain in large areas of open space that provide pristine views, recreational opportunities, and buffers from surrounding developments. Conservation subdivisions have proven to be very marketable in many other communities throughout the U.S. and Texas. Furthermore they have allowed communities to protect rural character and open space while also accommodating development in an innovative way.

Allowing conservation subdivisions in the City requires an amendment to the City’s subdivision ordinance. Amending the ordinance to allow conservation subdivisions, does not force developers to choose this model of development and does not guarantee that conservation subdivisions will be built in the City of Conroe. It simply provides another option for developers. If the City wants to encourage this form of development over conventional subdivision design, it must make this option widely known to developers and easy to achieve through an efficient approval process. Incentives may be necessary such as reduced stormwater mitigation requirements (due to preserved open space and reduced impervious surface), or by allowing developers to gain additional lots if conservation design is used over conventional subdivision design.

- Create a Parks Dedication Requirement—Many communities have found that providing adequate parks to keep pace with development has created an undue cost burden that should be shared, in some way, with the developer. As a result, many communities have amended their subdivision regulations to include a mandatory parkland dedication or fee in lieu to ensure the adequate provision of park space. This practice is commonly used in Texas and throughout the U.S. and has been upheld by U.S. courts as long as there is a “nexus”, or direct relationship, between the impact of the development on demand for park space and the dedication requirement. Though this option may raise objections from some developers, many are familiar with the practice as it is used in other communities and consider it a
standard cost of doing business. In the end, a parks dedication requirement makes the community more marketable to potential homebuyers by ensuring that the City has adequate park space to meet the recreational needs of current and future residents.

Adopt the “Smart Code”
The Smart Code is a form of zoning that aims to be more “market friendly” by managing the form and character of development more than specific land uses. “Zones” are based on character and levels of development intensity ranging from:

1. **Natural**- undevelopable areas such as floodplains and conservation areas;
2. **Rural** - agricultural uses and homes at very low densities (i.e. 1 residential unit/20 acres)
3. **Suburban** - low density development (2 residential units/acre) intended to accommodate primarily single-family subdivisions.
4. **General Urban** - medium density residential such as small-lot single family, townhomes and patio homes (4 residential units/acre). Low-intensity commercial and industrial are also appropriate
5. **Urban Center** - akin to downtown Conroe, this zone accommodates low-rise buildings (4-6 stories) and a mix of uses including medium density residential, commercial, public and office.
6. **Urban Core**—akin to downtown Houston, this zone is not appropriate for the City of Conroe but allows the highest intensity development including high-rise buildings.

The Smart Code operates as a model code with a template that communities can use and adapt to fit their needs. It is a relatively new tool that was developed to address the problems with traditional zoning. For the City of Conroe the Smart Code has several advantages:

- It provides some flexibility for the market to determine the highest and best use of a parcel as long as intensity is managed.
- It is fairly intuitive to establish the zones since many developed areas of the City already fit with the characteristics of specific zones.
- It can help create levels of intensity (by establishing both a minimum and maximum density) where needed such as downtown Conroe and areas around existing commercial sites.

Adopt Traditional “Euclidean” Zoning
Traditional zoning, which divides the community into districts according to various uses, is the most restrictive of the three options. This is the most common form of land management used throughout the U.S. and Texas. This is advantageous in that most developers and residents are familiar with how it works. It also has the advantage of ensuring that extremely incompatible uses (i.e. industrial and residential) are buffered from each other.

While traditional zoning is often viewed as being unfriendly to the market, it does generally follow “common sense” regarding the location of commercial, industrial and residential uses based on site characteristics. The other argument against zoning is that it segregates uses to the point where a place like downtown Conroe could not exist had it
been regulated by traditional zoning. Many communities have responded to this criticism by adding flexibility to their zoning code through planned unit developments (PUDs) and overlay districts. These tools aim to provide developers with alternatives to the base zoning designation with special approval.

**Urban Development Goals**

The City hopes to achieve the following long-term goals through the implementation of the Comprehensive Plan.

- Enhanced character and overall quality of life.
- Neighborhoods, commercial corridors and a downtown business district that are thriving, safe and welcoming to residents and visitors.
- A housing stock that accommodates residents with diverse housing needs and preferences.
- Urban development that is responsive to both market demands and the community’s desires and values.

**Urban Development Actions**

The following actions have been identified to aid the City in achieving its Urban Development goals.

- Establish incentives for the renovation or redevelopment of underutilized, blighted or vacant buildings and parcels.
- Establish a City program to identify blighted properties and work with landowners to encourage and enforce external maintenance and upkeep.
- Conduct a market study to gauge housing demand and preference in the region and examine the City’s development regulations to ensure they can accommodate the desired housing types.
- Revise the City’s tree preservation and landscape ordinance according to the recommendations provided by the Tree Preservation Ordinance Analysis.
- Establish a committee or task force to explore options for additional development regulations.

**Urban Development Policies**

Policies are intended to provide additional guidance for daily decisions made by staff and City Council. Decision-Making policies are intended to guide decisions regarding development projects and other proposals. Administrative Policies provide guidance on the day-to-day business of the City regarding budgets, staff resources and City-initiated programs or projects.

**Decision-Making Policies**

- Encourage innovative site design and development patterns when the resulting product achieves
community goals such as open space preservation, infill development, improved housing choice, or enhanced neighborhood character.

- Encourage tree preservation and adequate landscaping in all development projects to protect and enhance the area’s natural amenities.
- Discourage development activity in flood-prone areas.
- Encourage the use of open space and/or landscaping as buffers between development projects of differing intensities.
- Support more compact forms of development, where appropriate, to minimize the amount of land and infrastructure needed to accommodate growth.
- Encourage development projects that offer a mix of housing styles and types to accommodate residents as their housing needs change.
- Support the development of quality affordable housing.

**Administrative Policies**

- Demonstrate the City’s commitment to established neighborhoods by improving City infrastructure (roads, sidewalks, parks) in these areas.
- Actively enforce ordinances regarding property maintenance, blight and substandard housing conditions to ensure that the City’s neighborhoods remain safe and attractive.
- Provide leadership on beautification and aesthetic standards by ensuring that City-owned buildings and facilities are attractively built, well-maintained and nicely landscaped.
- Focus community improvement projects and public investment in areas that are either in the greatest need (i.e. neighborhoods in decline or deficient in specific amenities) or those that provide the broadest community-wide benefit (i.e. focal points such as downtown or key gateways).

![Image](image.png)
Figure 6-1
Existing Land Use (Study Area)

Legend

Existing Land Use
- Downtown Mixed Use
- Single Family Residential
- Multi-Family Residential
- Manufactured Homes
- Commercial
- Office
- Industrial
- Business Park
- Public
- Semi-Public
- Parks/Recreation
- Rural/Vacant

Figure 6-2
Conroe Growth Scenario

Legend

Land Use
- Downtown Mixed Use
- Residential
- Commercial
- Industrial/Business Park
- Public
- Semi-Public
- Parks/Recreation
- Rural/Vacant

City Limits
Conroe Planning Area

Figure 6-3
Year 2025
Population

Legend
Population by 1000 Sq. Ft. Grid*

- 15 - 50
- 50 - 250
- 250 - 500
- 250 - 500
- Over 500

*15 or Fewer Not Shown

Source: Houston-Galveston Area Council (H-GAC), 2006