



Zoning Staff Report

Date: November 14, 2023

Case Number: ZC-23-149

Council District: 3

Zoning Map Amendment

Case Manager: [Shad Rhoten](#)

Owner / Applicant: Tsunami Investments LLC / Les Kreis, Steelhead Capital Management

Site Location: 3800 Southwest Boulevard and 3825 Benbrook Highway **Acreage:** 6.27 acres

Request

Proposed Use: Bitcoin Mining Facility

Request: From: “E” Neighborhood Commercial / NASJRB APZ II Overlay and “FR” Neighborhood Commercial Restricted / NASJRB APZ II Overlay

To: “I” Light Industrial with NASJRB APZ II Overlay

Recommendation

Land Use Compatibility: Requested change **is compatible**

Comprehensive Plan Consistency: Requested change **is not consistent**

Staff Recommendation: **Approval**

Zoning Commission Recommendation: **Approval by a vote of 8-0**

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Project Description and Background

The subject site is comprised of two tracts of land in Council District 3, just south of the Benbrook Traffic Circle. The site is developed and was previously used as an auto dealership. The property owner plans to repurpose the existing buildings for a bitcoin mining operation. Generally, this process involves the creation of new bitcoins through sophisticated computer processes. New construction is not planned at this time as the intent is to utilize the existing buildings. These buildings will need to be retro-fitted with servers for the computation process as well as exterior fans for cooling purposes. The proposed use does not require additional on-site employees to manage the operations and therefore, is not anticipated to increase traffic.

Current zoning on the site is “E” Neighborhood Commercial and “FR” Neighborhood Commercial Restricted, and the request is to rezone to “I” Light Industrial. “I” is the least intensive zoning district where the proposed use would be allowed by right. Additionally, the site lies within the APZ II (Accident Potential Zone) Overlay, which is based on the location of the site just under the main flight path of the Fort Worth Naval Air Station – Joint Reserve Base runway. This overlay was created by the City to ensure compatible development in this area and to promote safety. Industrial development is preferred within the APZ II in order to minimize foot traffic, and because it does not require the same level of noise mitigation that residential or commercial development would require.

This site is bounded in all directions by roadways including Benbrook Hwy (secondary highway), Southwest Blvd (major arterial) and Kermit Ave (commercial collector). The roadway orientation provides additional separation from the subject site and residential uses to the east.

The property owner has been in contact with Councilman Crain's office, and has previously gone through a pre-development conference with city staff to discuss the project as it relates to applicable city processes.

Surrounding Zoning and Land Uses

North “FR” General Commercial Restricted / traffic circle

East “A-5” One-Family / single-family residences

South “E” Neighborhood Commercial & “CF” Community Facilities / service, pharmacy, elementary school

West “I” Light Industrial / currently undeveloped, proposed warehouse

Recent Zoning History

- ZC-22-139: From E to: I (adjacent lot to the west / for warehouse) – Approved by Ordinance 25800
- ZC-13-050: Subject property was rezoned to be included in the APZ II Overlay – Approved by Ordinance 20902.
- ZC-11-056: From A-5 to CF (Property to south of subject site / for elementary school) – Approved by Ordinance 19960.

Public Notification

300-foot Legal Notifications were mailed on September 29, 2023.

The following organizations were emailed on September 29, 2023:

| Organizations Notified | |
|------------------------------------|------------------------------|
| Ridglea Area Neighborhood Alliance | Bomber Heights NA* |
| Ridglea Hills NA | NAS Fort Worth JRB RCC |
| Streams & Valleys Inc | Trinity Habitat for Humanity |
| Camp Bowie District, Inc | Fort Worth ISD |

**Located closest to this registered Neighborhood Association*

Development Impact Analysis

Land Use Compatibility

The 6+-acre property is situated on a major road corridor (US Highway 377) and is completely bounded by roads around the perimeter of the property. The site is not directly adjacent to an existing, developed single-family neighborhood and said roadways provide a buffer from the subject site. The proposed use of the land is suitable at this location.

The presence of the APZ II Overlay has a great impact on the City's evaluation of the proposed rezoning. The APZ diminishes the compatibility of the land for residential, commercial, and mixed-use applications while industrial uses are ideally suited within the APZ. The proposed use is less intense in comparison to manufacturing, auto-related uses, or those with outdoor activity.

The proposed rezoning to "I" Light Industrial is **compatible** with surrounding land uses.

Comprehensive Plan Consistency – Western Hills/Ridglea

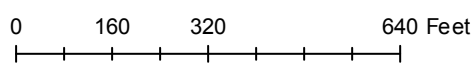
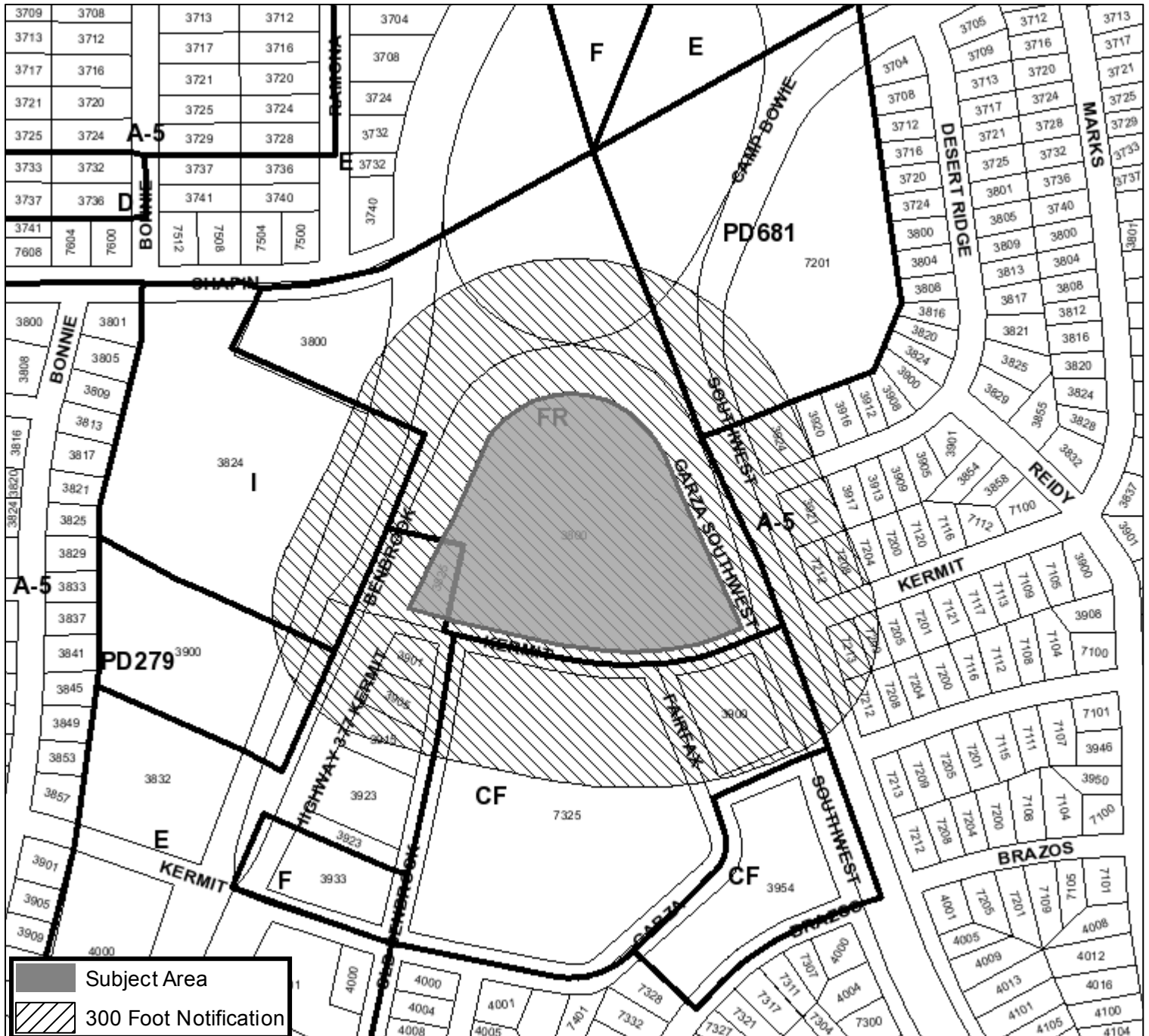
The 2023 Comprehensive Plan currently designates the subject property as future Neighborhood Commercial on the Future Land Use Map. The proposed rezoning is **not consistent** with the adopted Comprehensive Plan designation. However, the rezoning request does align with at least two of the Sector Land Use Policies that apply to the Western Hills/Ridglea sector of the City and is a suitable use under the APZ II Overlay District.

- Discourage incompatible uses within the NASFW JRB runway Clear Zone and Accident Potential Zones. Discourage residential development or require sound mitigation within areas of noise levels greater than 65 decibels for all airports to ensure compatibility between surrounding land uses while providing additional protections to airport operations.
- Stimulate redevelopment of the Camp Bowie Boulevard, Camp Bowie West, Altamere Drive/US 377, and Lackland Road/Green Oaks Road commercial districts.

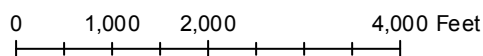
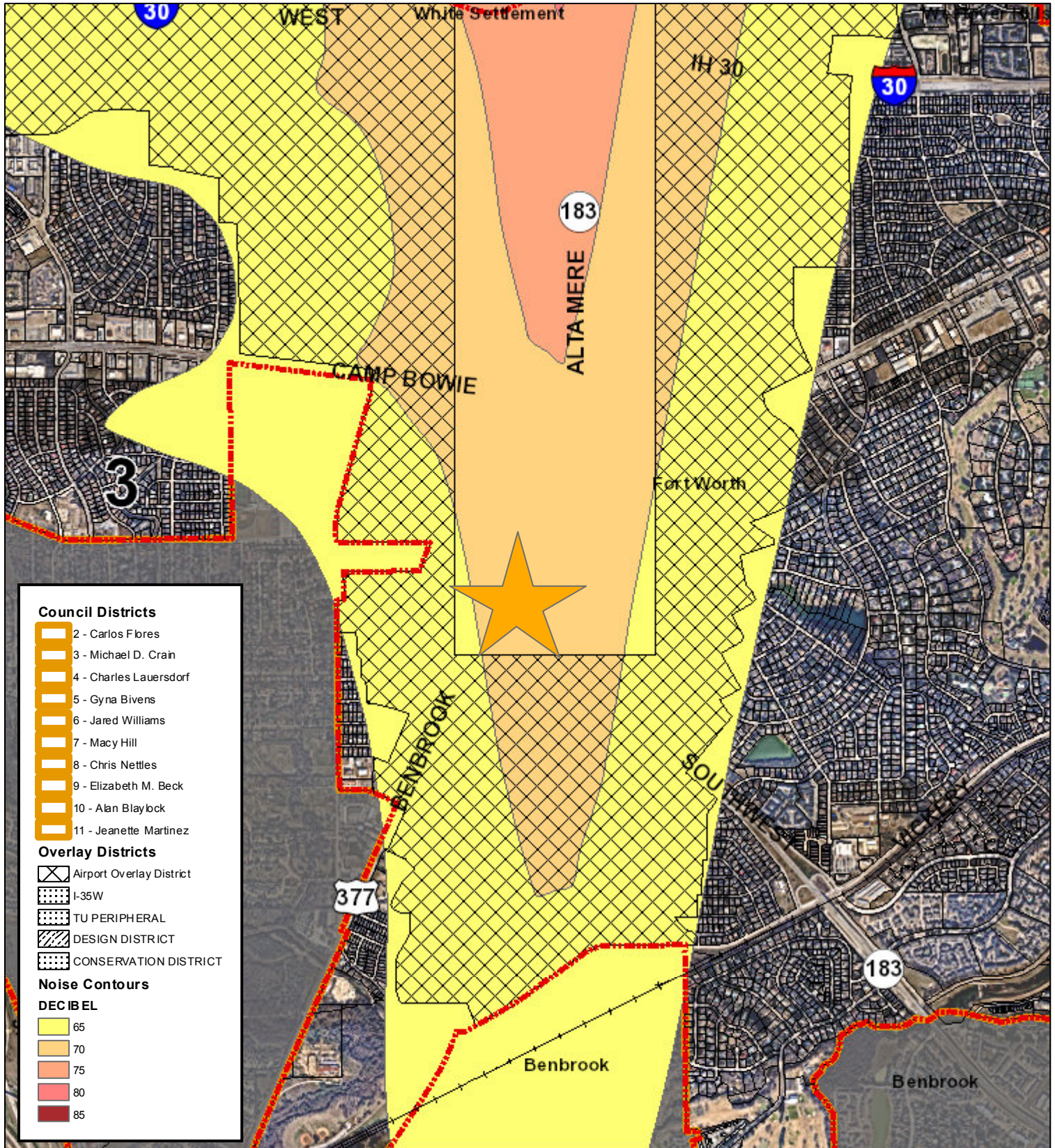
If this zoning change request is approved, staff recommends that the Future Land Use Map also be updated to reflect this change.

Area Zoning Map

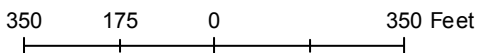
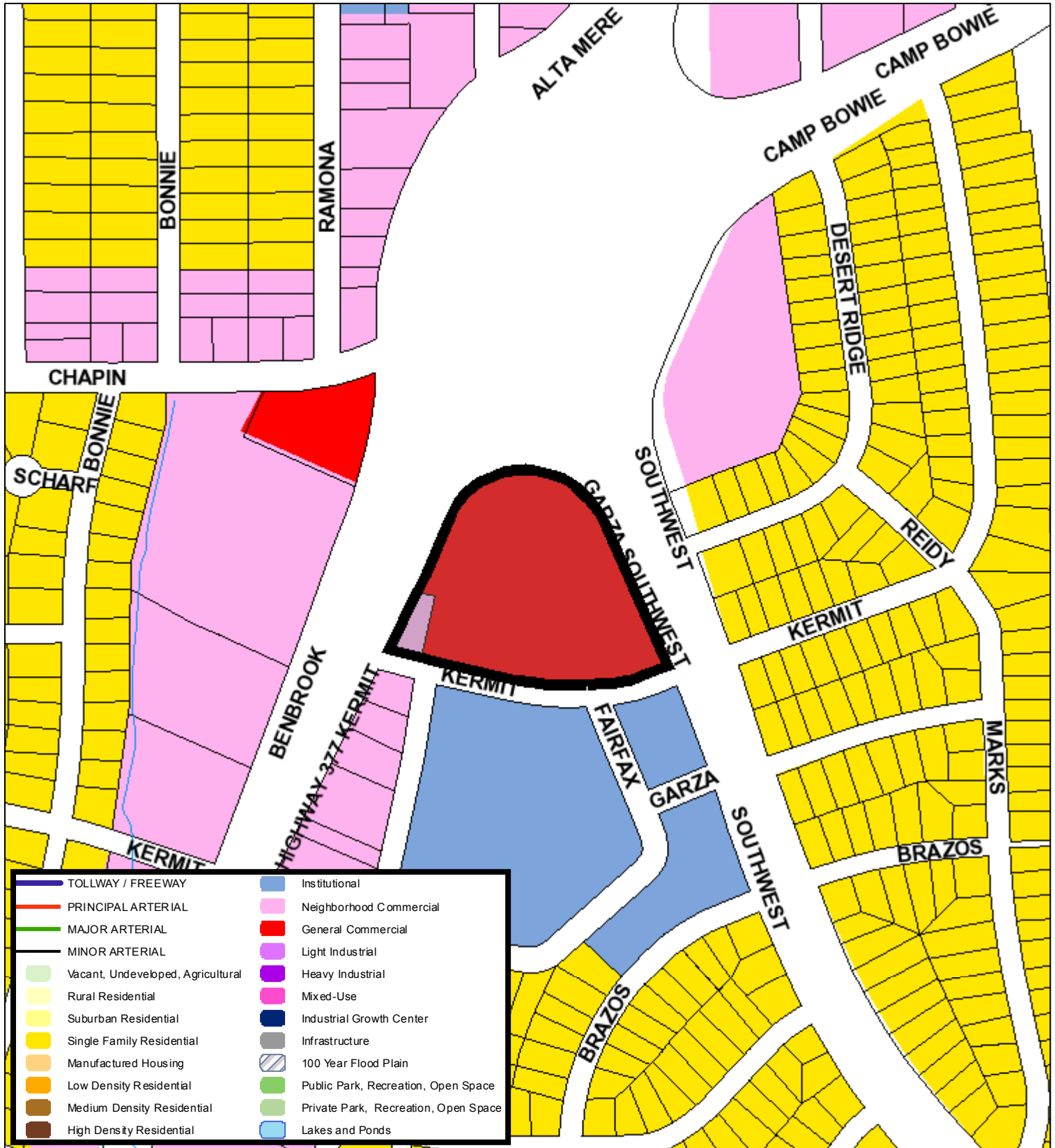
Applicant: Tsunami Investments LC/Les Kreis
 Address: 3800 & 3825 Benbrook Highway
 Zoning From: FR;E
 Zoning To: I
 Acres: 6.31356962
 Mapsco: Text
 Sector/District: W. Hill/Ridglea
 Commission Date: 10/11/2023
 Contact: null



Area Map



Future Land Use



A Comprehensive Plan shall not constitute zoning regulations or establish zoning district boundaries. (Texas Local Government Code, Section 213.005.) Land use designations were approved by City Council on March 6, 2018.



Aerial Photo Map



0 225 450 900 Feet

