



City Council Work Session
2.17.25

Reboot Reidsville



Overview

A. Project Background

Goals, Status, 10.22.24 Work Session results

B. SB382 – The Downzoning Bill

Background, Ramifications

C. Strategy for SB382

4 Options with Pros & Cons

D. Next Steps

Where we go from here and when



Objective

Select a strategy for addressing SB382 and determine how UDO project will proceed





Project Goals

These goals first presented 14 months ago - Slide #16 of Code Diagnosis overview presentation to Planning Board/Project Steering Committee 11.15.23

1. Make the UDO user-friendly
2. Focus on increasing prosperity
3. Implement adopted policy guidance
4. Broaden housing options
5. Make it easier to develop in Downtown
6. Ensure consistency with laws and court precedent



Original Project Schedule



Schedule identified in contract executed 6.14.23



Project Status Update

 UDO Chapter Drafted & Presented to Planning Board/Steering Committee

 UDO Chapter Drafted but in need of revision pending Council direction

1. Administration
2. Applications
3. Configuration
4. Districts
5. Land Uses
6. Measurement
7. Nonconformities
8. Violations
9. Word Usage
10. Appendices



10.22.24 Council Work Session Questions

1. Have Design Standards?
2. Require Density in Mixed-Use Districts?
3. Regulate Nonconforming Site Features?
4. Add Open Space Requirements?
5. Add Greenway Requirements?
6. Limit Junked Vehicles?
7. Make TRC Changes?
8. Fee Schedule Increases?
9. Reduce Planning Board Terms?
10. City-wide Rezoning?



1. Design Standards

Multi-Family?
5+ units in one building

Commercial?
Just downtown or citywide?

DESCRIPTION:

Design sta

- Ext
- Mas
- Fen
- Ori
- Ent
- Roc
- Etc

- Sends me
developme

RECOMMENDATION:

Further dis

DISPOSITION:

Include in UDO?

Exclude in UDO?

Result from 10.22.24 Work Session:

YES, APPLY NEW MULTI-FAMILY DESIGN STANDARDS CITYWIDE

YES, APPLY NEW COMMERCIAL DESIGN STANDARDS, BUT ONLY IN DOWNTOWN

2. Limiting by-right low-density residential in the mixed-use districts?

Would continue to permit multi-family by-right

DESCRIPTION:

UDO conv
districts.
Suggest p
quadplex,
districts, a
mixed-use

- Protect
land fro
ad-valo
- Allows
negotia
develo

RECOMMENDATION:

Further di

DISPOSITION:

Include

Result from 10.22.24 Work Session:

YES, CONTINUE TO LIMIT BY-RIGHT RESIDENTIAL TO MULTI-FAMILY IN MX DISTRICTS

(allow townhomes, duplex, triplex, quadplex only with conditional rezoning request)

3. Nonconforming Site Features – Should we require compliance, and if so, under what circumstances?

DESCRIPTION:

The new UDO has some new parking/ landscaping/ lighting/ signage requirements and many existing lots won't meet approach requirements for government or expansion use change otherwise

- Remov
for imp
- Scaled,
approa

RECOMMENDATION:

Further dis

DISPOSITION:

Include in UDO?

Exclude in UDO?

Result from 10.22.24 Work Session:

ONLY REQUIRE FULL COMPLIANCE IF EXISTING BUILDING IS DEMOLISHED & REBUILT OR EXPANDED BEYOND 74% OF ASSESSED VALUE

4. Is there Support for Open Space Set-Aside Requirements?

What about a fee-in-lieu option?

DESCRIPTION:

Private common open space set-aside standards require a percentage of new development sites to provide active recreation, gathering areas, or passive open space land to be left after development

- 10% for residential development (some exemptions)
- 7% for mixed-use development
- 5% for non-residential development

Open space set-aside standards for future development and gathering spaces

- Create
no cost
- Increas
quality

RECOMMENDATION:

Further discussion by City Council

DISPOSITION:

Include in UDO?

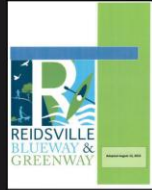
Exclude in UDO?

Result from 10.22.24 Work Session:

YES, REQUIRE OPEN SPACE SET-ASIDE

5. Is there Support for Adding Greenway Requirements?

What about a fee-in-lieu option?



DESCRIPTION:

Greenways are linear parks. They are often required as part of development of vacant lands that have designated greenway links from adopted policy guidance. Developers are asked to dedicate land and construct the greenway.

- A more
- Reidsvi
- open sp
- Raises c
- quality
- A good
- underg

Result from 10.22.24 Work Session:

YES, REQUIRE GREENWAY DEDICATION & CONSTRUCTION (where designated on City's map)

RECOMMENDATION:

Further discussion by City Council

DISPOSITION:

Include in UDO? ☐

Exclude in UDO? ☐

6. 'Junked' (inoperable) vehicles currently allowed (1 per lot, if covered) – should this continue?

Do we need better screening standards?

DESCRIPTION:

- Cur
- too
- lot
- Ma
- en
- The
- sho
- Is t
- mo

Result from 10.22.24 Work Session:

- 1) **BROADEN TO ALL VEHICLE TYPES** (boats, trailers, tractors)
- 2) **UP TO ONE INOPERABLE VEHICLE ALLOWED – PROVIDED IT IS COVERED**
- 3) **ALL OTHER INOPERABLE VEHICLES MUST BE INSIDE OR BE FULLY SCREENED**

RECOMMENDATION:

Further discussion by City Council

DISPOSITION:

Include in UDO? ☐

Exclude in UDO? ☐

7. Technical Review Committee Changes:

- More formal
- Plan Acceptance schedule
- Charge for expedited review

DESCRIPTION:

The TRC is becoming more formalized. This will help make development review process more predictable, and pre-application conferences should make the process faster; but Staff is limited by the amount of staff support.

- There is no staff cannot
- There is a provided r

Result from 10.22.24 Work Session:

YES, ADD LONGER REVIEW SCHEDULE, ALLOW EXPEDITED REVIEW FOR A FEE

RECOMMENDATION:

Further discussion by City Council

DISPOSITION:

Include in UDO? ☐

Exclude in UDO? ☐

8. Fee Schedule Changes are Proposed

DESCRIPTION:

- There are several new permit types being added to the UDO.
- Some cur
- Most/A
- (tempo
- clearing
- It may b

Result from 10.22.24 Work Session:

OK, AND ALLOW FOR EASY RENEWAL OF TEMPORARY USE PERMITS (up to 180 days/year)

- Permitt
- closer t
- Permit
- sense o

RECOMMENDATION:

Further discussion by City Council

DISPOSITION:

Include in UDO? ☐

Exclude in UDO? ☐

9. Planning Board Terms Being Reduced

DESCRIPTION:

The Planning Board also serves as the BOA. While the Planning Board does not have term limits, the BOA does (two 3-year terms, max.). Thus, the Planning Board will be subject to term limits.

Not much of an alternative available except to split the boards apart

- Consist
- Statute

RECOMMENDATION:

Further discussion by City Council

DISPOSITION:

Include in UDO? ☐

Exclude in UDO? ☐

Result from 10.22.24 Work Session:

OK

10. City-wide Comprehensive Rezoning – do we want to go there?

DESCRIPTION:

The UDO is structured to allow for a translation to the zoning map without need for a widescale rezoning – but such a translation does not address existing errors or other issues.

Also there
DTP sub-di
There is als
owned/ope
district, and
conditional

- Rezoning
practice

RECOMMENDATION:

Further discussion by City Council

DISPOSITION:

Include in UDO? ☐

Exclude in UDO? ☐

Result from 10.22.24 Work Session:

MAYBE...

BUT NOT ESTABLISHING
DEPOT DISTRICT

Most, **but not all**, of these changes
are unaffected by SB382...

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SUBPART III-K. LOCAL GOVERNMENT

NO LOCAL GOVERNMENT INITIATED DOWN-ZONING WITHOUT CONSENT OF AFFECTED PROPERTY OWNER

SECTION 3K.1(a) G.S. 160D-601(d) reads as rewritten:

"(d) Down-Zoning. – No amendment to zoning regulations or a zoning map that down-zones property shall be ~~initiated nor is it enforceable~~ initiated, enacted, or enforced without the written consent of all property owners whose property is the subject of the down-zoning ~~amendment, unless the down-zoning amendment is initiated by the local government amendment.~~ For purposes of this section, "down-zoning" means a zoning ordinance that affects an area of land in one of the following ways:

- (1) By decreasing the development density of the land to be less dense than was allowed under its previous usage.
- (2) By reducing the permitted uses of the land that are specified in a zoning ordinance or land development regulation to fewer uses than were allowed under its previous usage.
- (3) By creating any type of nonconformity on land not in a residential zoning district, including a nonconforming use, nonconforming lot, nonconforming structure, nonconforming improvement, or nonconforming site element."

SECTION 3K.1(b) If any provision of this section is declared unconstitutional or invalid by the courts, it does not affect the validity of this section as a whole or any part other than the part so declared to be unconstitutional or invalid.

SECTION 3K.1(c) This section is effective when it becomes law and applies to local government ordinances adopted on or after that date and any local government ordinance enacting down-zoning of property during the 180 days prior to the date this section becomes effective. Ordinances adopted in violation of this section shall be void and unenforceable.

PART IV. MISCELLANEOUS PROVISIONS

SECTION 4.1. Severability. – If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part declared to be unconstitutional or invalid.

SB382 Passed by
General Assembly
12/11/24

Changes NCGS§
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SECTION 3K.1.(b) If any provision of this section is declared unconstitutional or

Removes authority of local governments to down-zone land without prior owner consent



"Down-zoning" means:

1. Reduce density
2. Reduce the range of permitted uses
3. Create nonconformities

with G.S. 115C-562.5(c)(1) beginning with the 2026-2027 school year.

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After June 14, 2024,
no local government
may:

1. Reduce density
2. Reduce the range
of permitted uses
3. Create
nonconformities

Without the
prior consent
of affected
landowners



Ramifications

**City-Initiated
UDO Text
Amendments**

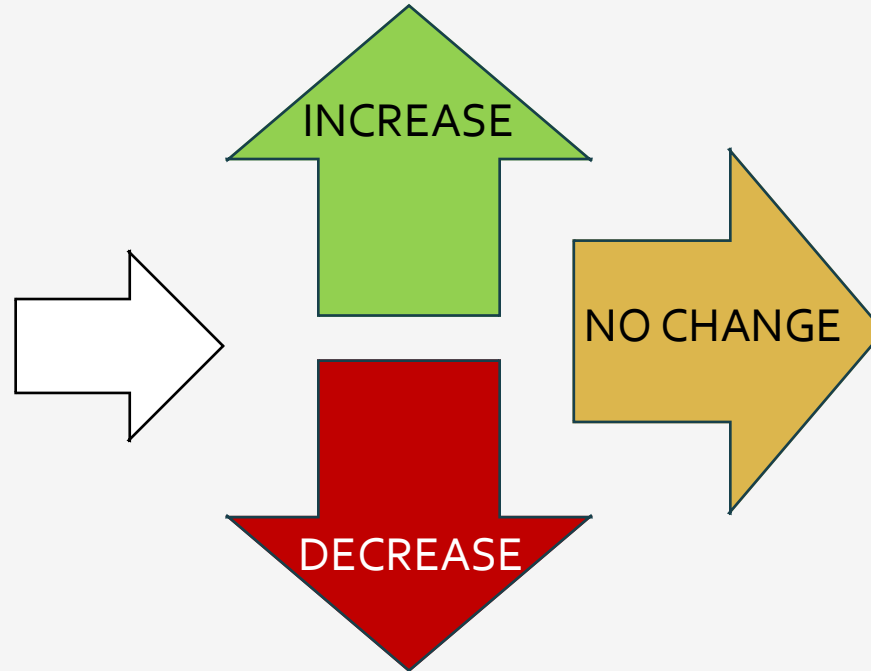
**City-Initiated
Zoning Map
Amendments**



Ramifications

No prior landowner consent required

Amendment Affects
Development
Potential of Land?



No prior
landowner
consent
required

Prior landowner consent must be obtained*



Ramifications

City-Initiated Zoning Map Amendments

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graph TD; A((City-Initiated Zoning Map Amendments)) --> B[1. UP-ZONING]; A --> C[2. DOWN-ZONING]; A --> D[3. OTHER ZONING];
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*NOTE: This applies only to
City-initiated map
amendments - Landowner
initiated map amendments
do not require consent*

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1. UP-ZONING

e.g., R-12 to R-6 or B-N to B-H
Increasing development potential
(higher density or wider range of uses)
No consent required

2. DOWN-ZONING

e.g., R-6 to R-12 or B-H to B-N
Decreasing development potential
(lower density, larger setbacks, or reduce range of uses)
Prior consent required from ALL affected owners

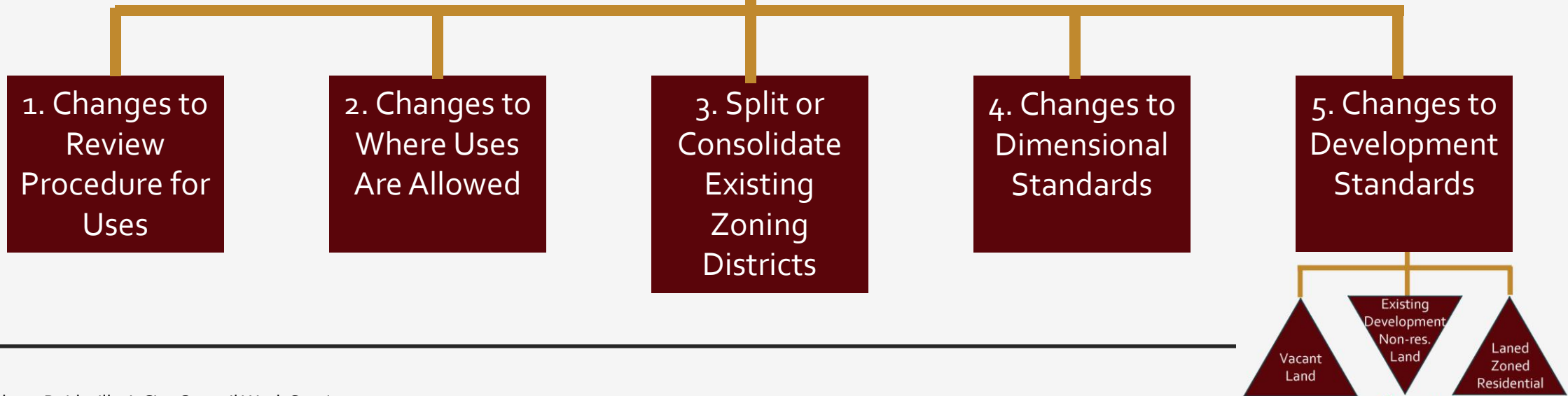
3. OTHER ZONING

e.g., O&I to I-2
Despite increasing development
intensity, still a downzoning
because densities are reduced
Prior consent required from
ALL affected owners



Ramifications

City-Initiated UDO Text Amendments



Ramifications

1. Changes to Review Procedure for Uses

UP-ZONING

Increasing development potential
(Creating higher density or wider range of uses)
No consent required

TABLE <>: LISTING OF COMMON PRINCIPAL USES

P = Permitted, subject to a Zoning Permit & applicable use standards

S = Permitted, subject to a Special Use Permit & applicable use standards

C = Permitted within a conditional zoning district, subject to applicable use standards

"•" = Prohibited

[#] = Table note (see end of table)

USE CATEGORY	CON	RESIDENTIAL DISTRICTS				Non-RESIDENTIAL DISTRICTS										CONDITIONAL DISTRICTS						USE STDS.
Use Type		RUR	RLD	RMD	RHD	DTC	DTP	LMX	MMX	HMX	OFI	PUB	LIN	MIN	HIN	CZR	CZO	CZD	CZM	CZI	CTD	
Current Districts & Uses (in yellow rows)		RA-20	R-20	RS-12/R-12	R-6	B-C	B-C	B-N	B-G	B-H	O&I		I-1	I-2	I-3							
Restaurant	•	•	•	•	•	P	P	P	P	P	P	•	P	•	•	C	C	C	C	C	C	<>
Dairy bars including manufacturing of ice cream on premise						P	P	P	P	P												
Restaurant, including all eating places except drive-in, 60% of sales must be in food products						P	P	P	P	P			P	P								
Restaurant, including all eating places except drive-in, 30% of sales must be in food products (with accessory uses)						S	S			S												
Restaurant with Drive Through/ Drive-up Service	•	•	•	•	•	•	•	P	P	P	P	•	P	•	•	C	C	C	C	C	•	<>
Drive-in restaurant									P	P												
Equipment Related																						



Ramifications

1. Changes to Review Procedure for Uses

DOWN-ZONING

Decreasing development potential

(lower density, larger setbacks, or reduce range of uses)

Prior consent required from ALL owners in the district

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Current Districts & Uses (in yellow rows)		RA-20	R-20	RS-12/R-12	R-6	B-C	B-C	B-N	B-G	B-H	O&I		I-1	I-2	I-3							
Group Living																						
Boarding House	•	•	•	P	P	•	•	•	•	•	P	•	•	•	•	C	C	•	C	•	C	<>
Boardinghouse, room house				P	P						P											
Rooming houses, board houses				P	P						P											
Family Care Home	•	P	P	P	P	•	•	•	•	•	P	•	•	•	•	C	C	•	C	•	C	<>
Family care homes		P	P	P	P						P											
Group Home	•	•	•	•	•	•	•	•	•	•	P	•	•	•	•	C	C	•	C	•	•	<>
Group homes											P											
Halfway House	•	•	•	•	•	•	•	•	•	•	S	•	•	•	•	•	•	•	•	•	•	<>
Temporary housing non-profit										P	P	P										
Homeless Shelter	•	•	•	•	•	•	•	•	S	S	S	•	•	•	•	•	C	•	C	C	•	<>
Homeless shelters									S	S	S		S	S								
Household Living																						



Ramifications

2. Changes to Where Uses Are Allowed

DOWN-ZONING

Decreasing development potential

(lower density, larger setbacks, or reduce range of uses)

Prior consent required from ALL owners in the district

TABLE <>: LISTING OF COMMON PRINCIPAL USES

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Current Districts & Uses (in yellow rows)		RA-20	R-20	RS-12/R-12	R-6	B-C	B-C	B-N	B-G	B-H	O&I		I-1	I-2	I-3							
Group Living																						
Boarding House	•	•	•	P	P	•	•	•	•	•	P	•	•	•	•	C	C	•	C	•	C	<>
Boardinghouse, room house				P	P						P											
Rooming houses, board houses				P	P						P											
Family Care Home	•	P	P	P	P	•	•	•	•	•	P	•	•	•	•	C	C	•	C	•	C	<>
Family care homes		P	P	P	P						P											
Group Home	•	•	•	•	•	•	•	•	•	•	P	•	•	•	•	C	C	•	C	•	•	<>
Group homes											P											
Halfway House	•	•	•	•	•	•	•	•	•	•	S	•	•	•	•	•	•	•	•	•	•	<>
Temporary housing non-profit										P	P	P										
Homeless Shelter	•	•	•	•	•	•	•	•	S	S	S	•	•	•	•	•	C	•	C	C	•	<>
Homeless shelters									S	S	S		S	S								
Household Living																						



Ramifications

3. Split or Consolidate Existing Zoning Districts

Increasing development potential
(higher density or wider range of uses)
No consent required

Decreasing development potential
(lower density, larger setbacks, or
reduce range of uses)
Consent from ALL affected owners
required

TABLE <>: ZONING DISTRICTS ESTABLISHED

FORMER ZONING DISTRICTS (FROM THE PRIOR ZONING ORDINANCE)		ZONING DISTRICTS IN THIS ORDINANCE	
RA-20	Residential Agricultural	RUR	Rural
R-20	Residential, Low Density	RLD	Residential Low Density
RS-12	Residential, Low Density	RMD	Residential Medium Density
R-12	Residential, Medium Density	RHD	Residential High Density
R-6	Residential, High Density		
CONVENTIONAL NON-RESIDENTIAL DISTRICTS			
B-C	Business, Central	DTC	Downtown Core
		DTP	Downtown Periphery
B-N	Business, Neighborhood	MXL	Low Intensity Mixed-Use
B-G	Business, General	MXM	Medium Intensity Mixed-Use
B-H	Business, Highway	MXH	High Intensity Mixed-Use
O & I	Office and Institutional	OFI	Office Institutional
(NEW)		PUB	Public Facilities
I-1	Light Industrial	LIN	Light Industrial
I-2	Heavy Industrial	MIN	Medium Industrial
I-3	Heavy Industrial	HIN	Heavy Industrial



Ramifications

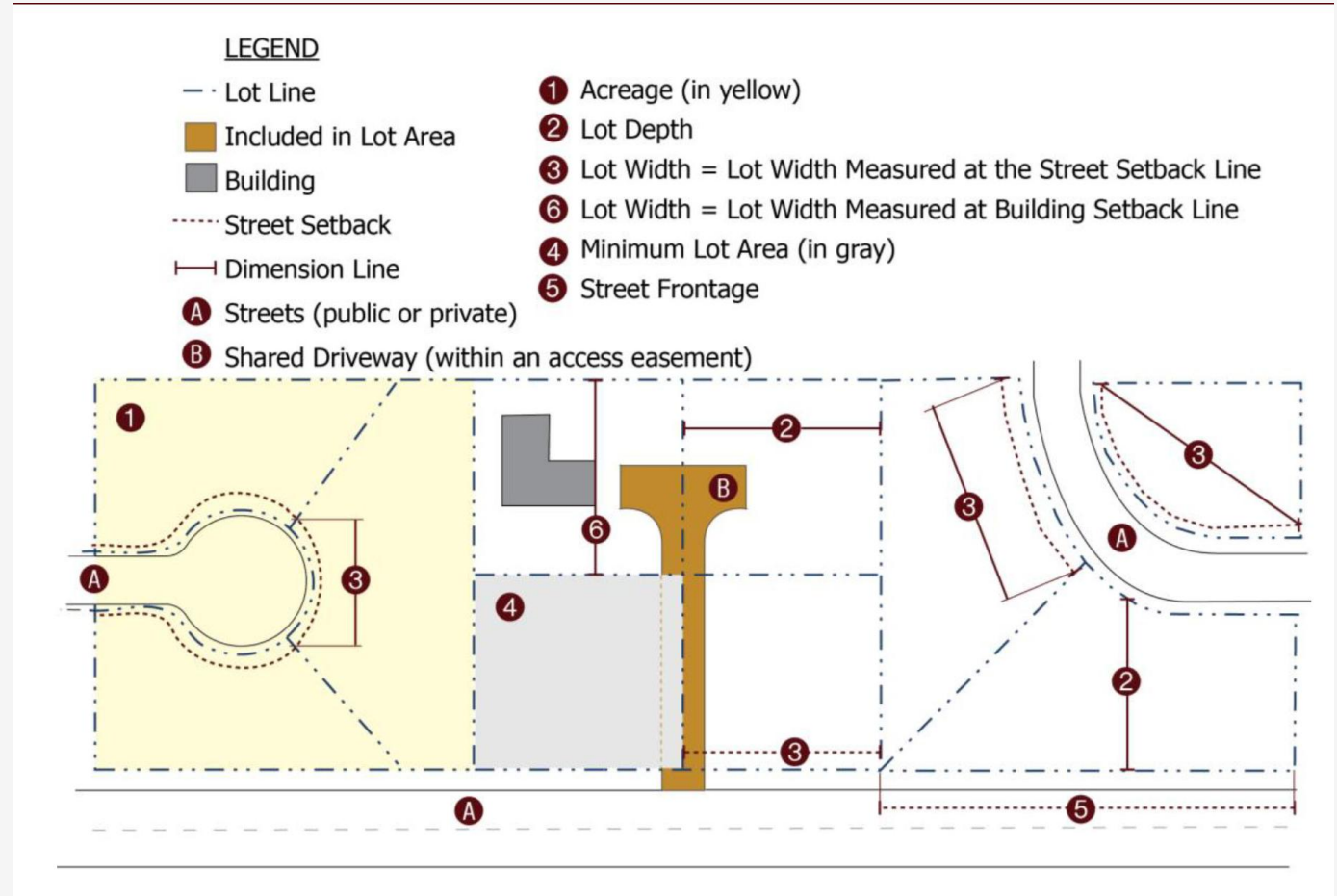
4. Changes to Dimensional Standards

INCREASING development potential
(reducing setbacks, reducing lot widths, increasing lot coverage, increasing max. height)

No consent required

DECREASING development potential
(increasing setbacks, increasing lot widths, decreasing lot coverage, lowering max. height in ways that lower density or create nonconformities on non-residential lots)

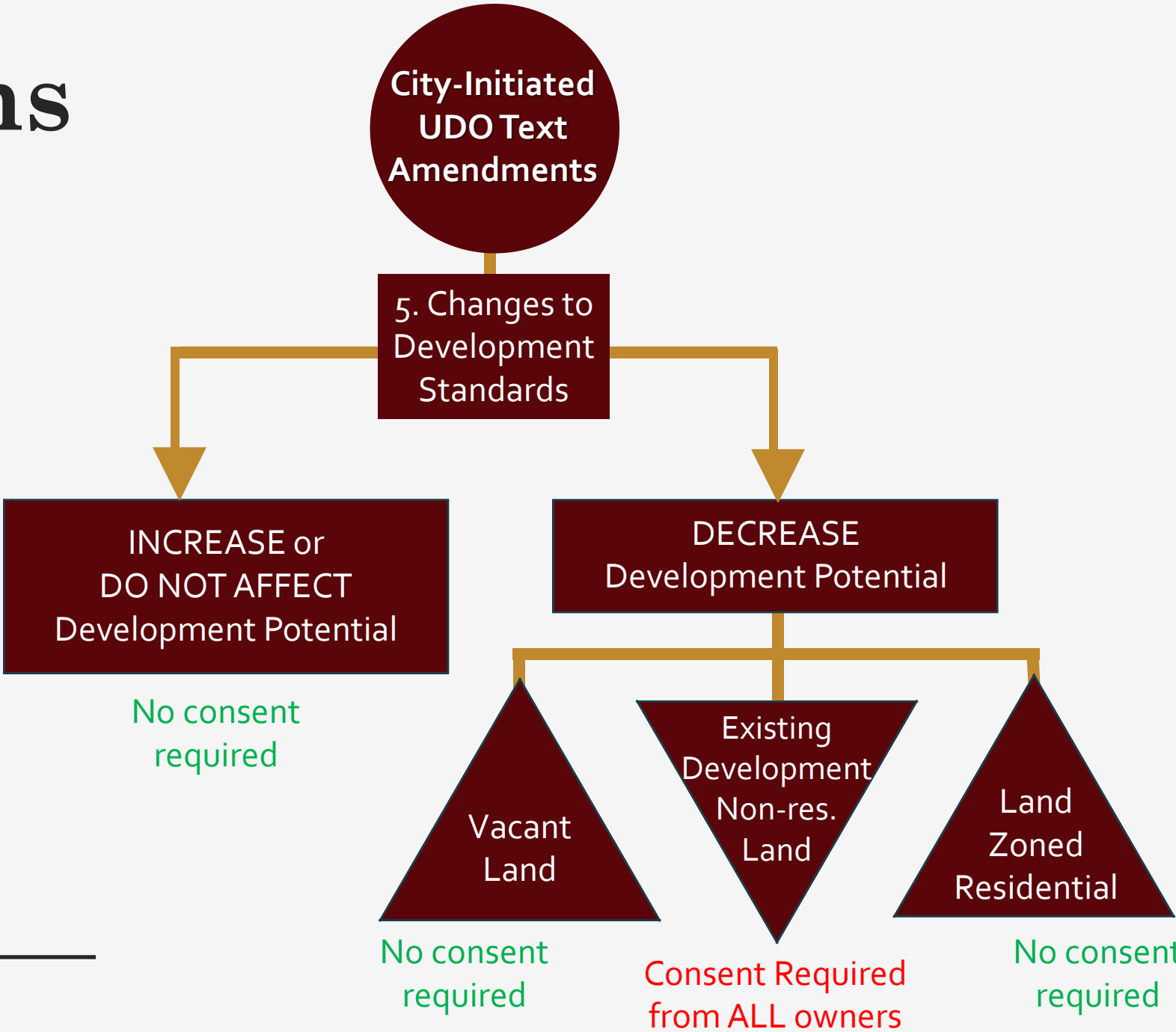
Consent from ALL affected owners required



Ramifications

Development Standards:

- Access
- Design Standards
- Exterior Lighting
- Infrastructure
- Landscaping
- Open Space
- Parking
- Signage



Examples of Text Amendments that may Decrease Development Potential (and may require prior consent to enact)

- Decreasing development potential through changes to dimensional standards (density, setbacks, height, etc.)
- Applying new design standards
- Increasing landscaping requirements
- Adding new screening standards
- Increasing parking requirements
- Adding requirements for sidewalks
- Adding standards for street connectivity
- Adding new requirements for open space or greenways
- Reducing the allowable height, size, or number of signs



City-Initiated Text Amendments that do not Require Consent

- OK to create new districts with new standards
- OK to allow more uses in an existing district
- OK to increase density
- OK to reduce discretionary review for a use type
- OK to reduce dimensional standards
- OK to increase dimensional standards provided it doesn't lower density or create nonconformity
- OK to reduce development standards
- OK to increase dev. standards on vacant lots
- OK to increase development standards on developed lots in residential districts

City-Initiated Text Amendments that may Require Consent

- CONSENT to lower density
- CONSENT to reduce range of uses
- CONSENT to change by-right to discretionary review
- CONSENT to change dimensional standards if it lowers density or creates nonconformity
- CONSENT to increase development standards on developed lots in nonresidential districts



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Where we go from here and when





Use Current
Standards
(no new)



New
Standards for
new Uses Only



New
Standards +
Legacy Lots



Wait and
See



1. Use Current Standards (no new standards)

DESCRIPTION:

- Carry forward only the current zoning and development standards with no substantive changes in the new UDO
- Continue to apply higher standards via conditional zoning and special use permit conditions

PROS	CONS
- Easy - No concern about downzoning or creation of nonconformities associated with SB382	- Will require revisions to the draft use table and use standards - Leaves many project goals unaddressed (downtown, open space, greenways, etc.)

Alternative 1A: Same as Option 1, but apply new development standards to development on lots zoned residential



2. Prepare New Standards (but only apply to new development)

DESCRIPTION:	
• Carry forward the draft UDO as written, but only apply new standards to new development on vacant land and in new districts • Maintain current standards for existing development	
PROS	CONS
- No concern about downzoning or creation of nonconformities associated with SB382 - Still have some new standards like multifamily design, open space, etc.	- Will not be able to apply design standards to existing downtown buildings - 2 sets of standards, one for existing, one for new - City will have to track which developments are subject to which set of standards - Every major future text amendment creates another set of rules to track

Alternative 2A: Same as Option 2, but also apply new development standards to development on lots zoned residential



3. Prepare New Standards + Legacy Lots

DESCRIPTION:

- Carry forward the draft UDO language with all development standards, design standards, proposed district changes, etc.
- Abolish pre-existing nonconforming status
- Upon adoption, all lots in the planning jurisdiction are classified as legacy lots until determined to be conforming or nonconforming (determination can be requested separately, or as part of a development application)
- Legacy lots with existing development may continue, maintain, and be transferred...but can not be changed in significant ways until determined to be conforming or nonconforming
- Legacy lots that are vacant can be developed either based on the rules in place prior to UDO adoption or the new UDO (owner's choice)
- City will determine if a vacant legacy lot that is developing will remain a legacy lot, or if it becomes conforming or nonconforming
- A legacy lot may only become conforming if it complies with all the rules in place at the time the determination is requested
- A legacy lot may become nonconforming even if it doesn't meet all the UDO standards, but the owner must consent to being nonconforming
- Nonconforming rules in new UDO allow modification of uses, structures, and site elements with generous compliance triggers



3. Prepare New Standards + Legacy Lots

PROS

- UDO standards and strategies (like downtown design standards, open space, greenways, and similar provisions) remain intact
- This system allows the City to operate its new UDO and creates a framework for addressing future text amendments
- Allows existing landowners to keep what they have as long as they wish and does not impose new standards unless consented to
- Creates an ability to incentivize existing development to come into compliance

CONS

- Abolishes existing nonconforming status
- Requires the City to process legacy lot determinations (but tracking is not needed since legacy review takes place as part of any application consideration)
- Must maintain prior rules for vacant legacy lot owners to follow
- Owners who do not consent will be limited in making changes to their properties
- We will have to develop rules around consent



4. Wait and See What Happens

DESCRIPTION:

- HB24 filed on 1/29/25 and seeks to repeal the changes to 160D-601 in SB382
- Delay work on the UDO until mid-2025 to see if bill passes

PROS	CONS
- City may be able to retain the UDO strategy and structure as drafted - Allows further discussion of draft material*	- Adds more time to the process - City not able to benefit from the other positive changes in the draft UDO until later - HB24 may not pass anyway and the time will be wasted - * significant continued discussion/revision will require a budget amendment

<https://www.ncleg.gov/BillLookup/2025/HB24>



Next Steps

- Decide if/how to address SB382
- Steering Committee review of UDO draft Chapters 3 & 5 (even if project is paused) so project Task 4, Draft UDO, can be closed out

Or

- Revise current agreement as appropriate

