

Town Code & Land Use Management Ordinance Text Amendments



**Town Council
October 22, 2025**

Staff Recommendation

- Open the public hearing
- Receive and provide comment
- Continue the hearing to November 19, 2025

Background

- A new sub-consultant team is drafting the full, updated LUMO for Council consideration in 2026.
- Councilmembers have expressed interest in considering some LUMO updates in advance of the full rewrite.
- Proposed text amendments reflect Council interests, public discussions, and best practices.

Development Process Amendments

- Concept Plan Review
- Conditional Zoning
- Special Use Permits
- Site Plan Review
- Subdivisions

Development Standards Amendments

- Lot layout standards
- Infrastructure requirements
- Two-family housing options
- Parking regulations
- Manufactured homes
- Signs

Process: Concept Plan Review

Proposed: Remove formal concept plan review for new conditional zonings and special use permits.

- Not a widely used process in North Carolina
- Creates an additional barrier to entry
- Reinforces a culture of project-by-project decision-making
- Council-supported improvements to our staffing, policies, and adopted plans can allow the Town to end formal concept plan reviews
- Interests can be achieved through strategic community engagement and meaningful staff collaboration

Process: Conditional Zoning

Proposed: Streamline the conditional zoning process for all application types.

- ☐ Allow Council approval after one meeting
- ☐ Right-size application submission requirements
- ☐ Increase flexibility after Council approval
- ☐ Shift review of building facades to staff

Process: Special Use Permits

Proposed: Allow properties with existing SUPs to add new permitted uses or development.

- Facilitates the redevelopment, reuse, or evolution of properties with old SUP's.
- Examples of redevelopment or reuse could include:
 - ☐ Place of worship adding housing.
 - ☐ Office building adding a charter school.
 - ☐ Retail building adding an office tenant.
- The addition of new “special uses” will always require Council approval.

Process: Site Plan Review

Proposed: Remove Planning Commission's site plan review for most projects.

- A purely administrative process that is redundant of other mandatory review processes.
- Administrative decisions are best made by staff.
- Site plan review will remain for Pine Knolls and Northside as required by their NCD rules.
- Review will be heavily streamlined but allow for public notice of new development.

Process: Subdivisions

Proposed: Give the Town Manager authority over all subdivision approvals.

- A purely administrative process that often requires Planning Commission or Town Council approval.
- Administrative decisions are best made by staff.
- Reassigning responsibility creates clear expectations for applicants and the public.

Standards: Lot Sizes

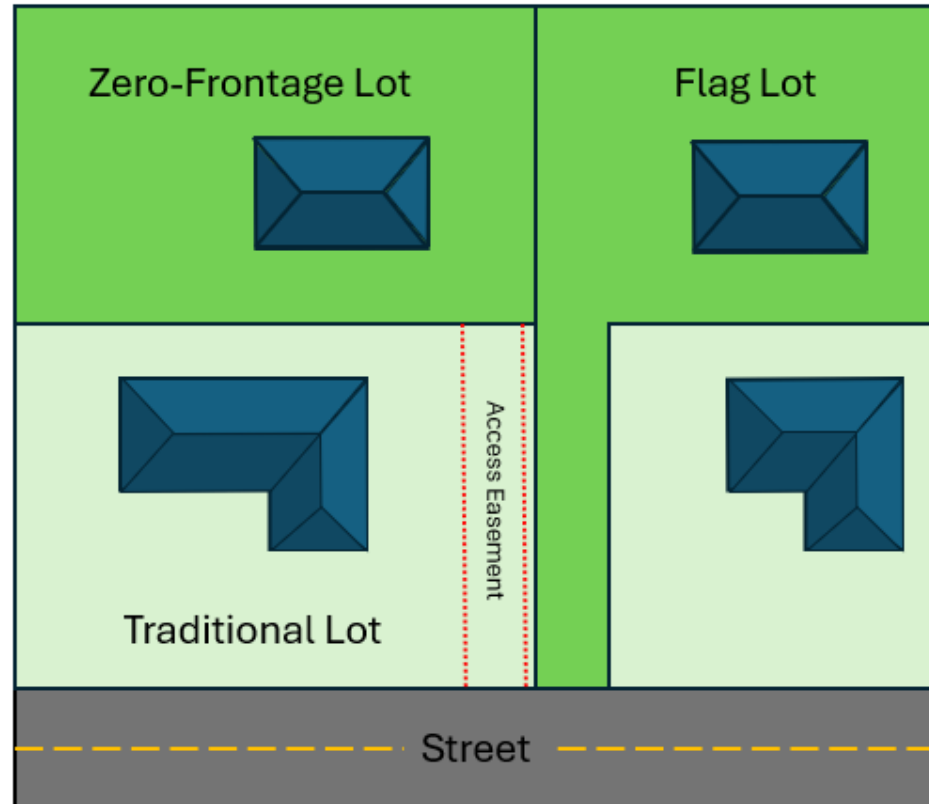
Proposed: Decrease minimum lot sizes and related dimensional standards

- Large lot sizes hurt affordability and have historically had an exclusionary impact.
- Reducing lot sizes supports incremental growth in areas already well-served by Town services and infrastructure.
- Creating new “fee-simple” lots is critical to supporting homeownership.

Standards: Lot Layout Standards

Proposed: Allow flag lots and zero-frontage lots

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Standards: Infrastructure Requirements

Proposed: Reduce infrastructure requirements for new lots on existing “local” streets.

New lots on existing local streets must currently provide:

- Adequate right-of-way
- Adequate pavement width
- Curb and gutter
- Sidewalks

Standards: Infrastructure Requirements

Proposed: Reduce infrastructure requirements for new lots on existing “local” streets.

Proposed rule will only require new lots to provide:

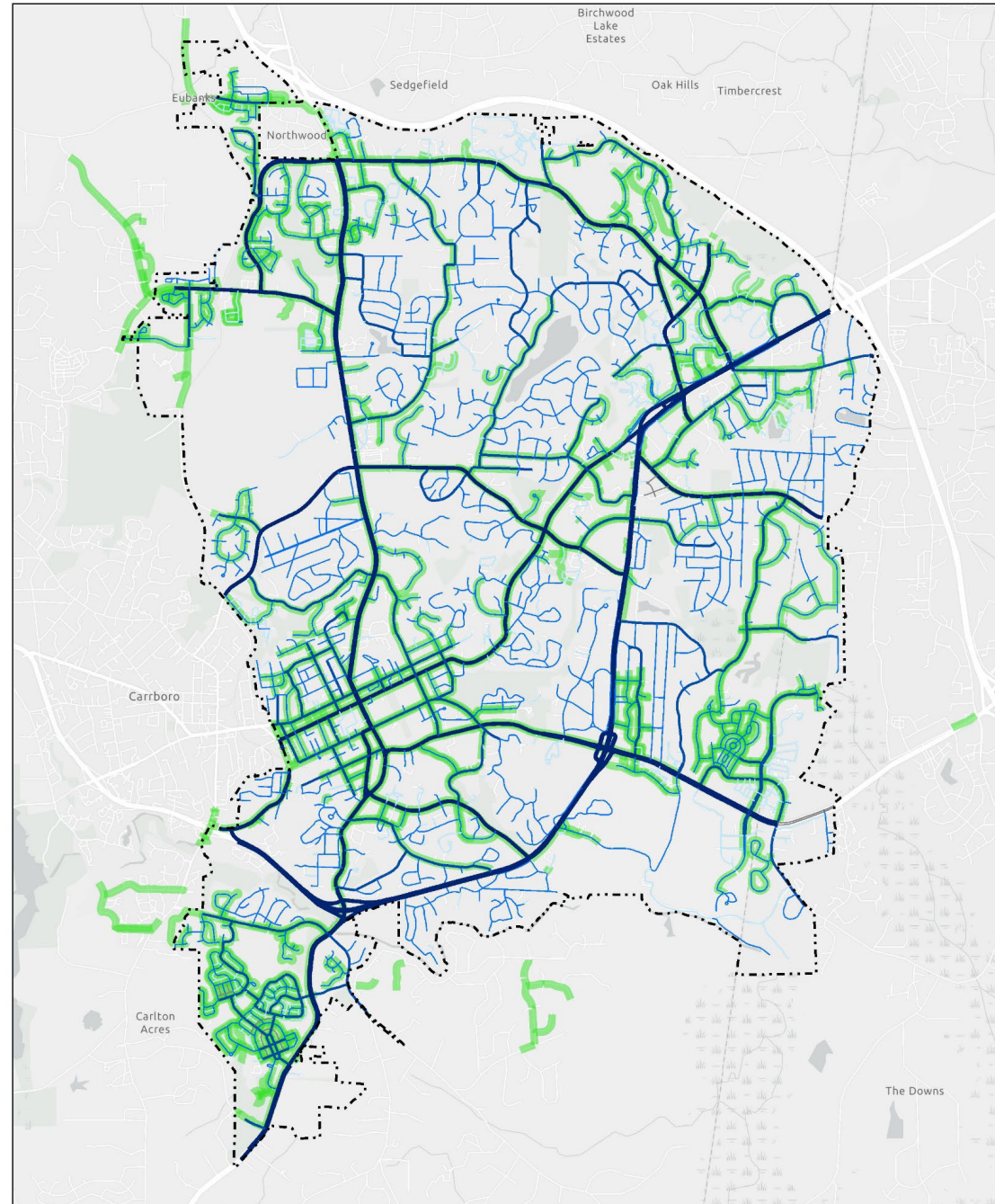
- Adequate right-of-way
- ~~• Adequate pavement width~~
- ~~• Curb and gutter~~
- ~~• Sidewalks~~

Standards: Infrastructure Requirements

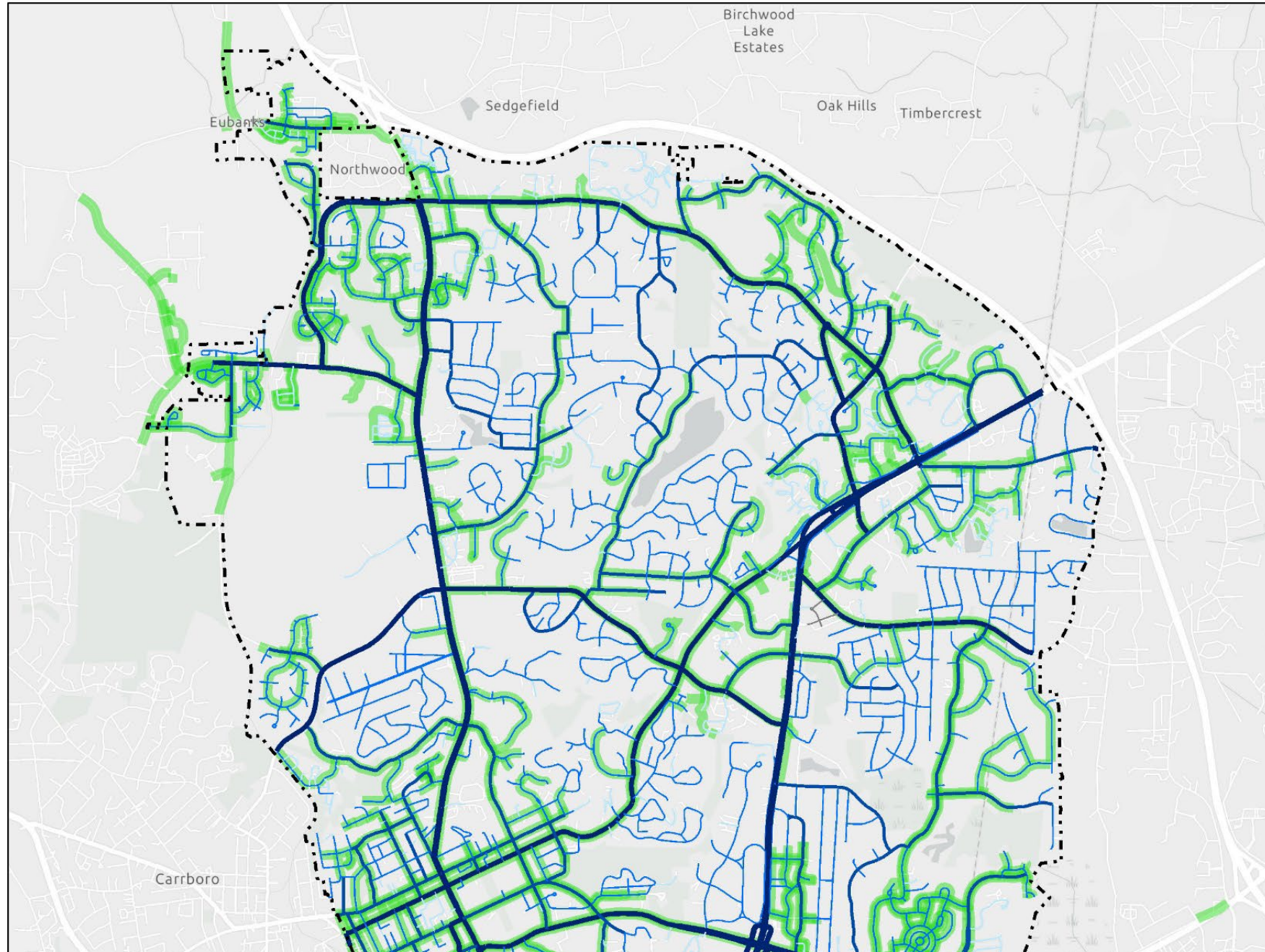
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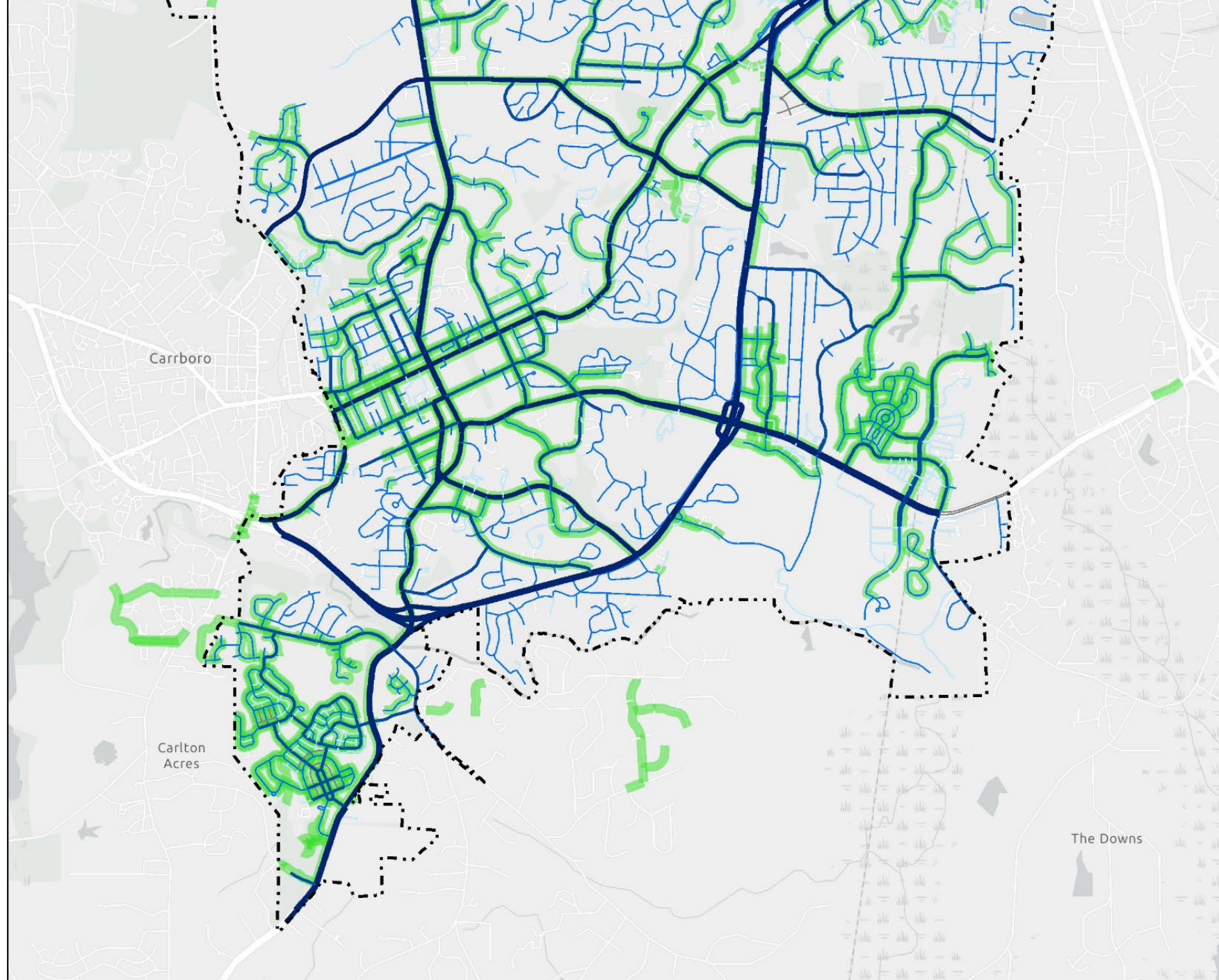
- Supports incremental in-fill development.
- High cost of infrastructure is disproportionate to the limited benefits created for the Town.
- Increased tax revenue from new lots is more helpful than one-time fees.

Chapel Hill Streets and Sidewalks



Chapel Hill Streets and Sidewalks





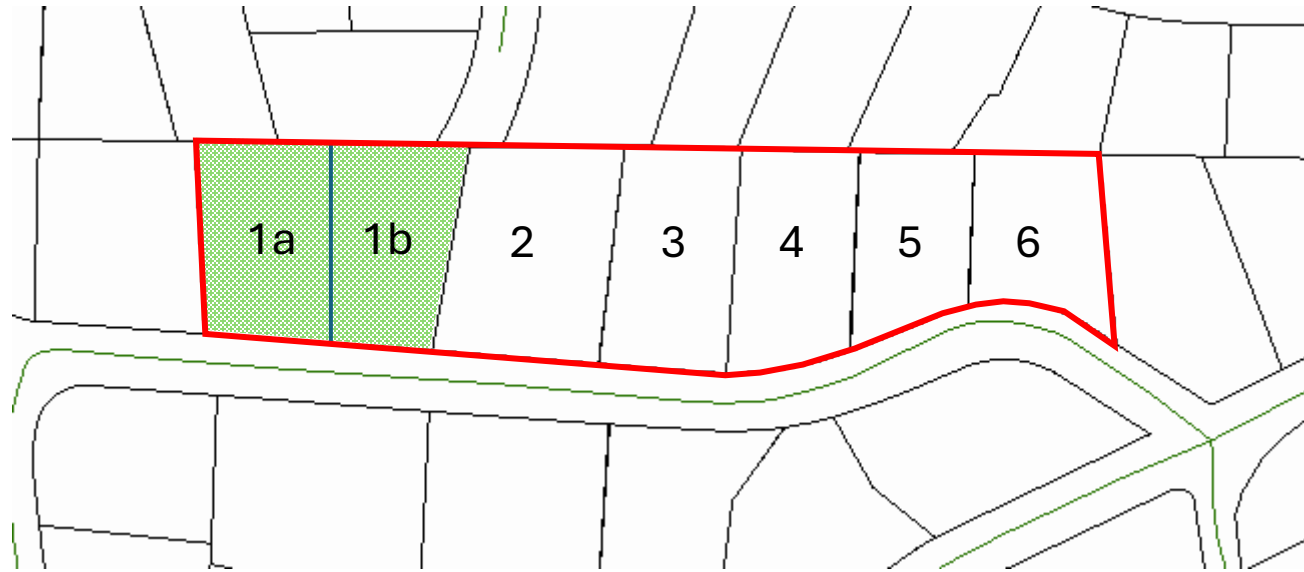
Infrastructure Requirements



Lot 1 is almost **twice the size** of Lots 3-6 but has the **same assessed land value**.

As single-family lots become bigger, **tax value per acre decreases**.

Infrastructure Requirements



A typical payment-in-lieu would likely be \$8,000 - \$10,000.
Town use of the funds is strictly limited.

Subdividing Lot 1 would add at least **\$3,500 in annual revenue**.
General fund revenue can be used for almost any legitimate Town purpose.

Standards: Two-Family Housing

Proposed: Allow duplexes up to 5,000 square feet and remove 2-space parking limit.

- Existing limits are major impediments to new construction.
- Updated limits are more likely to support financially feasible projects.
- Updated limits support a wide range of homeownership opportunities.

Standards: Manufactured Home Communities

Proposed: Allow existing manufactured home communities to continue as permitted uses.

- Manufactured home communities are currently non-conforming uses throughout Town.
- Non-conforming status for existing communities prevents quality-of-life improvements.
- Stronger legal status for manufactured home communities can help residents.

Standards: Parking Minimums

Proposed: Remove mandatory parking minimums.

- Parking minimums are not aligned with the Town's sustainability goals.
- An important step in the right direction.
- Impacts on neighborhoods will likely be minimal, but monitoring will be essential.

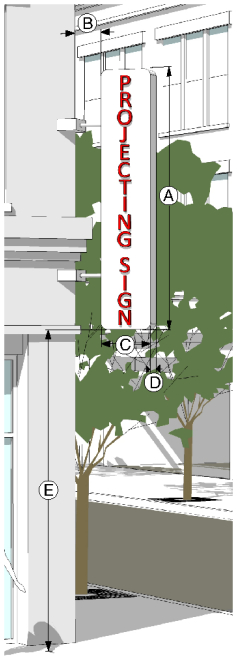
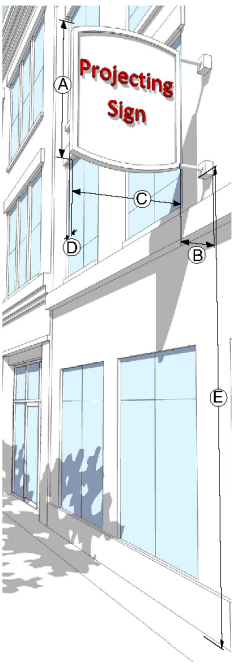
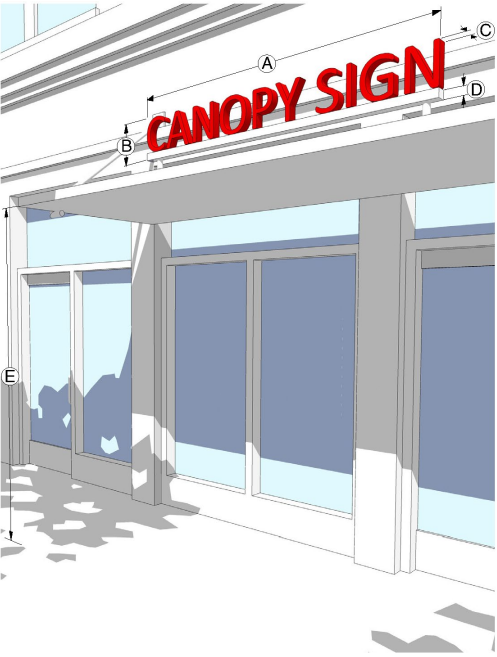
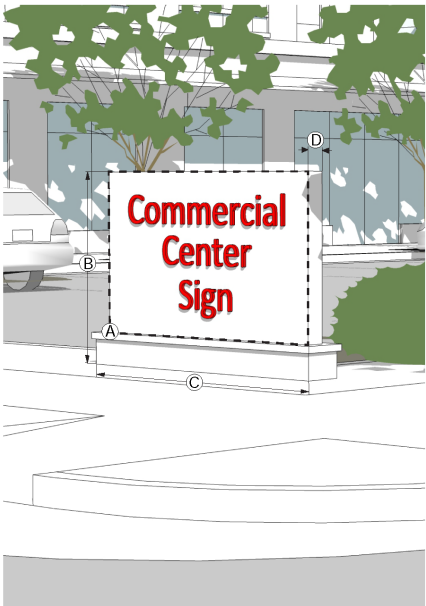
Standards: Signs

Proposed: Ease dimensional standards and allow additional sign types in residential districts.

The proposed amendment will:

- ☐ Update minimum letter height requirements.
- ☐ Ease restrictions on sign “raceways.”
- ☐ Allow additional sign types in residential zoning districts.

Standards: Signs



Amendment Summary

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Appendix

Proposed Lot Dimensions and Setbacks					
Zoning District	Minimum Lot Size (Square Feet):	Street Frontage (Feet):	Lot Width (Feet):	Street Setback (Feet):	Interior Setback (Feet):
	"Current" ↓ "Proposed"	"Current" ↓ "Proposed"	"Current" ↓ "Proposed"	"Current" ↓ "Proposed"	"Current" ↓ "Proposed"
R-1A	25,000	80	100	29	15
	↓ 10,000	↓ 48	↓ 60	↓ 26	↓ 10
R-1	17,000	64	80	28	14
	↓ 10,000	↓ 48	↓ 60	↓ 26	↓ 10
R-2A	14,500	56	70	27	10
	↓ 7,500	↓ 40	↓ 50	↓ 24	↓ 8
R-2	10,000	52	65	26	11
	↓ 7,500	↓ 40	↓ 50	↓ 24	↓ 8
R-3	5,500	40	50	24	8
	↓ 4,000	↓ 36	↓ 42	↓ 22	↓ 6
R-4	5,500	40	50	22	8
	↓ 4,000	↓ 36	↓ 42		↓ 6
R-5	5,500	40	50	20	6
	↓ 4,000	↓ 36	↓ 42		↓ 5
R-6	5,500	40	50	20	6
	↓ N/A	↓ N/A	↓ N/A	↓ 16	↓ N/A

Appendix

