

STAFF REPORT

Amendments to the Unified Development Ordinance

August 25, 2026 Town Council Meeting



Requested by Planning Staff:

1. Amendments to Secs. 2.3.4.F.2 *Traditional Neighborhood District (TND-CZ)*; 4.2.2 *Use Table*; 4.3.1 *Use Classifications, Residential Uses*; 4.5.6 *Accessory Uses and Structures, Accessory Apartment*; 5.2.2.B.4 *Permitted Encroachments into Required Setbacks*, 5.2.7.E *Encroachments into Setbacks*; and 8.3.4.E *Residential Driveway Standards* in order to change the term “accessory apartment” to “accessory dwelling unit” and remove the use from the Use Table as it is an accessory and not a principal use. The section of the Unified Development Ordinance is amended to read as follows with additions shown as bold underlined text and deletions shown as struck-through text:

Background: Staff propose amendments to the Unified Development Ordinance (UDO) to replace the term "accessory apartment" with "accessory dwelling unit" throughout the ordinance to ensure consistency with current terminology used in North Carolina General Statutes. These amendments are intended to improve clarity, maintain consistency throughout the UDO regarding accessory dwelling units. No substantive changes are proposed to the Town's development standards beyond those necessary to implement the terminology updates and organizational revisions.

2.3.4 Planned Development Districts

F) Standards

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2) *Traditional Neighborhood District (TND-CZ)*

- a) *General.* The purpose of the Traditional Neighborhood District is to allow for the development of fully integrated, mixed-use pedestrian oriented neighborhoods as described in Section 3.3.3.B. The intent is to minimize traffic congestion, suburban sprawl, infrastructure costs, and environmental degradation. The TND-CZ is recommended to include the following elements:

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- (vii) A small ancillary building is permitted within the backyard of each house and may be used for one (1) ~~accessory apartment~~ **accessory dwelling unit** or a place of work.

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See Next Page

4.2.2 Use Table

Use Type	Definition Section	Zoning Districts																					Standards		
		Residential									Business						Industrial		Planned Development			Other			
		R A	R R	L D	M D	H D S F	H D M F	M H	M H P	M O R R	O & I	B 1	B 2	B 3	P C	T F	L I	H I	M E C	T N D	P U D	C B	S D	S T C	Section(s)
Residential Uses																									
Accessory apartment	4.3.1.A	P	P	P	P	P				P		P	P***	P					P	P	P		**	P*	4.5.6; 6.3
Congregate living facility	4.3.1.C						P												P	P	P		**		4.4.1.B
Duplex	4.3.1.D				P	P	P			P									P	P	P		**		
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* Uses in the Small Town Character Overlay District (STC) designated as Permitted (P) are only allowed when also designated as Permitted (P) in the underlying zoning district. Uses requiring Special Use Permits (S) in the underlying zoning district are still required to get a Special Use Permit in the STC Overlay District.

**Uses allowed as a matter-of-right in a Sustainable Development Conditional Zoning District shall be those uses authorized in the Sustainable Development Plan approved for such district. Standards applicable to each such use shall be as provided in this Use Table unless modified by the respective Sustainable Development Plan.

***Uses in the Central Business District designated as Permitted (P) with three asterisks are not allowed in storefront locations. Storefront locations shall mean the first floor of all spaces abutting North Salem Street, East Chatham Street, West Chatham Street, Saunders Street, and Templeton Street, as well as along all principal use public and commercial parking lots and garages.

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4.3.1 Use Classifications, Residential Uses

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A) ~~Accessory Apartment~~ **Reserved**

~~A secondary dwelling unit either (1) inside of or added to an existing single-family dwelling, (2) in an accessory structure on the same lot as the principal single-family dwelling, (3) on any floor except for the ground floor of a commercial use in the B1 Neighborhood Business District, B2 Downtown Business District, MEC-CZ Major Employment Center District, TND-CZ Traditional Neighborhood District, PUD-CZ Planned Unit Development District, or (4) on any floor of a commercial use in the MORR Mixed Office-Residential-Retail District or SD-CZ Sustainable Development Conditional Zoning District. An accessory apartment is a complete, independent living facility equipped with a kitchen and with provisions for sanitation and sleeping. An accessory structure may include a loft.~~

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4.5.6 Accessory Uses and Structures, ~~Accessory Apartment~~ **Accessory Dwelling Unit**

Accessory Structures and Uses, ~~Accessory Apartment~~ **Accessory Dwelling Unit**

~~Accessory apartment~~ **Accessory Dwelling Unit** means a secondary dwelling unit either (1) inside of or added to an existing single-family dwelling, (2) in an accessory structure on the same lot as the principal single-family dwelling, ~~or~~ (3) on all but the ground floor of a commercial use in the B1 Neighborhood Business District, B2 Downtown Business District, MEC-CZ Major Employment Center District, TND-CZ Traditional Neighborhood District, PUD-CZ Planned Unit Development District, ~~MORR Mixed Office-Residential-Retail District~~, or SD-CZ Sustainable Development District, or (4) on any floor of a commercial use in the MORR Mixed Office-Residential-Retail District. An ~~accessory apartment~~ **accessory dwelling unit** is a complete, independent living facility equipped with a kitchen and with provisions for sanitation and sleeping. An ~~accessory apartment~~ **accessory dwelling unit** use shall comply with the following standards:

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B) *Attached – Accessory to Single-Family*

There is no limit to the size of the ~~accessory apartment~~ **accessory dwelling unit**.

C) *Detached – Accessory to Single-Family*

1) Outside of the Small Town Character Overlay District ~~accessory apartments~~

accessory dwelling units shall be no larger than 40% of the heated square footage of the principal single-family dwelling.

2) Inside of the Small Town Character Overlay District ~~accessory apartments~~ **accessory dwelling units** shall be no larger than 50% of the heated square footage of the principal single family dwelling or be larger than 1,000 square feet, whichever is smaller.

D) *Similar Materials*

The ~~accessory apartment~~ **accessory dwelling unit** shall be constructed of materials substantially equivalent to the principal dwelling unit.

E) *Compatible Character*

The ~~accessory apartment~~ **accessory dwelling unit** shall be compatible in character and subordinate in size to the principal dwelling unit or the commercial uses in which they are located in the B1 Neighborhood Business District, B2 Downtown Business District, MEC-CZ Major Employment Center District, PUD-CZ Planned Unit Development District, SD-CZ Sustainable Development District, Small Town Character Overlay District, MORR Mixed Office-Residential-Retail District, and TND-CZ Traditional Neighborhood District.

F) *Yard Setbacks*

If attached, the ~~accessory apartment~~ **accessory dwelling unit** shall comply with the minimum yard setbacks applicable to the district in which it is located. If detached, the ~~accessory apartment~~ **accessory dwelling unit** shall meet the requirements of UDO Sec. 5.2.7 *Dimensional Standards for Detached Accessory Structures*.

G) *Ownership*

The ~~accessory apartment~~ **accessory dwelling unit** in the residential districts shall remain accessory to and under the same ownership as the principal single-family dwelling unit. The accessory units in the B1 Neighborhood Business District, B2 Downtown Business District, B3 Transitional Business District, MEC-CZ Major Employment District, PUD-CZ Planned Unit Development District, SD-CZ Sustainable Development District, MORR Mixed Office-Residential-Retail District, and TND-CZ Traditional Neighborhood District may be under separate ownership.

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Table 5.2.2.B.4 Permitted Encroachments into Required Setbacks

Feature	Similar or Example Feature	Encroachments into Front Building Setbacks	Encroachments into Side Building Setbacks	Encroachments into Rear Building Setbacks
Attached decks	-	-	-	50% into rear building setback.
Patios	Terrace	-	Up to 5' from the side property line.	Up to 5' from the rear property line.
Unenclosed porches	-	50% into front building setback.	-	50% into rear building setback.
Enclosed porches	Sunrooms, screened or glassed-in rooms	-	-	50% into rear building setback.
Cantilevers	-	6' into required front or rear yard setback but no closer than 3' from any property line.	Cantilevers shall not encroach into the side yard setbacks.	6' into required front or rear yard setback but no closer than 3' from any property line.
HVAC and mechanical units			Anywhere in the side yard as long as all applicable building codes are met.	Anywhere in the rear yard as long as all applicable building codes are met.

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Appurtenances	Including, but not limited to: - Balconies - Bay windows - Chimneys (including cantilevered) - Cornices - Eaves - Fire escapes - Solar energy systems - Ornamental features - Sills - Steps	3' into any required setback, provided that they are no closer than 3' to any property line, meet all applicable fire and building codes, and do not encroach into any required buffer.	3' into any required setback, provided that they are no closer than 3' to any property line, meet all applicable fire and building codes, and do not encroach into any required buffer.	3' into any required setback, provided that they are no closer than 3' to any property line, meet all applicable fire and building codes, and do not encroach into any required buffer.
Accessory apartments	-	None.	-	-

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5.2.7 Dimensional Standards for Detached Accessory Structures

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E) Encroachments into Setbacks

Feature	Encroachments into Building Setbacks
Sheds	Can be located no closer than 5' from the side or rear property line.
Pools, above-ground or in-ground	Can be located no closer than 5' from the side or rear property line.
Hot tubs	Can be located no closer than 5' from the side or rear property line.
Unattached carports	Can be located no closer than 5' from the side or rear property line.
Unattached garages	Can be located no closer than 5' from the side or rear property line.
Single-family recreational accessory uses	Must be located entirely in the rear yard and shall be set back no less than 50' from all property lines.
Driveways	Must be at least 1' from the side property line. Shared driveways are exempt from this requirement
Accessory apartments Accessory Dwelling Units	Can be located no closer than 5' from the side or rear property line.
Temporary health care structure	Must comply with the minimum building setbacks applicable to the district in which it is located.
All other detached structures (including solar energy systems)	Can be located no closer than 5' from the side or rear property line.

8.3.4 Off-Street Parking and Loading, Location

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E *Residential Driveway Standards*

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3) Number of Access Points

Single-family residential properties are limited to one (1) driveway access point to the public street system, except in the following cases:

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- c) Construction of an ~~accessory apartment~~ **accessory dwelling unit**, where the ~~accessory apartment~~ **accessory dwelling unit** would be served from a different street than the primary driveway.

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2. ***Amendments to Sec. 8.7.1.B.7.d Signs, Permitted Signs: Location, Size, and Number, Temporary Sign Types, Sandwich Board Sign*** in order require four (4) feet of unrestricted pedestrian movement instead of three (3) feet to comply with ADA requirements. The section of the Unified Development Ordinance is amended to read as follows with additions shown as bold underlined text and deletions shown as struck-through text:

Background: Staff propose amendments to the UDO to require four (4) feet of unrestricted sidewalk width for unrestricted pedestrian movement to comply with ADA requirements. The proposed amendments would allow for additional clearance between the sign location and pedestrian walkway, resulting in greater safety while maintaining ADA guidelines.

8.7.1 Signs, Permitted Signs: Location, Size, and Number

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B) Temporary Sign Types

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7) *Sandwich Board Sign*

A sign consisting of two panels joined together at the top and configured in the shape of an inverted “V” so that the bottom of the sign rests upon or near the ground and meets the conditions below.

Sandwich Board Signs shall be allowed provided that:

- a) The total area of the signboard (including both sides) shall not exceed 14 square feet.
- b) Any sandwich board sign shall not exceed two (2) linear feet in width, with a maximum height of 42 inches.
- c) The sign must be constructed of materials that present a finished appearance. Rough cut plywood is not acceptable. The sign’s lettering should be professionally painted or applied.
- d) The sign shall not interfere with vehicular circulation and shall be placed to allow for at least ~~three (3)~~ **four (4)** feet of sidewalk width for unrestricted pedestrian movement;

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3. **Amendments to Sec. 2.2.8.B Common Review Procedures, Application Submission, Determination of Compliance** in order to clarify that re-submittals of applications shall occur no more than one (1) year from the date of the latest submittal or re-submittal date, consistent with current practice, rather than no less than one (1) year. The section of the Unified Development Ordinance is amended to read as follows with additions shown as bold underlined text and deletions shown as struck-through text:

Background: Staff propose amendments to the UDO to change the terminology in order to clarify the re-submittal schedule to clearly delineate the timeframe between initial submittal and resubmittal date to remain active. The changes will reiterate the one-year expiration deadline for inactive resubmittals.

2.2.8 Common Review Procedures, Application Submission

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B) *Determination of Compliance*

When an application is determined sufficient, it shall be reviewed pursuant to the procedures and standards of this article. The Planning Director shall forward the application to each member of the TRC and any other applicable review agencies for review and comments. If the application is found not to comply with one or more aspects of this ordinance or other regulations, then the TRC Chairperson shall compile a list of comments and outstanding issues and transmit it to the applicant. The applicant shall make the requested changes and resubmit revised plans to address the comments of the TRC and any other review agency. Re-submittals of applications ~~must~~ **shall** occur ~~no less than~~ **within** one **(1)** year ~~from of~~ the initial submittal date or ~~no less than~~ **within** one **(1)** year ~~from of~~ any re-submittal date in order to be considered active. Inactive applications are null and void one **(1)** year after the latest submittal or re-submittal date; any submittals made after becoming inactive will be considered a new application. The process shall repeat until the application is found to be complete and in full compliance with this ordinance and all other applicable regulations. This process shall follow the steps and the time frame of the application submittal schedule as established by the Planning Director

PLANNING STAFF RECOMMENDATION:

Planning staff recommend approval of the proposed amendments.

PLANNING BOARD RECOMMENDATION:

At their August 10, 2026, meeting the Planning Board unanimously voted to recommend approval of the proposed UDO amendments with a vote of 7-0.