

# **Town of Carrboro**

*301 W. Main St., Carrboro, NC 27510*



## **Meeting Agenda - Final**

**Tuesday, April 15, 2025**

**6:00 PM**

**Council Chambers - Room 110**

**Town Council**

**6:00-6:15****A. POETRY READING, RESOLUTIONS, PROCLAMATIONS, AND  
ACKNOWLEDGEMENTS****6:15-6:25****B. TOWN MANAGER'S UPDATE****6:25-6:40****C. PUBLIC COMMENT****6:40-6:45****D. CONSENT AGENDA**

*Items on the consent agenda are part of normal town business. There will be no discussion of these items unless a Council Member request to pull an item, after which the item will be removed from the Consent Agenda and considered individually. All other items not removed from the Consent Agenda will be adopted by a single motion.*

**6:45-7:45****E. GENERAL AGENDA****INFORMATION ITEMS**

- 1. [25-032](#)** Overview of 2025 Draft Legislation Impacting Local Land Use Planning

**PURPOSE:** To provide the Town Council with an overview of planning-related draft legislation from the 2025 legislative session for North Carolina.

**Attachments:** [A - 2025 Legislation Summary 4-8-25 Edition](#)  
[B - HB765-Omnibus DRH10346-TQ-30](#)  
[C - SB688 - DRS45298-TQ-20](#)  
[D - SB713 - DRS15264-RI-8.pdf](#)  
[E - Presentation-TOC Legislative Updates 04-15-2025 \(mp-tm-mar \(2\)\).pdf](#)

2. [25-033](#) Presentation of the Customer Assistance Program from OWASA Representatives

**PURPOSE:** The purpose of this agenda item is for OWASA to present their Customer Water Bill Relief Program.

**Attachments:** [A - Presentation Slides](#)

3. [25-034](#) Discussion of Advisory Boards/Commissions Membership Process

**PURPOSE:** The purpose of this item is for the Town Council to have discussion on the advisory boards/commissions membership process related to the following topics:

- consider streamlined process for comparison and integration of current process
- how Council will discuss appointments/reappointments
- maintain the paper ballot for voting or use voice votes
- provide all applications, including board chair recommendations and other supporting documents to Council for considerations of appointments and reappointments
- consider if current members requesting reappointment will need to submit a new application

**Attachments:** [A - Membership Process update](#)



## Agenda Item Abstract

**File Number:** 25-032

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**Agenda Date:** 4/15/2025

**File Type:** Information Item

**In Control:** Town Council

**Version:** 1

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Overview of 2025 Draft Legislation Impacting Local Land Use Planning

**PURPOSE:** To provide the Town Council with an overview of planning-related draft legislation from the 2025 legislative session for North Carolina.

**DEPARTMENT:** Planning, Town Attorney

**COUNCIL DIRECTION:**

☐ Race/Equity ☒ Climate ☐ Comprehensive Plan ☒ Other

Other marked for Land Use Ordinance; climate action as related to potential limitations on environmental protections is also applicable.

**INFORMATION:**

The draft legislation under consideration for the 2025 legislative session includes several bills with significant implications for land use planning and regulation in North Carolina. If enacted, these proposals could substantially affect how local governments plan, regulate, and manage development within their jurisdictions.

The purpose of this agenda item is to provide Town Council with a high-level overview of the most impactful draft legislation currently under review, with particular emphasis on House Bill 765 - Local Government Development Regulations Omnibus, and Senate Bill 688 - Local Government Land Use Reform.

CodeWright, the consultant firm assisting the Town with the Unified Development Ordinance (UDO) rewrite, along with the Town Attorney, will be present to address questions and provide clarification as needed.

**Attachments:**

- **2025 Planning-Related Legislation** - A summary of current draft legislation relevant to local planning, prepared by CodeWright for its clients, including links to the full text of each bill.
- **HB 765** - Full text of the Local Government Development Regulations Omnibus bill.
- **SB 688** - Full text of the Local Government Land Use Reform bill.
- **SB 713** - Full text of the Limit Local Government Environmental Requirements.

**FISCAL IMPACT:** There is no fiscal impact related to the discussion of this item.

**RECOMMENDATION:** No formal action is requested. Staff recommends that the Council receive the information provided.

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**Agenda Date:** 4/15/2025  
**In Control:** Town Council  
**Version:** 1

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**File Type:** Information Item



The following summarizes the planning-related draft legislation from the 2025 legislative session as of the date of the document's last update. We will keep you posted on these and other planning-related legislation as the session progresses. May 8 is the crossover date this year (bills must have passed at least one chamber to make crossover, though experience has taught us that zombie bills that did make crossover can easily be filled with bill language that didn't make crossover).

Proposed legislation is listed by bill number and sets out the House legislation (tan page background) before the Senate bills (green page background). Local SB382 exemption bills from 2025 are not listed here. Bills shown with yellow highlights in the summary list below are particularly impactful to planning and will be our focus.

## SUMMARY LIST

(bill entries are hyperlinks, or readers may view the document with navigation pane activated)

<a href="#">HB9 Firearm Discharge/Preempt Local Ordinance</a>	3
<a href="#">HB24 Restore Down-Zoning Authority</a>	3
HB47 Disaster Recovery Act of 2025 – Part I. SL2025-2	3
HB77 Environmental Justice	3
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HB248 Live/Work Exemption for One-Family Dwellings	4
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HB309 Bldg. Code Fam. Child Care Home Class	4
HB333 Jacksonville ETJ Prohibited	4
HB345 Rights of Nature/Certain River Basins	4
<a href="#">HB372 Home-Based Business Fairness Act</a>	4
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HB404 Fair & Affordable Housing Act	5
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HB626 Housing Choice Act	5
<a href="#">HB627 Regulation of Accessory Dwelling Units</a>	6
<a href="#">HB661 Building Industry Efficiency Act</a>	6
HB 729 Farmland Protection Act	6
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HB 790 Prohibit Vape/Tobacco Shops Near Schools	9
HB	9
SB19 Various Environmental Amendments	10
SB134 Inclusionary Zoning/Workforce Housing Funds	10
SB184 System Development Fees/Exemptions	10
SB266 Historic Flood Event Bldg. Code Exemption	10
SB275 Deregulate Small Boarding Kennels	10
<a href="#">SB291 Regulation of Short-Term Rentals</a>	10
<a href="#">SB413 Eliminate ETJ Overlap</a>	10



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SB493 Land Use Clarification and Changes..... 11

SB495 Regulation of Accessory Dwelling Units..... 11

SB497 Expand Middle Housing..... 11

SB499 Allow Housing Near Jobs..... 12

SB513 Modify Rqmts. for Wind Energy Facilities..... 12

SB587 Clarify Nonconforming Uses..... 12

SB597 Environmental Justice ..... 13

SB639 North Carolina Farm Act of 2025 ..... 13

SB685 Authorize Maint. Bonds/Subdivision Streets..... 13

SB688 Local Government Land Use Reform ..... 13

SB700 Create the Office of Engineering and Codes ..... 14

SB713 Limit Local Gov’t Environmental Rqmt’s ..... 14

SB728 Utility Scale Battery Storage Rqmts. .... 14

SB736 Foundation Act: Building NC’s Housing Future..... 15

SB758 Water & Sewer Allocation Reforms..... 15

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## HB9 FIREARM DISCHARGE/PREEMPT LOCAL ORDINANCE

Link	<a href="https://www.ncleg.gov/BillLookup/2025/HB9">https://www.ncleg.gov/BillLookup/2025/HB9</a>	
Description	NCGS14-409.47	Bars local governments from regulating “sport shooting ranges.”
	NCGS153A-129	Allows counties to regulate the discharge of firearms except when it takes place on private property, has the permission of the owner, and includes “reasonable care to prevent a projectile from crossing the bounds of the property.”
	NCGS160A-189	Allows cities to regulate the discharge of firearms except when it takes place on private property, has the permission of the owner, and includes “reasonable care to prevent a projectile from crossing the bounds of the property.”
Notes	The “reasonable care” standard is not defined, which is very worrisome. Also, who gets to decide if reasonable care was taken? Also, what is a “sport shooting range”?	

## HB24 RESTORE DOWN-ZONING AUTHORITY

Link	<a href="https://www.ncleg.gov/BillLookup/2025/HB24">https://www.ncleg.gov/BillLookup/2025/HB24</a>	
Description	NCGS160D-601(d)	Repeals the down-zoning provisions from SL2024-57
Notes	Companion bill: SB419 <a href="https://www.ncleg.gov/BillLookup/2025/S419">https://www.ncleg.gov/BillLookup/2025/S419</a>	

## HB47 DISASTER RECOVERY ACT OF 2025 – PART I. **SL2025-2**

Link	<a href="https://www.ncleg.gov/BillLookup/2025/hb47">https://www.ncleg.gov/BillLookup/2025/hb47</a>	
Description	-	Sec. 5.7(a) – Allows reconstruction of nonconforming residential structures, provided: The structure is not enlarged beyond its original footprint; The use remains residential; There are no alternatives to replacing the structure that provides similar benefits; The replaced structures complies with the rules to the maximum extent possible; The structure complies with local flood damage prevention standards. This law expires June 30, 2030.
	-	Sec. 5.12 Delays application of the 2024 for 12 months from official adoption by the State.
Notes		

## HB77 ENVIRONMENTAL JUSTICE

Link	<a href="https://www.ncleg.gov/BillLookup/2025/H77">https://www.ncleg.gov/BillLookup/2025/H77</a>	
Description	-	Requires State agencies to deny permits for development that constitutes a disproportionate adverse impact on a low-income community, or a minority community protected by Title VI of the federal Civil Rights Act of 1964. Requires at least one public hearing by a State agency when considering impacts to “overburdened” communities.
Notes	Companion Bill: SB597 ( <a href="https://www.ncleg.gov/BillLookup/2025/S597">https://www.ncleg.gov/BillLookup/2025/S597</a> )	

## HB126 REVISE VOLUNTARY AG. DISTRICT LAWS

Link	<a href="https://www.ncleg.gov/BillLookup/2025/H126">https://www.ncleg.gov/BillLookup/2025/H126</a>	
Description	NCGS106-740	No local government may condemn land in a VAD or EVAD until at least 120 days after a public hearing has been conducted by the appropriate local Agricultural Advisory Board.
Notes		



**HB173 WAKE COUNTY ETJ**

Link	<a href="https://www.ncleg.gov/BillLookup/2025/H173">https://www.ncleg.gov/BillLookup/2025/H173</a>	
Description	-	Suspends ETJ expansion in Wake County until 2029.
Notes		

**HB248 LIVE/WORK EXEMPTION FOR ONE-FAMILY DWELLINGS**

Link	<a href="https://www.ncleg.gov/BillLookup/2025/H248">https://www.ncleg.gov/BillLookup/2025/H248</a>	
Description	-	Exempts owner-occupied single-family dwellings with home occupations from needing to comply with the live/work aspects of the NC State Building Code.
Notes		

**HB298 LOCAL GOVT'S/SYSTEM DEVELOPMENT FEES**

Link	<a href="https://www.ncleg.gov/BillLookup/2025/H298">https://www.ncleg.gov/BillLookup/2025/H298</a>	
Description	NCGS 62A-213	Allows local governments to collect system development fees for certain non-residential developments with flow rates between 325 and 2,500 gpd in accordance with a published schedule, provided it is 3 years or less from building permit issuance or connection of first unit.
Notes		

**HB309 BLDG. CODE FAM. CHILD CARE HOME CLASS**

Link	<a href="https://www.ncleg.gov/BillLookup/2025/H309">https://www.ncleg.gov/BillLookup/2025/H309</a>	
Description	-	Requires the State Building Code to be amended with standards for a family childcare home residential occupancy.
Notes		

**HB333 JACKSONVILLE ETJ PROHIBITED**

Link	<a href="https://www.ncleg.gov/BillLookup/2025/H333">https://www.ncleg.gov/BillLookup/2025/H333</a>	
Description	-	Removes Jacksonville's authority to apply development regulations in its ETJ.
Notes		

**HB345 RIGHTS OF NATURE/CERTAIN RIVER BASINS**

Link	<a href="https://www.ncleg.gov/BillLookup/2025/H345">https://www.ncleg.gov/BillLookup/2025/H345</a>	
Description	NCGS Ch.77 Art. 11	Prohibits any development contrary to the Rights of Rivers Act in the Dan River and Haw River watersheds.
Notes		

**HB372 HOME-BASED BUSINESS FAIRNESS ACT**

Link	<a href="https://www.ncleg.gov/BillLookup/2025/H372">https://www.ncleg.gov/BillLookup/2025/H372</a>	
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Description	NCGS160A-205.8	Identifies “no-impact home-based” businesses and prohibits local governments from requiring permits, variances, licenses, or other approvals for their establishment.  Defines “no-impact...” as the total number of employees does not exceed local residential occupancy limits; Are limited to sale of lawful goods & services; Do not generate on-street parking or a <i>substantial</i> increase in traffic; Occur inside or in the yard; Do not store merchandise, equipment, products, supplies, or materials outside.
Notes	Allows retail sales and outdoor activity – vague in terms of limits on traffic increases – allowing outdoor activity but disallowing outdoor storage is confusing to regulate.	

### HB369 PARKING LOT REFORM AND MODERNIZATION

Link	<a href="https://www.ncleg.gov/BillLookup/2025/H369">https://www.ncleg.gov/BillLookup/2025/H369</a>	
Description	NCGS160D-702	Prohibits minimum off-street parking requirements for any use.  Prohibits minimum parking space width or length standards unless applied to ADA, parallel, or diagonal parking.
	NCGS143-214.7(a1, b3)	Allows local government to mandate stormwater controls for up to 50% of redevelopment (except for small-scale residential development).  Small scale residential development = single-family homes + townhomes and multi-family of 4 or fewer units.
Notes		

### HB404 FAIR & AFFORDABLE HOUSING ACT

Link	<a href="https://www.ncleg.gov/BillLookup/2025/H404">https://www.ncleg.gov/BillLookup/2025/H404</a>	
Description	-	Provides more funding for affordable housing
Notes		

### HB518 PROJECT NEWSLETTER

Link	<a href="https://www.ncleg.gov/BillLookup/2025/H518">https://www.ncleg.gov/BillLookup/2025/H518</a>	
Description	NCGS143-129.11	Requires local government to prepare and adopt a contract for the provision of official public notice service each year, following a competitive bid process.
Notes		

### HB626 HOUSING CHOICE ACT

Link	<a href="https://www.ncleg.gov/BillLookup/2025/H626">https://www.ncleg.gov/BillLookup/2025/H626</a>	
Description	NCGS160D-980	Allows local governments to apply for priority consideration of loans or grants from the Wastewater or Drinking Water Reserve Funds.  Local governments of 100,000 or fewer people are eligible for priority consideration through provision of at least 2 of the 6 affordable housing provisions.  Local governments over 100,000 are eligible for priority consideration through provision of at least 5 of the 12 affordable housing provisions.
	-	Requires the LRC to conduct an affordable housing study for the State through the year 2050.
Notes		



## HB627 REGULATION OF ACCESSORY DWELLING UNITS

Link	<a href="https://www.ncleg.gov/BillLookup/2025/H627">https://www.ncleg.gov/BillLookup/2025/H627</a>	
Description	NCGS160D-917	<p>Requires local governments to allow at least one ADU for each single-family detached dwelling permitted in a residential zoning district.</p> <p>The ADU may be constructed concurrently or after the principal unit.</p> <p>Local governments may not: mandate inclusion solely in a conditional zoning district; apply any minimum parking standards; prohibit connection to existing utilities; set a maximum size less than 800 sf.</p> <p>Local government may: allow setbacks to be the lesser of 10' or the district standard; require placement to the side or rear; require a smaller floor area than the principal unit.</p>
Notes	Companion Bill: SB495 ( <a href="https://www.ncleg.gov/BillLookup/2025/S495">https://www.ncleg.gov/BillLookup/2025/S495</a> )	

## HB661 BUILDING INDUSTRY EFFICIENCY ACT

Link	<a href="https://www.ncleg.gov/BillLookup/2025/H661">https://www.ncleg.gov/BillLookup/2025/H661</a>	
Description	NCGS160D-1502	Limits cities from requiring public street standards that are more stringent than NCDOT standards.
	NCGS160D-1503	<p>Limits cities from requiring private streets to be configured with standards more stringent than NCDOT standards.</p> <p>Cities must accept street design and construction standards that do not meet NCDOT standards if signed and sealed by a professional engineer. Developer must declare that private streets do not meet NCDOT standards before conveyance of lots.</p>
	NCGS160D-1504	Requires cities to accept and maintain pedestrian and street improvements required to be provided in off-site areas (but excludes NCDOT streets).
	NCGS160D-1505	Prohibits counties from requiring pedestrian and street improvements associated with public roads in off-site areas until there is a maintenance agreement with NCDOT or a municipality.
	NCGS136-96	Any land dedicated for public use as a street as of 12/22/1978 but that has not been built or maintained as a street by 1/1/25 is automatically withdrawn from public use.
Notes	Unclear how land within a dedicated by unbuilt street is divided up by abutting landowners.	

## HB 729 FARMLAND PROTECTION ACT

Link	<a href="https://www.ncleg.gov/BillLookup/2025/H729">https://www.ncleg.gov/BillLookup/2025/H729</a>	
Description	NCGS130A-309.240	Changes the dates for approval of a utility-scale solar facilities' decommissioning plan and posting of a decommissioning guarantee to 12/1/2026.
Notes		

## HB765 LOCAL GOVERNMENT DEVELOPMENT REGULATIONS OMNIBUS

Link	<a href="https://www.ncleg.gov/BillLookup/2025/HB765">https://www.ncleg.gov/BillLookup/2025/HB765</a>	
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Description	NCGS159-49.2	Requires a local government to prepare a fiscal note for any ordinance amendment that would raise or lower the cost of constructing, purchasing, owning, or selling a single-family residence “either directly or indirectly.” The fiscal note must address all anticipated cost increases or decreases for the first 5 fiscal years after adoption and must be made available at least 5 days in advance of the first consideration of the ordinance. The fiscal note shall be prepared on the basis of a median priced single-family residence. The bill allows anyone to bring a civil action against a local government for failing to prepare the required fiscal note.
	NCGS160D-101	Limits local government land use authority solely to that expressly authorized in the Statutes. (same language as SB688)
	NCGS160D-108.1	Increases the base vesting term for site-specific vesting plans from 2 to 5 years and allows procedure like a vested rights certificate to extend the 5-year term to up to 8 years.
	NCGS160D-109	Replaces the current conflict of interest standards applied to quasi-judicial decision making to legislative decision making.
	NCGS160D-203	In cases where a development site crosses planning jurisdictional boundaries, and only one of the local governments has water and sewer capacity available to serve the development, then the local government with water/sewer capacity shall apply its development regulations. If neither jurisdiction can provide one but not both water and sewer service, the applicant may decide whose development rules shall prevail. If neither can provide water and sewer, the jurisdiction with the larger portion of the lot’s area shall prevail
	NCGS160D-402	Limits application fees so that they “shall not exceed the amount reasonably required to support, administer, and implement programs authorized by the [NCGS].”
	NCGS160D403	Limits decision-making authority for uses permitted in a zoning district to be administrative only in cities of 125,000 people or more. (Unclear if this means that by-right uses can not go to Planning Board – Unclear how this applies to historic districts)
	NCGS160D-403, 160D-707	Establishes a 14-day period within which an amendment application must be determined to be complete or deficient. Requires a maximum 90-calendar-day review period for review of an amendment. Failure to decide the application within the 90-day period shall constitute approval.
	NCGS160D-702	Removes the ability of a local government to apply certain conditions based upon voluntary consent (such as building design standards for single-family residential) Prohibits local governments from: Establishing a minimum width or length for structures; establishing parking space requirements except for ADA spaces; Set a width or length of a driveway that abuts a public road; and Establish road standards in excess of NCDOT unless the City maintains the street. (same language as SB688) Prohibits local governments from requiring any commercial or school development from installing new or improving existing sidewalks unless it connects to an existing sidewalk or will connect to a planned sidewalk that will be constructed within 2 years. Prohibits cities of 125,000 or more from requiring setbacks or buffer yard requirements for multi-family developments over 15 units per acre.



Description	NCGS160D-703	<p>Requires local governments to classify residential zoning districts by density, not minimum lot size.</p> <p>Requires counties of 49,999 or fewer people to allow at least 4 dwelling units per acre in every residential zoning district. Requires counties of 50,000-274,999 people to allow at least 5 dwelling units per acre in every residential zoning district. Requires counties of 125,000 or more people to allow at least six dwelling units per acre in every residential zoning district.</p> <p>Requires cities of 19,999 or fewer people to allow at least 4 dwelling units per acre in every residential zoning district. Requires cities of between 20,000 and 124,999 people to allow at least 5 dwelling units per acre in every zoning district. Requires cities of 125,000 or more people to allow at least 6 dwelling units per acre in every zoning district.</p> <p>Requires cities of 125,000 or more people to permit, by-right: duplexes, triplexes, and quadplexes in every residential district.</p> <p>Requires cities of 125,000 or more people to permit duplexes, triplexes, quadplexes, and multi-family structures of more than 4 units in all non-agricultural, business, or industrial districts. Maximum height standards shall not be less than 60 feet.</p> <p>In cities of 125,000 people or more, duplexes, triplexes, quadplexes, multi-family structures of more than 4 units may not be subject to design standards or landscaping requirements.</p> <p>Bars local governments from proposing or accepting any condition of approval, development agreement, not specifically (expressly) authorized by law. (same language as SB688)</p> <p>Clarifies that density per acre yield is based on parcel size and local governments may not subtract buffers, setbacks, public or private streets, open space/recreation areas, or nondevelopable land.</p>
	NCGS160D-803	Requires all subdivision decisions (preliminary and final plat) to be administrative.
	NCGS160D-974	Section entitled tiny houses in residential districts, which adds definitions, but does not define tiny houses or “small housing”
	NCGS160D-975	<p>In cities of 125,000 people or more, at least one accessory dwelling unit shall be permitted by right for every single-family residence of at least 600 square feet.</p> <p>Bars local governments from requiring conditional zoning for ADUs, owner-occupancy, minimum parking standards (or any other parking requirement), or apply a setback greater than five feet.</p>
	NCGS160D-944	Establishes a new threshold for the establishment of a historic district of consent from at least 75% of the property owners in the district (unclear how this relates to the 100% consent requirement that applies to non-residential development based on SB382). Also requires unanimous approval of elected officials,
	NCGS160D-1110	Limits local governments to requiring more than one “shell” permit for multi-family development.
	NCGS160D-1403	<p>Expands the range of decisions available for challenge via original civil action.</p> <p>Broadens standing to appeal a decision to any association with a member meets the standing requirements for an individual.</p> <p>Adds a new subsection allowing private remedies for persons bringing a civil action against a jurisdiction. (same language as SB688)</p>



Description	NCGS160D-1406	Expands the ability of civil actions to recover damages if a court finds that a decision-maker engaged in impermissible violations of due process, considered evidence gained outside a hearing when making quasi-judicial decisions, or who acted maliciously, arbitrarily, or unlawfully. The court may also award punitive damages.
	NCGS6-21.7	Requires courts to award attorney fees to successful plaintiffs who challenge local government decision making under 160D-1406.
	NCGS160A-174	<b>Retracts the authority of local governments to establish or enforce development regulations under the general ordinance-making power established in the Statutes.</b>
	NCGS136-102.6	Requires NCDOT to accept performance guarantees.
	NCGS160A-307	A city may not regulate the size, location, direction of traffic flow, and manner of construction for driveways. An ordinance may require medians, acceleration lanes, deceleration lanes and traffic storage lanes for driveway connections only when the jurisdiction has shown substantial evidence of the need for the improvement. (same language as SB688)
	NCGS162A-901	Bars local governments from reserving public water or sewer capacity for a speculative or future development.
	NCGS130A-343.5	Allows any landowner to install an on-site wastewater system regardless of location within a public sewer service area, and cannot be compelled to connect to a public system (unless their on-site system has failed)
Notes	This bill has many of the same aspects found in SB688. It is very likely that these two bills will not pass both chambers separately, will be combined in a zombie bill after crossover or added at the last moment to an appropriations bill and become law. Note that this bill and SB688 seek to remove police power over local land use control and mandate that local governments may only apply rules expressly authorized under the statutes.	

## HB 790 PROHIBIT VAPE/TOBACCO SHOPS NEAR SCHOOLS

Link	<a href="https://www.ncleg.gov/BillLookup/2025/H790">https://www.ncleg.gov/BillLookup/2025/H790</a>	
Description	NCGS14-401.28	Limits the sale or purchase of tobacco, nicotine, or vapor products as a principal use within 1,000 feet of a public or private school (including within structures that are within 1,00 feet). The law does not bar sales of these products as an accessory use within 1,000 feet of a school.
Notes		

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### SB19 VARIOUS ENVIRONMENTAL AMENDMENTS

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S19">https://www.ncleg.gov/BillLookup/2025/S19</a>	
Description	NCGS143-214.7D	Deals with recent changes to definition of built upon area in SL2024-49.
Notes	Unclear what this bill does.	

### SB134 INCLUSIONARY ZONING/WORKFORCE HOUSING FUNDS

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S134">https://www.ncleg.gov/BillLookup/2025/S134</a>	
Description	NCGS160D-702	Allows local governments to adopt inclusionary zoning for affordable housing.
Notes	Also appropriates \$10M to NCHFA for affordable housing.	

### SB184 SYSTEM DEVELOPMENT FEES/EXEMPTIONS

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S184">https://www.ncleg.gov/BillLookup/2025/S184</a>	
Description	NCGS162A-203	Allows a local government to exempt affordable housing from system development fees.
Notes		

### SB266 HISTORIC FLOOD EVENT BLDG. CODE EXEMPTION

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S266">https://www.ncleg.gov/BillLookup/2025/S266</a>	
Description	-	Allows any building damaged in a historic flood to be replaced to its prior flood condition without regard for State or local development rules.
Notes	Is this a good idea?	

### SB275 DEREGULATE SMALL BOARDING KENNELS

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S275">https://www.ncleg.gov/BillLookup/2025/S275</a>	
Description	NCGS19A-23	Removes facilities keeping six or fewer dogs or cats from any State licensing.
Notes		

### SB291 REGULATION OF SHORT-TERM RENTALS

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S291">https://www.ncleg.gov/BillLookup/2025/S291</a>	
Description	NCGS160A-499.11	Pre-empts local governments from regulating short term rentals (including accessory dwelling units) except as identified in the bill. Local governments may not classify a short-term rental as a commercial use. Local governments may: Require a permit; Revoke the permit after 5 violations in a year; Limit occupants to 2/bedroom; Require 1 parking space/bedroom; Restrict to residential areas; Require posting of local rules; Require operator to be within 50 miles during rental.
Notes		

### SB413 ELIMINATE ETJ OVERLAP

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S314">https://www.ncleg.gov/BillLookup/2025/S314</a>	
Description	NCGS160D-202	Bars municipalities from exercising land use control in ETJ areas located within counties that have land use regulations.





Notes	
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### SB419 RESTORE DOWN-ZONING AUTHORITY

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S419">https://www.ncleg.gov/BillLookup/2025/S419</a>	
Description	NCGS160D-601(d)	Repeals the down-zoning provisions from SL2024-57.
Notes	Companion Bill: HB24 <a href="https://www.ncleg.gov/BillLookup/2025/HB24">https://www.ncleg.gov/BillLookup/2025/HB24</a>	

### SB493 LAND USE CLARIFICATION AND CHANGES

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S493">https://www.ncleg.gov/BillLookup/2025/S493</a>	
Description	NCGS160D-917	Local governments shall allow (by right or via SUP) public schools in commercial districts.
	NCGS160D-203	In cases where a parcel is split across 2 or more planning jurisdictions and there is no mutual agreement between them, the landowner may elect to follow the rules of the jurisdiction where the majority of the land is located.
	NCGS160D multiple	Removes multiple references to ETJ throughout the chapter. Part 3.1(x) removes the ETJ only for cities within counties of 50,000 people or less as of 10/1/2027; but permits the County to allow affected cities to continue exercising ETJ in cases where the county population is below 50,000. Freezes all existing and non-repealed ETJ boundaries to those that existed on 6/1/2025. Allows the Couty 60 days to adopt regulations for relinquished ETJ.
Notes	Unclear how this relates to SB413, which abolishes all ETJ, not just in counties of less than 50,000 people. Also, unclear how the County can address pre-existing violations that exist in relinquished ETJ areas.	

### SB495 REGULATION OF ACCESSORY DWELLING UNITS

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S495">https://www.ncleg.gov/BillLookup/2025/S495</a>	
Description	NCGS160D-917	Requires local governments to allow at least one ADU for each single-family detached dwelling permitted in a residential zoning district. The ADU may be constructed concurrently of after the principal unit. Local governments may not: mandate inclusion solely in a conditional zoning district; apply any minimum parking standards; prohibit connection to existing utilities; set a maximum size less than 800 sf. Local government may: allow setbacks to be the lesser of 10' or the district standard; require placement to the side or rear; require a smaller floor area than the principal unit.
Notes	Companion Bill: HB627 <a href="https://www.ncleg.gov/BillLookup/2025/H627">https://www.ncleg.gov/BillLookup/2025/H627</a>	

### SB497 EXPAND MIDDLE HOUSING

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S497">https://www.ncleg.gov/BillLookup/2025/S497</a>
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<b>Description</b>	NCGS160D-707	<p>Defines so-called “middle” housing (duplex, triplex, fourplex, fiveplex, sixplex, and townhouses that are “compatible in scale, form, and character with single-family houses”).</p> <p>Requires local governments to allow all forms of “middle” housing in any zoning district zoned for residential use provided the area is served by a public water system or by a public or community wastewater system.</p> <p>Local governments may not: Restrict to less than 3 stories; Apply a max. FAR of less than 1.0; Use a permitting process different than those applied to single-family residential; Require compliance with the commercial building code; Require sprinklers; Limit the ability of the owner to determine the size and placement of parking; Require establishment of an HOA; Require common or shared features like open space (excluding community stormwater, which may be required); or Require private streets.</p> <p>Requires local government to explore waivers to system development fees, dedication of open space, or street construction.</p>
<b>Notes</b>	Removal of private streets provisions runs contrary to the compact form envisioned by these use types; removal of open space means these homes have no open space (while a typical subdivision or multi-family development would); public streets will be cost prohibitive.	

### SB499 ALLOW HOUSING NEAR JOBS

<b>Link</b>	<a href="https://www.ncleg.gov/BillLookup/2025/S499">https://www.ncleg.gov/BillLookup/2025/S499</a>	
<b>Description</b>	NCGS1650D-707	Requires all local governments to permit residential development in all districts zoned for “commercial”, “office”, or “retail” at the same densities in districts zoned for residential use.
<b>Notes</b>	Unclear what residential use types must be permitted or at what densities.	

### SB513 MODIFY RQMTS. FOR WIND ENERGY FACILITIES

<b>Link</b>	<a href="https://www.ncleg.gov/BillLookup/2025/S513">https://www.ncleg.gov/BillLookup/2025/S513</a>	
<b>Description</b>	NCGS143-215.119	<p>Requires applicants to notify every owner within 20 miles. Requires counties to notify all adjacent counties.</p> <p>Requires light-mitigating technology (a means to limit the visibility of aircraft obstruction lighting from locations on the ground) to be installed.</p>
<b>Notes</b>		

### SB587 CLARIFY NONCONFORMING USES

<b>Link</b>	<a href="https://www.ncleg.gov/BillLookUp/2025/SB587">https://www.ncleg.gov/BillLookUp/2025/SB587</a>	
<b>Description</b>	NCGS160D-102	Adds a new definition of a nonconformity (intended to replace current phrasing about nonconforming uses, lots, or structures).
	NCGS160D-108.2	<p>Clarifies vesting rules pertain to nonconformities unless the nonconformity is voluntarily discontinued for 24 months or more.</p> <p>Allows a nonconformity to be reconstructed or re-established by right provided the nonconformity is not increased.</p>
	NCGS160D.108	Adds emergency declaration to the list of actions that toll the maximum vesting duration.
	NCGS several chapters	Removes references to “nonconforming uses”.



	NCGS160D-912	Clarifies that a local government may compel removal of off-premises outdoor advertising that is not in compliance with development regulations (this may be done to help clarify the distinctions between off-premises signs in 160D-912 and on-premises signage in 160D-912.1
	NCGS160D-601(d)	Adds the word “substantive” to permitted uses of land where reduction in a district by a development regulation would be considered a downzoning. Removes the language pertaining to the creation of nonconforming site features as an element constituting a downzoning.
Notes	Unclear if 160D-108.2(a)(4) precludes the ability to amortize. Unclear what the term “substantive” means with respect to Section 160D-601(d) pertaining to permitted uses.	

## SB597 ENVIRONMENTAL JUSTICE

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S597">https://www.ncleg.gov/BillLookup/2025/S597</a>	
Description	-	Requires State agencies to deny permits for development that constitutes a disproportionate adverse impact on a low-income community, or a minority community protected by Title VI of the federal Civil Rights Act of 1964. Requires at least one public hearing by a state agency when considering impacts to “overburdened” communities.
Notes	Companion Bill: HB 77 ( <a href="https://www.ncleg.gov/BillLookup/2025/H77">https://www.ncleg.gov/BillLookup/2025/H77</a> )	

## SB639 NORTH CAROLINA FARM ACT OF 2025

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S639">https://www.ncleg.gov/BillLookup/2025/S639</a>	
Description	NCGS160D-804	Requires a 100-foot buffer to be provided by any development abutting a farm subject to an agricultural conservation easement.
	NCGS160D-705(c)	Permits a special use permit to be denied on the basis that the proposed land use would have an undue negative impact on agricultural production.
Notes		

## SB685 AUTHORIZE MAINT. BONDS/SUBDIVISION STREETS

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S685">https://www.ncleg.gov/BillLookup/2025/S685</a>	
Description	NCGS160D-804.2	Allows counties to require maintenance warranties for public streets of up to 20% of the roadway construction.
Notes	Assume this is for cases when NCDOT roadway acceptance is delayed – but who would use the warranty? NCDOT?	

## SB688 LOCAL GOVERNMENT LAND USE REFORM

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S688">https://www.ncleg.gov/BillLookup/2025/S688</a>	
Description	NCGS160D-101	Limits local government land use authority solely to that expressly authorized in the Statutes.



	NCGS160D-702	Prohibits local governments from: Establishing a minimum width or length for structures; establishing parking space requirements except for ADA spaces; Set a width or length of a driveway that abuts a public road; and Establish road standards in excess of NCDOT unless the City will maintain the street. Requires local government to: Establish a minimum residential density of at least 5 units per acre in residential districts (in cities of 150,000 people or more); Establish a minimum residential zoning density of at least 4 units per acre (in cities of 149,999 people or more); and Follow quasi-judicial procedures in adopting zoning regulations.
	NCGS160D-703	Bars local governments from proposing or accepting any condition of approval, development agreement, not specifically (expressly) authorized by law.
	NCGS160D-406	Appears to re-insert quasi-judicial conditional use permits.
	NCGS6-21.7	Waives individual immunity and allows elected officials to be held personally liable if a court finds their individual action was fraudulent, unlawful, arbitrary and capricious, beyond the scope of their authority, malicious, or corrupt
	NCGS160A-307	A city may not regulate the size, location, direction of traffic flow, and manner of construction for driveways. An ordinance may require medians, acceleration lanes, deceleration lanes and traffic storage lanes for driveway connections only when the jurisdiction has shown substantial evidence of the need for the improvement.
	NCGS160D-1403.1	Broadens standing to appeal a decision to any association with a member meets the standing requirements for an individual. Adds a new subsection allowing private remedies for persons bringing a civil action against a jurisdiction.
Notes	The requirement to follow quasi-judicial procedures for legislative adoption is bizarre. Conditional use permits?	

## SB700 CREATE THE OFFICE OF ENGINEERING AND CODES

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S700">https://www.ncleg.gov/BillLookup/2025/S700</a>	
Description	NCGS95-280	Abolishes the Building Code Council and the Residential Building Code Council in favor of a new office under the Department of Labor. Appoints the State Engineer to lead the Office. Appears to remove the authority of the State Fire Marshal to be responsible for building codes.
Notes		

## SB713 LIMIT LOCAL GOV'T ENVIRONMENTAL RQMT'S

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S713">https://www.ncleg.gov/BillLookup/2025/S713</a>	
Description	NCGS143B-279.30	No local government may enact, implement, or enforce any environmental regulation that is more restrictive than a State or federal standard.
Notes		

## SB728 UTILITY SCALE BATTERY STORAGE RQMTS.

Link	<a href="https://www.ncleg.gov/BillLookUp/2025/SB728">https://www.ncleg.gov/BillLookUp/2025/SB728</a>	
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Description	NCGS130A-309.250	Establishes a requirement for a NCDEQ permit for a utility-scale battery energy storage system, including approval of an emergency response and evacuation plan. Requires a decommissioning plan and performance guarantee to be filed with NCDEQ.
Notes		

### SB736 FOUNDATION ACT: BUILDING NC'S HOUSING FUTURE

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S736">https://www.ncleg.gov/BillLookup/2025/S736</a>	
Description	NCGS122A-8	Allows the NCHFA to issue \$18billion in bonds or loans.
	NCGS105-228.30	Establishes as statewide excise tax on the conveyance of real property.
	NCGS160D917	Requires local governments to permit, by-right, at least one attached and one detached ADU for each single-family detached dwelling. Requires local governments to permit, by-right, residential development at 20 units an acre in residential zoning districts located within ½ mile of a transit stop or located within a TOD. Requires local governments to review any application for residential development within 30 days that includes “qualifying” affordable development; or review any application for residential development within 60 days that includes less than 100 dwelling units, and notify the applicant is the application is approvable or that the application is not approvable. If not approvable, the notice must list all deficiencies, the rules resulting in the determination of deficiency, and what must be done to make the development approvable. Re-reviews of revised submittals after notice of not approvable must be processed within 10 days. Defines “qualifying affordable development” as residential or mixed-use development where: at least 20% of units must be reserved for households earning 80% AMI, or 10% of the units reserved for households earning 60% of AMI; applies an affordability deed restriction for 30 years; contains at least 8 residential units; accepts housing vouchers; and meets minimum building standards.
	NCGS160D-917.2	Prohibits local governments with a population greater than 10,000 people from establishing minimum lot sizes less than ¼ acre (10,890 sf) and may not have a maximum residential density of less than 8 units per acre in areas zoned for residential use. Requires local governments to allow a 35% increase in allowable residential density for projects where at least 15% of the units are reserved for low-income people (residents with a family income that is 60% or less than AMI).
	NCGS160D-501	Requires comprehensive plans to analyze, evaluate, and require implementation of equitable distribution of affordable housing.
Notes	The requirement for all local governments over 10,000 to establish a minimum residential density of 8 units an acre seems to disregard issues of adequate infrastructure (like water or sewer).	

### SB758 WATER & SEWER ALLOCATION REFORMS

Link	<a href="https://www.ncleg.gov/BillLookup/2025/S758">https://www.ncleg.gov/BillLookup/2025/S758</a>
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Description	NCGS162A-900	<p>Prohibits local governments from applying a scoring system for the allocation of water or sewer service to residential development.</p> <p>Prohibits a local government from withholding water or sewer service to a development if capacity is available.</p> <p>Requires local governments receiving public funds for water or sewer systems to monitor capacity and publish a quarterly report; prepare a detailed expansion plan to the State Water Infrastructure Authority each year; Identify funding opportunities and technical assistance; Prioritize expansion areas.</p> <p>In cases where capacity is unavailable, a local government who receives public funds for water or sewer systems shall: Publish a written explanation and provide a timeline for resolving the capacity issue; Implement a temporary allocation system to prioritize critical development projects; Provide estimated timelines for service availability.</p> <p>Allows any aggrieved party to bring a civil action in Superior Court</p>
Notes		

SB		
Link		
Description		
Notes		

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

**H.B. 765**  
**Apr 3, 2025**  
**HOUSE PRINCIPAL CLERK**

H

D

HOUSE BILL DRH10346-TQ-30

Short Title: Local Gov. Development Regulations Omnibus. (Public)

Sponsors: Representative Zenger.

Referred to:

A BILL TO BE ENTITLED  
AN ACT TO REFORM LOCAL GOVERNMENT DEVELOPMENT REGULATIONS IN  
THIS STATE.

The General Assembly of North Carolina enacts:

**HOUSING AFFORDABILITY IMPACT STATEMENTS**

**SECTION 1.(a)** G.S. 120-36.7 reads as rewritten:

**"§ 120-36.7. Long-term fiscal notes.**

(a) Budget Outlook; Proposed Legislation. – Every fiscal analysis of the State budget outlook shall encompass the upcoming five-year period. Every fiscal analysis of the impact of proposed legislation on the State budget shall estimate the impact for the first five fiscal years the legislation would be in effect.

(b) Proposed State Buildings. – Upon the request of a member of the General Assembly, the Fiscal Research Division shall prepare a fiscal analysis of proposed legislation to appropriate funds for a State building. The analysis shall estimate the projected maintenance and operating costs of the building for the first 20 fiscal years after it is completed.

(c) Proposed New Programs. – Upon the request of a member of the General Assembly, the Fiscal Research Division shall prepare a fiscal analysis of proposed legislation to create a new State program. The analysis shall identify and estimate all personnel costs of the proposed new program for the first five fiscal years it will operate. The analysis shall also include a five-year estimate of space requirements, an indication of whether those requirements can be satisfied using existing State-owned facilities, and estimated costs of occupying leased space where State-owned space is not available.

(d) Proposed Increases in Incarceration. – Every bill and resolution introduced in the General Assembly proposing any change in the law that could cause a net increase in the length of time for which persons are incarcerated or the number of persons incarcerated, whether by increasing penalties for violating existing laws, by criminalizing behavior, or by any other means, shall have attached to it at the time of its consideration by the General Assembly a fiscal note prepared by the Fiscal Research Division. The fiscal note shall be prepared in consultation with the Sentencing Policy and Advisory Commission and shall identify and estimate, for the first five fiscal years the proposed change would be in effect, all costs of the proposed net increase in incarceration, including capital outlay costs if the legislation would require increased cell space. If, after careful investigation, the Fiscal Research Division determines that no dollar estimate is possible, the note shall contain a statement to that effect, setting forth the reasons why no dollar estimate can be given. No comment or opinion shall be included in the fiscal note with regard to



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1 the merits of the measure for which the note is prepared. However, technical and mechanical  
2 defects may be noted.

3 The sponsor of each bill or resolution to which this subsection applies shall present a copy of  
4 the bill or resolution with the request for a fiscal note to the Fiscal Research Division. Upon  
5 receipt of the request and the copy of the bill or resolution, the Fiscal Research Division shall  
6 prepare the fiscal note as promptly as possible. The Fiscal Research Division shall prepare the  
7 fiscal note and transmit it to the sponsor within two weeks after the request is made, unless the  
8 sponsor agrees to an extension of time.

9 This fiscal note shall be attached to the original of each proposed bill or resolution that is  
10 reported favorably by any committee of the General Assembly, but shall be separate from the bill  
11 or resolution and shall be clearly designated as a fiscal note. A fiscal note attached to a bill or  
12 resolution pursuant to this subsection is not a part of the bill or resolution and is not an expression  
13 of legislative intent proposed by the bill or resolution.

14 If a committee of the General Assembly reports favorably a proposed bill or resolution with  
15 an amendment that proposes a change in the law that could cause a net increase in the length of  
16 time for which persons are incarcerated or the number of persons incarcerated, whether by  
17 increasing penalties for violating existing laws, by criminalizing behavior, or by any other means,  
18 the chair of the committee shall obtain from the Fiscal Research Division and attach to the  
19 amended bill or resolution a fiscal note as provided in this section.

20 (e) Proposed Increases Affecting Home Affordability. – Every bill and resolution  
21 introduced in the General Assembly proposing any change in the law that could cause a net  
22 increase or decrease in the cost of constructing, purchasing, owning, or selling a single-family  
23 residence, either directly or indirectly, shall have attached to it at the time of its consideration by  
24 the General Assembly a fiscal note prepared by the Fiscal Research Division. The fiscal note  
25 shall identify and estimate, for the first five fiscal years the proposed change would be in effect,  
26 all anticipated effects on costs of the proposed change. The fiscal note shall be prepared on the  
27 basis of a median priced single-family residence and may include an estimate for a larger  
28 development as an analysis of the long-range effect of a measure. If, after careful investigation,  
29 the Fiscal Research Division determines that no dollar estimate is possible, the note shall contain  
30 a statement to that effect, setting forth the reasons why no dollar estimate can be given. No  
31 comment or opinion shall be included in the fiscal note with regard to the merits of the measure  
32 for which the note is prepared. However, technical and mechanical defects may be noted.

33 The sponsor of each bill or resolution to which this subsection applies shall present a copy of  
34 the bill or resolution with the request for a fiscal note to the Fiscal Research Division. Upon  
35 receipt of the request and the copy of the bill or resolution, the Fiscal Research Division shall  
36 prepare the fiscal note as promptly as possible. The Fiscal Research Division shall prepare the  
37 fiscal note and transmit it to the sponsor within two weeks after the request is made, unless the  
38 sponsor agrees to an extension of time.

39 This fiscal note shall be attached to the original of each proposed bill or resolution that is  
40 reported favorably by any committee of the General Assembly but shall be separate from the bill  
41 or resolution and shall be clearly designated as a fiscal note. A fiscal note attached to a bill or  
42 resolution pursuant to this subsection is not a part of the bill or resolution and is not an expression  
43 of legislative intent proposed by the bill or resolution.

44 If a committee of the General Assembly reports favorably a proposed bill or resolution with  
45 an amendment that proposes a change in the law that could cause a net increase or decrease the  
46 cost of constructing, purchasing, owning, or selling a single-family residence, either directly or  
47 indirectly, the chair of the committee shall obtain from the Fiscal Research Division and attach  
48 to the amended bill or resolution a fiscal note as provided in this section."

49 **SECTION 1.(b)** Article 3 of Chapter 159 of the General Statutes is amended by  
50 adding a new section to read:

51 **"§ 159-42.2. Fiscal note required for ordinances affecting housing affordability.**

(a) Prior to adopting, amending, or repealing an ordinance that could cause a net increase or decrease in the cost of constructing, purchasing, owning, or selling a single-family residence, either directly or indirectly, the governing body of a county or city shall have a fiscal note prepared by its planning department or another department designated by the governing body. The fiscal note shall be submitted to the governing body at least five days prior to the meeting at which the ordinance is to be introduced and shall be made available to the public at that meeting. For purposes of this section, the term "introduced" has the same meaning as in G.S. 160A-75(c). In preparing the fiscal note, the planning or other department may consult with relevant trade organizations representing the real estate or home building industries. The fiscal note shall identify and estimate, for the first five fiscal years the ordinance, or the amendment or repeal thereof, would be in effect, all anticipated effects on costs of the proposed change. The fiscal note shall be prepared on the basis of a median priced single-family residence and may include an estimate for a larger development as an analysis of the long-range effect of a measure. If, after careful investigation, the planning or other department determines that no dollar estimate is possible, the fiscal note shall contain a statement to that effect, setting forth the reasons why no dollar estimate can be given. No comment or opinion shall be included in the fiscal note with regard to the merits of the measure for which the note is prepared. However, technical and mechanical defects may be noted.

(b) Any resident of the county or city may bring a civil action in the superior court of the county for failure of the governing body to have a fiscal note prepared as required by this section. If the court determines the governing body failed to have a fiscal note prepared as required by this section, the court shall order that a fiscal note be prepared. The court shall have no authority to determine the sufficiency of a fiscal note."

**SECTION 1.(c)** This section becomes effective July 1, 2025, and applies to legislation and ordinances introduced for consideration on or after that date.

## **LIMIT PLANNING AND DEVELOPMENT REGULATION AUTHORITY TO THAT EXPRESSLY GRANTED BY CHAPTER 160D OF THE GENERAL STATUTES**

**SECTION 2.(a)** G.S. 160D-101 reads as rewritten:

### **"§ 160D-101. Application.**

(a) The provisions of this Article shall apply to all development regulations and programs adopted pursuant to this Chapter or applicable or related local acts. To the extent there are contrary provisions in local charters or acts, G.S. 160D-111 is applicable unless this Chapter expressly provides otherwise. The provisions of this Article also apply to any other local ordinance that substantially affects land use and development.

(b) The provisions of this Article are supplemental to specific provisions included in other Articles of this Chapter. To the extent there are conflicts between the provisions of this Article and the provisions of other Articles of this Chapter, the more specific provisions shall control.

(c) Local governments may also apply any of the definitions and procedures authorized by this Chapter to any ordinance that does not substantially affect land use and development adopted under the general police power of cities and counties, Article 8 of Chapter 160A of the General Statutes and Article 6 of Chapter 153A of the General Statutes respectively, and may employ any organizational structure, board, commission, or staffing arrangement authorized by this Chapter to any or all aspects of those ordinances.

~~(d) This Chapter does not expand, diminish, or alter the scope of authority for planning and development regulation authorized by other Chapters of the General Statutes.~~

(e) Notwithstanding any other provision of law, a local government may not exercise planning, zoning, subdivision, or development regulation authority except as expressly authorized by this Chapter. If a State law or rule governs a particular subject matter related to a local government's planning, zoning, subdivision, or development regulation authority, a local



government shall not enact or enforce planning, zoning, subdivision or development regulations standards, limitations, or requirements that are more restrictive than those established by State law, unless the regulation pertains to floodplain management regulations as described in G.S. 143-138(e)."

**SECTION 2.(b)** This section becomes effective January 1, 2026. Any local government ordinance in effect on, or adopted subsequent to, that date that is inconsistent with this section is void and unenforceable.

**EXTEND DURATION OF SITE-SPECIFIC VESTING PLANS FROM TWO YEARS TO FIVE YEARS AND LIMIT THE APPLICABILITY OF SUBSEQUENT CHANGES TO LAND DEVELOPMENT REGULATIONS**

**SECTION 3.(a)** G.S. 160D-108.1 reads as rewritten:

**"§ 160D-108.1. Vested rights – site-specific vesting plans.**

...

(c) Approval and Amendment of Plans. – If a site-specific vesting plan is based on an approval required by a local development regulation, the local government shall provide whatever notice and hearing is required for that underlying approval. A duration of the underlying approval that is less than ~~two~~ five years does not affect the duration of the site-specific vesting plan established under this section. If the site-specific vesting plan is not based on ~~such an approval~~, an approval required by a local development regulation, a legislative hearing with notice as required by G.S. 160D-602 shall be held.

A local government may approve a site-specific vesting plan upon any terms and conditions that may reasonably be necessary to protect the public health, safety, and welfare. Conditional approval results in a vested right, although failure to abide by the terms and conditions of the approval will result in a forfeiture of vested rights. A local government shall not require a landowner to waive the landowner's vested rights as a condition of developmental approval. A site-specific vesting plan is deemed approved upon the effective date of the local government's decision approving the plan or another date determined by the governing board upon approval. An approved site-specific vesting plan and its conditions may be amended with the approval of the owner and the local government as follows: any substantial modification must be reviewed and approved in the same manner as the original approval; minor modifications may be approved by staff, if ~~such~~ the modifications are defined and authorized by local regulation.

...

(e) Duration and Termination of Vested Right. –

- (1) A vested right for a site-specific vesting plan remains vested for a period of ~~two~~ five years. This vesting shall not be extended by any amendments or modifications to a site-specific vesting plan unless expressly provided by the local government.
- (2) Notwithstanding the provisions of subdivision (1) of this subsection, a local government may provide for rights to be vested for a period exceeding ~~two~~ five years but not exceeding ~~five~~ eight years where warranted in light of all relevant circumstances, including, but not limited to, the size and phasing of development, the level of investment, the need for the development, economic cycles, and market conditions or other considerations. These determinations are in the sound discretion of the local government and shall be made following the process specified for the particular form of a site-specific vesting plan involved in accordance with subsection (a) of this section.
- (3) Upon issuance of a building permit, the provisions of G.S. 160D-1111 and G.S. 160D-1115 apply, except that a permit does not expire and shall not be revoked because of the running of time while a vested right under this section is outstanding.

- 1 (4) A right vested as provided in this section terminates at the end of the  
2 applicable vesting period with respect to buildings and uses for which no valid  
3 building permit applications have been filed.
- 4 (f) Subsequent Changes Prohibited; Exceptions. –
- 5 (1) A vested right, once established as provided for in this section, precludes any  
6 ~~zoning action~~ land development regulation by a local government which  
7 would change, alter, impair, prevent, diminish, or otherwise delay the  
8 development or use of the property as set forth in an approved site-specific  
9 vesting plan, except under one or more of the following conditions:
- 10 a. With the written consent of the affected landowner.
- 11 b. Upon findings, by ordinance after notice and an evidentiary hearing,  
12 that natural or man-made hazards on or in the immediate vicinity of  
13 the property, if uncorrected, would pose a serious threat to the public  
14 health, safety, and welfare if the project were to proceed as  
15 contemplated in the site-specific vesting plan.
- 16 c. To the extent that the affected landowner receives compensation for  
17 all costs, expenses, and other losses incurred by the landowner,  
18 including, but not limited to, all fees paid in consideration of financing,  
19 and all architectural, planning, marketing, legal, and other consulting  
20 fees incurred after approval by the local government, together with  
21 interest as provided under G.S. 160D-106. Compensation shall not  
22 include any diminution in the value of the property which is caused by  
23 the action.
- 24 d. Upon findings, by ordinance after notice and an evidentiary hearing,  
25 that the landowner or the landowner's representative intentionally  
26 supplied inaccurate information or made material misrepresentations  
27 that made a difference in the approval by the local government of the  
28 site-specific vesting plan or the phased development plan.
- 29 e. Upon the enactment or promulgation of a State or federal law or  
30 regulation that precludes development as contemplated in the  
31 site-specific vesting plan or the phased development plan, in which  
32 case the local government may modify the affected provisions, upon a  
33 finding that the change in State or federal law has a fundamental effect  
34 on the plan, by ordinance after notice and an evidentiary hearing.
- 35 (2) The establishment of a vested right under this section ~~does not preclude~~  
36 precludes the application of overlay zoning or other development regulations  
37 which impose additional requirements but do not affect the allowable type or  
38 intensity of use, or ordinances or regulations which are general in nature and  
39 are applicable to all property subject to development regulation by a local  
40 government, including, but not limited to, building, fire, plumbing, electrical,  
41 and mechanical codes. Otherwise applicable new development regulations  
42 become effective with respect to property which is subject to a site-specific  
43 vesting plan upon the expiration or termination of the vesting rights period  
44 provided for in this section.
- 45 (3) Notwithstanding any provision of this section, the establishment of a vested  
46 right does not preclude, change, or impair the authority of a local government  
47 to adopt and enforce development regulations governing nonconforming  
48 situations or uses.
- 49 ...."

50 **SECTION 3.(b)** This section is effective when it becomes law and applies to  
51 applications and appeals filed on or after that date.

**STRENGTHEN PROHIBITION ON LOCAL GOVERNING BOARD CONFLICTS OF INTEREST**

**SECTION 4.(a)** G.S. 160D-109 reads as rewritten:

**"§ 160D-109. Conflicts of interest.**

(a) Governing Board. – A governing board member shall not participate in or vote on any legislative decision regarding a development regulation adopted pursuant to this Chapter ~~where the outcome of the matter being considered is reasonably likely to have a direct, substantial, and readily identifiable financial impact on the member.~~ A governing board member shall not vote on any zoning amendment if the landowner of the property subject to a rezoning petition or the applicant for a text amendment is a person with whom the member has a close familial, business, or other associational relationship where:

(1) The outcome of the matter being considered is reasonably likely to have a direct, substantial, and readily identifiable impact on the member.

(2) The landowner of the property subject to a rezoning petition or the applicant for a text amendment is a person with whom the member has a close familial, business, or other associational relationship.

(3) The member has a fixed opinion prior to the hearing on the matter that is not susceptible to change.

(4) The member has undisclosed ex parte communication about the matter.

(b) Appointed Boards. – Members of appointed boards shall not participate in or vote on any advisory or legislative decision regarding a development regulation adopted pursuant to this Chapter ~~where the outcome of the matter being considered is reasonably likely to have a direct, substantial, and readily identifiable financial impact on the member.~~ An appointed board member shall not vote on any zoning amendment if the landowner of the property subject to a rezoning petition or the applicant for a text amendment is a person with whom the member has a close familial, business, or other associational relationship where:

(1) The outcome of the matter being considered is reasonably likely to have a direct, substantial, and readily identifiable impact on the member.

(2) The landowner of the property subject to a rezoning petition or the applicant for a text amendment is a person with whom the member has a close familial, business, or other associational relationship.

(3) The member has a fixed opinion prior to the hearing on the matter that is not susceptible to change.

(4) The member has undisclosed ex parte communication about the matter.

...."

**SECTION 4.(b)** G.S. 160D-605 reads as rewritten:

**"§ 160D-605. Governing board statement.**

(a) Plan Consistency. – When adopting or rejecting any zoning text or map amendment, the governing board shall approve a brief statement describing whether its action is consistent or inconsistent with an adopted comprehensive or land-use plan. The requirement for a plan consistency statement may also be met by a clear indication in the minutes of the governing board that at the time of action on the amendment the governing board was aware of and considered the planning board's recommendations and any relevant portions of an adopted comprehensive or land-use plan. If a zoning map amendment is adopted and the action was deemed inconsistent with the adopted plan, the zoning amendment has the effect of also amending any future land-use map in the approved plan, and no additional request or application for a plan amendment is required. A plan amendment and a zoning amendment may be considered concurrently. The plan consistency statement is ~~not~~ subject to judicial review. If a zoning map amendment qualifies as a "large-scale rezoning" under G.S. 160D-602(b), the governing board statement describing plan

consistency may address the overall rezoning and describe how the analysis and policies in the relevant adopted plans were considered in the action taken.

...."

## **ESTABLISH JURISDICTION FOR LAND THAT LIES WITHIN MORE THAN ONE LOCAL GOVERNMENT**

**SECTION 5.** G.S. 160D-203 reads as rewritten:

### **"§ 160D-203. Split jurisdiction.**

(a) If a parcel of land lies within the planning and development regulation jurisdiction of more than one local government, for the purposes of this Chapter, the local governments may, by mutual agreement pursuant to Article 20 of Chapter 160A of the General Statutes and with the written consent of the landowner, assign exclusive planning and development regulation jurisdiction under this Chapter for the entire parcel to any one of those local governments. ~~Such a~~ The mutual agreement shall only be applicable to development regulations and shall not affect taxation or other nonregulatory matters. The mutual agreement shall be evidenced by a resolution formally adopted by each governing board and recorded with the register of deeds in the county where the property is located within 14 days of the adoption of the last required resolution.

(b) Notwithstanding subsection (a) of this section, if a parcel of land lies within the planning and development regulation jurisdiction of more than one local government and only one local government has the ability to provide water and sewer services to the parcel at the time a site plan for the parcel is submitted, the local government that has the ability to provide public water and sewer services shall have planning and development regulation jurisdiction over the entire parcel. If all of the local governments have the ability to either provide public water services or public sewer services to the parcel, but not both, at the time a site plan for the parcel is submitted, the owner of the parcel may designate which local government's planning and development regulations shall apply to the land. If all or none of the local governments have the ability to provide public water and sewer services to the parcel at the time a site plan for the parcel is submitted, the local government where the majority of the parcel is located shall have jurisdiction over the land.

## **CLARIFY LOCAL GOVERNMENT FEES RELATED TO DEVELOPMENT REGULATIONS**

**SECTION 6.** G.S. 160D-402(d) reads as rewritten:

(d) Financial Support. – The local government may appropriate for the support of the staff any funds that it deems necessary. It shall have power to fix ~~reasonable~~ fees for support, administration, and implementation of programs authorized by this Chapter, ~~and all Chapter. All~~ such fees shall not exceed the amount reasonably required to support, administer, and implement programs authorized by this Chapter, and shall be used for no other purposes. When an inspection, for which the permit holder has paid a fee to the local government, is performed by a marketplace pool Code-enforcement official upon request of the State Fire Marshal under G.S. 143-151.12(9)a., the local government shall promptly return to the permit holder the fee collected by the local government for such inspection. This subsection applies to the following types of inspection: plumbing, electrical systems, general building restrictions and regulations, heating and air-conditioning, and the general construction of buildings.

## **REQUIRE DECISIONS ON USES PERMITTED BY RIGHT TO BE DETERMINED ADMINISTRATIVELY IN LARGE CITIES**

**SECTION 7.** G.S. 160D-403 reads as rewritten:

### **"§ 160D-403. Administrative development approvals and determinations.**

(a) Development Approvals. – To the extent consistent with the scope of regulatory authority granted by this Chapter, no person shall commence or proceed with development

without first securing any required development approval from the local government with jurisdiction over the site of the development. A development approval shall be in writing and may contain a provision requiring the development to comply with all applicable State and local laws. A local government may issue development approvals in print or electronic form. Any development approval issued exclusively in electronic form shall be protected from further editing once issued. Applications for development approvals may be made by the landowner, a lessee or person holding an option or contract to purchase or lease land, or an authorized agent of the landowner. An easement holder may also apply for development approval for ~~such~~ the development as is authorized by the easement.

(b) Determinations and Notice of Determinations. – A development regulation enacted under the authority of this Chapter may designate the staff member or members charged with making determinations under the development regulation. For cities with a population of 125,000 people or more, approvals concerning an application for a project that is a permitted use in the zoning district where the project is located shall be made only by the city's administrative staff, as described in G.S. 160D-402.

...."

## **REQUIRE REZONING AND SITE PLAN DECISIONS IN NO MORE THAN 90 DAYS**

**SECTION 8.(a)** Article 7 of Chapter 160D of the General Statutes is amended by adding a new section to read:

### **"§ 160D-707. Review period for rezoning decisions.**

Within 14 calendar days of the filing of an application for amendment of a zoning map or zoning regulations, a local government or its designated administrative staff, as described under G.S. 160D-402, shall (i) determine whether the application is complete and notify the applicant of the application's completeness and (ii) if the local government or its designated administrative staff determines the application is incomplete, specify all the deficiencies in the notice to the applicant. The applicant may file an amended application or supplemental information to cure the deficiencies identified by the local government or its designated administrative staff for a completeness review, which shall be completed within 14 calendar days after receiving an amended application or supplemental application from the applicant. Upon the date the application is deemed complete, the local government or its designated administrative staff shall issue a receipt letter or electronic response stating that the application is complete and that a 90-calendar day review period has started as of that date. The local government shall approve or deny the application within 90 calendar days of the original date the application was deemed complete by the local government or its designated administrative staff, except that if the applicant requests a continuance of the application, the review period shall be tolled for the duration of any continuance. The time period for review may be extended only by agreement with the applicant if the application cannot be reviewed within the specified time limitation due to circumstances beyond the control of the local government. The extension shall not exceed six months. Failure of the local government or its designated administrative staff to act before the expiration of the time period allowed for review shall constitute an approval of the application, and the local government shall issue a written approval upon demand by the applicant."

**SECTION 8.(b)** G.S. 160D-403 is amended by adding a new subsection to read:

"(a1) Within 14 calendar days of the filing of an application for a development approval, a local government or its designated administrative staff, as described under G.S. 160D-402, shall (i) determine whether the application is complete and notify the applicant of the application's completeness and (ii) if the local government or its designated administrative staff determines the application is incomplete, specify all the deficiencies in the notice to the applicant. The applicant may file an amended application or supplemental information to cure the deficiencies identified by the local government or its designated administrative staff for a completeness review, which shall be completed within 14 calendar days after receiving an amended application

or supplemental application from the applicant. Upon the date the application is deemed complete, the local government or its designated administrative staff shall issue a receipt letter or electronic response stating that the application is complete and that a 90-calendar day review period has started as of that date. The local government shall approve or deny the application within 90 calendar days of the original date the application was deemed complete by the local government or its designated administrative staff, except that if the applicant requests a continuance of the application, the review period shall be tolled for the duration of any continuance. The time period for review may be extended only by agreement with the applicant if the application cannot be reviewed within the specified time limitation due to circumstances beyond the control of the local government. The extension shall not exceed six months. Failure of the local government or its designated administrative staff to act before the expiration of the time period allowed for review shall constitute an approval of the application, and the local government shall issue a written approval upon demand by the applicant."

**SECTION 8.(c)** This section is effective when it becomes law and applies to applications filed on or after that date.

## **LIMIT ZONING REGULATION AUTHORITY**

**SECTION 9.** G.S. 160D-702 reads as rewritten:

### **"§ 160D-702. Grant of power.**

(a) A local government may adopt zoning regulations. Except as provided in subsections (b) and (c) of this section, a zoning regulation may regulate and restrict the height, number of stories, and size of buildings and other structures; the percentage of lots that may be occupied; the size of yards, courts, and other open spaces; the density of population; the location and use of buildings, structures, and land. A local government may regulate development, including floating homes, over estuarine waters and over lands covered by navigable waters owned by the State pursuant to G.S. 146-12. A zoning regulation shall provide density credits or severable development rights for dedicated rights-of-way pursuant to G.S. 136-66.10 or G.S. 136-66.11. Where appropriate, a zoning regulation may include requirements that street and utility rights-of-way be dedicated to the public, that provision be made of recreational space and facilities, and that performance guarantees be provided, all to the same extent and with the same limitations as provided for in G.S. 160D-804 and G.S. 160D-804.1.

(b) Any regulation relating to building design elements adopted under this Chapter may not be applied to any structures subject to regulation under the North Carolina Residential Code except under one or more of the following circumstances:

- (1) The structures are located in an area designated as a local historic district pursuant to Part 4 of Article 9 of this Chapter.
- (2) The structures are located in an area designated as a historic district on the National Register of Historic Places.
- (3) The structures are individually designated as local, State, or national historic landmarks.
- (4) The regulations are directly and substantially related to the requirements of applicable safety codes adopted under G.S. 143-138.
- (5) Where the regulations are applied to manufactured housing in a manner consistent with G.S. 160D-908 and federal law.
- (6) Where the regulations are adopted as a condition of participation in the National Flood Insurance Program.

Regulations prohibited by this subsection may not be applied, directly or indirectly, in any zoning district or conditional district ~~unless voluntarily consented to by the owners of all the property to which those regulations may be applied as part of and in the course of the process of seeking and obtaining a zoning amendment or a zoning, subdivision, or development approval, district,~~ nor may any such regulations be applied indirectly as part of a review pursuant to

G.S. 160D-604 or G.S. 160D-605 of any proposed zoning amendment for consistency with an adopted comprehensive plan or other applicable officially adopted plan.

For the purposes of this subsection, the phrase "building design elements" means exterior building color; type or style of exterior cladding material; style or materials of roof structures or porches; exterior nonstructural architectural ornamentation; location or architectural styling of windows and doors, including garage doors; the number and types of rooms; and the interior layout of rooms. The phrase "building design elements" does not include any of the following: (i) the height, bulk, orientation, or location of a structure on a zoning lot, (ii) the use of buffering or screening to minimize visual impacts, to mitigate the impacts of light and noise, or to protect the privacy of neighbors, or (iii) regulations adopted pursuant to this Article governing the permitted uses of land or structures subject to the North Carolina Residential Code.

Nothing in this subsection affects the validity or enforceability of private covenants or other contractual agreements among property owners relating to building design elements.

(c) A zoning or other development regulation shall not do any of the following:

(1) Set a minimum width, length, or square footage of any structures subject to regulation under the North Carolina Residential Code.

~~(2) Require a parking space to be larger than 9 feet wide by 20 feet long unless the parking space is designated for handicap, parallel, or diagonal parking.~~

(2a) Establish or require parking or parking space requirements or allocations except as required by the Americans with Disabilities Act. This subsection applies to parking space sizes, parking spaces required within a particular development, the location of parking spaces within a particular development, and the configuration of parking spaces within a particular development.

(3) Require additional fire apparatus access roads into developments of one- or two-family dwellings that are not in compliance with the required number of fire apparatus access roads into developments of one- or two-family dwellings set forth in the Fire Code of the North Carolina Residential Code for One- and Two-Family Dwellings.

(4) Except as provided under G.S. 160A-307, set a minimum width, length, or square footage for driveways within a development unless the driveway abuts a public road. A "public road" means any road, street, highway, thoroughfare, or other way of passage that is owned and maintained by a city or the Department of Transportation. This subdivision shall not be construed to expand, diminish, or alter the Department of Transportation's authority to regulate driveways adjacent to roads owned by the State.

(5) Set design standards for roads within a development in excess of those required by the Department of Transportation, except that a city may set design standards for roads within a development in excess of those required by the Department of Transportation if the city accepts ownership and maintenance responsibility for the road prior to or in conjunction with site plan approval. Confirmation of conformity of the improvements consistent with local government design specifications, regulations, or ordinances under this section shall be conducted consistent with G.S. 160D-804.1(1c). Upon confirmation that the improvements have been made consistent with G.S. 160D-804.1(1c), the local government shall record with the register of deeds a plat evincing ownership of the road by the city.

(6) Require installation of sidewalks or improvement of existing sidewalks for any commercial or school property unless the sidewalk (i) is connected to an existing sidewalk or (ii) will connect to a planned adjacent sidewalk that the local government believes, based on a development approval, will be

constructed within two years of the commercial or school property site plan approval.

- (7) For cities with a population of 125,000 people or more, establish setback or buffer yard requirements for a multifamily development that exceeds 15 units per acre."

## **REQUIRE ZONING DISTRICTS TO BE BASED ON DENSITY AND CLARIFY PROHIBITION ON CONDITIONS NOT AUTHORIZED BY LAW**

**SECTION 10.(a)** G.S. 160D-102 is amended by adding a new subdivision to read:

"(15a) Dwelling unit. – A single unit providing complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation."

**SECTION 10.(b)** G.S. 160D-703 reads as rewritten:

### **"§ 160D-703. Zoning districts.**

(a) Types of Zoning Districts. – A-Except as provided in subsection (a1) of this section, a local government may divide its territorial jurisdiction into zoning districts of any number, shape, and area deemed best suited to carry out the purposes of this Article. Within those districts, it may regulate and restrict the erection, construction, reconstruction, alteration, repair, or use of buildings, structures, or land. Zoning districts may include, but are not be-limited to, the following:

- (1) Conventional districts, in which a variety of uses are allowed as permitted uses or uses by right and that may also include uses permitted only with a special use permit.
- (2) Conditional districts, in which site plans or individualized development conditions are imposed.
- (3) Form-based districts, or development form controls, that address the physical form, mass, and density of structures, public spaces, and streetscapes.
- (4) Overlay districts, in which different requirements are imposed on certain properties within one or more underlying conventional, conditional, or form-based districts.
- (5) Districts allowed by charter.

(a1) Residential Zoning Districts Classified Based on Density. – A local government shall classify residential zoning districts based on the number of dwelling units allowed per acre. A local government shall not classify residential zoning districts based on the minimum lot size allowed in the district.

(a2) Permitted Uses in Counties. – In areas zoned for residential use, a zoning or other development regulation in a county shall allow the following uses by right:

- (1) In a county with a population of 49,999 or less, the siting of no fewer than four dwelling units per acre.
- (2) In a county with a population between 50,000 and 274,999, the siting of no fewer than five dwelling units per acre.
- (3) In a county with a population of 275,000 or more, the siting of no fewer than six dwelling units per acre.

(a3) Permitted Uses in Cities. – A city zoning or other development regulation in a city shall allow the following uses by right:

- (1) In areas zoned for residential use in a city with a population of 19,999 or less, the siting of no fewer than four dwelling units per acre.
- (2) In areas zoned for residential use in a city with a population between 20,000 and 124,999, the siting of no fewer than five dwelling units per acre.
- (3) In areas zoned for residential use in a city with a population of 125,000 or more, the siting of no fewer than six dwelling units per acre. The minimum



dwelling unit requirement may be met by duplexes, triplexes, and quadruplexes, which shall be permitted by right.

(4) In areas zoned for non-agricultural commercial, business, or industrial use in a city with a population of 125,000 or more, all of the following:

a. Duplexes.

b. Triplexes.

c. Quadruplexes.

d. Multifamily housing structures with more than four residential dwelling units, with a maximum height restriction of not less than 60 feet.

(a4) Exemption from Local Design Standards and Buffer Yards. – In a city with a population of 125,000 people or more, structures and uses allowable under subdivision (3) or (4) of subsection (a3) of this section shall not be subject to either of the following:

(1) Local design standards, except those adopted as a condition of participation in the National Flood Insurance Program.

(2) Landscape buffering regulations.

(a5) Applicability of Permitted Uses. – Subsections (a2) and (a3) of this section, as applicable, apply to all structures subject to the North Carolina Residential Code and shall apply regardless of whether the structures are located on multiple lots or on a single lot. Subsections (a2) and (a3) of this section do not apply to land used for a bona fide farm purpose as described in G.S. 160D-903 or an open space land purpose as described in G.S. 160D-1307.

(b) Conditional Districts. – Property may be placed in a conditional district only in response to a petition by all owners of the property to be included. Specific conditions may be proposed by the petitioner or the local government or its agencies, but only those conditions approved by the local government and consented to by the petitioner in writing may be incorporated into the zoning regulations. ~~Unless consented to by the petitioner in writing,~~ Notwithstanding any other provision of law, in the exercise of the authority granted by this section, a local government may not (i) require, enforce, or incorporate into the zoning regulations any condition or requirement not authorized by otherwise applicable law, regulations, or require as a condition of approval of any site plan, development agreement, conditional zoning permit, or any other instrument any condition, requirement, or deed restriction not specifically authorized by law, or any condition or requirement that the courts have held to be unenforceable if imposed directly by the local government, or (ii) accept any offer by the petitioner to consent to any condition not specifically authorized by law, including, without limitation, taxes, impact fees, building design elements within the scope of G.S. 160D-702(b), driveway-related improvements in excess of those allowed in G.S. 136-18(29) and G.S. 160A-307, or other unauthorized limitations on the development or use of land. Conditions and site-specific standards imposed in a conditional district shall be limited to those that address the conformance of the development and use of the site to local government ordinances, plans adopted pursuant to G.S. 160D-501, or the impacts reasonably expected to be generated by the development or use of the site. The zoning regulation may provide that defined minor modifications in conditional district standards that do not involve a change in uses permitted or the density of overall development permitted may be reviewed and approved administratively. Any other modification of the conditions and standards in a conditional district shall follow the same process for approval as are applicable to zoning map amendments. If multiple parcels of land are subject to a conditional zoning, the owners of individual parcels may apply for modification of the conditions so long as the modification would not result in other properties failing to meet the terms of the conditions. Any modifications approved apply only to those properties whose owners petition for the modification.

(b1) Limitations. – For parcels where multifamily structures are an allowable use, a local government may not impose a harmony requirement for permit approval if the development

contains affordable housing units for families or individuals with incomes below eighty percent (80%) of the area median income.

(c) Uniformity Within Districts. – Except as authorized by the foregoing, all regulations shall be uniform for each class or kind of building throughout each district but the regulations in one district may differ from those in other districts.

(d) Standards Applicable Regardless of District. – A zoning regulation or unified development ordinance may also include development standards that apply uniformly jurisdiction-wide rather than being applicable only in particular zoning districts.

(e) Definition. – For purposes of this section, the term "acre" means the actual gross acreage of a parcel or parcels within a zoning district and shall not be reduced for purposes of determining allowable residential density by subtracting buffers, setbacks, public or private streets, open space or recreation areas, or other nondevelopable areas from the density calculation.

**SECTION 10.(c)** This section becomes effective January 1, 2026. Any local government ordinance in effect on, or adopted subsequent to, that date that is inconsistent with this section is void and unenforceable.

## ADMINISTRATIVE SUBDIVISION APPROVALS

**SECTION 11.** G.S. 160D-803 reads as rewritten:

**"§ 160D-803. Review process, filing, and recording of subdivision plats.**

(a) Any subdivision regulation adopted pursuant to this Article shall contain provisions setting forth the procedures and standards to be followed in granting or denying approval of a subdivision plat prior to its registration.

(b) A subdivision regulation shall provide that the following agencies be given an opportunity to make recommendations concerning an individual subdivision plat before the plat is approved:

(1) The district highway engineer as to proposed State streets, State highways, and related drainage systems.

(2) The county health director or local public utility, as appropriate, as to proposed water or sewerage systems.

(3) Any other agency or official designated by the governing board.

(c) The subdivision regulation ~~may~~ shall provide that final decisions on preliminary plats and final plats are administrative and to be made by any of the following:

~~(1) The governing board.~~

~~(2) The governing board on recommendation of a designated body.~~

~~(3) A designated planning board, technical review committee of local government staff members, or other designated body or staff person.~~

~~If the final decision on a subdivision plat is administrative, the decision may be assigned to a staff person or committee comprised entirely of staff persons, and notice of the decision shall be as provided by G.S. 160D-403(b). If the final decision on a subdivision plat is quasi-judicial, the decision shall be assigned to the governing board, the planning board, the board of adjustment, or other board appointed pursuant to this Chapter, and the procedures set forth in G.S. 160D-406 shall apply.~~

(d) After the effective date that a subdivision regulation is adopted, no subdivision within a local government's planning and development regulation jurisdiction shall be filed or recorded until it shall have been submitted to and approved by ~~the governing board or appropriate body,~~ a staff person or committee comprised entirely of staff persons, as specified in the subdivision regulation, and until this approval shall have been entered on the face of the plat in writing by an authorized representative of the local government. The review officer, pursuant to G.S. 47-30.2, shall not certify a subdivision plat that has not been approved in accordance with these provisions

nor shall the clerk of superior court order or direct the recording of a plat if the recording would be in conflict with this section."

## **ALLOW TINY HOUSES AND ACCESSORY DWELLING UNITS IN RESIDENTIAL DISTRICTS IN LARGE CITIES**

**SECTION 12.** Article 9 of Chapter 160D of the General Statutes is amended by adding two new sections to read:

### **"§ 160D-974. Tiny houses in residential districts in large cities.**

(a) Applicability. – This section applies only to cities with a population of 125,000 people or more.

(b) Definitions. – As used in this section, the term "tiny house" means a detached single-family dwelling unit that is no greater than 600 square feet, built to standards applicable to the North Carolina Residential Code, and is either constructed or mounted on a foundation and is connected to utilities. The term does not include a recreational vehicle or manufactured home that has not been affixed to real property.

(c) Small Housing in Residential Zones. – A city shall allow small housing in areas zoned for residential or mixed-use residential, including those that allow for the development of detached single-family dwellings.

(d) Regulation and Scope. – Nothing in this section affects the validity or enforceability of private covenants or other contractual agreements among property owners relating to dwelling type restrictions. Any regulation adopted pursuant to this section shall not apply to an area designated as a local historic district (i) pursuant to Part 4 of Article 9 of this Chapter or (ii) on the National Register of Historic Places, unless approved by the local historic preservation authority. For septic systems, a city may require a new system or an upgrade to an existing system if it is determined that the existing system is incapable of handling extra capacity.

### **"§ 160D-975. Accessory dwelling units.**

(a) Applicability. – This section applies only to cities with a population of 125,000 people or more.

(b) A city shall allow the development of at least one accessory dwelling unit which conforms to the North Carolina Residential Code, including applicable provisions from the North Carolina Fire Code, for each detached single-family dwelling that is greater than 600 square feet, in areas zoned for residential use that allow for development of detached single-family dwellings. An accessory dwelling unit may be built or sited concurrently with the primary dwelling or after the primary dwelling has been constructed or sited. Nothing in this section shall prohibit a local government from permitting accessory dwelling units in any area not otherwise required under this section. For the purposes of this section, the term "accessory dwelling unit" means an attached or detached residential structure that is used in connection with or that is accessory to a primary single-family dwelling and that has less total square footage than the primary single-family dwelling.

(c) Development and permitting of an accessory dwelling unit shall not be subject to any of the following requirements:

(1) Owner-occupancy of any dwelling unit, including an accessory unit.

(2) Minimum parking requirements or other parking restrictions, including the imposition of additional parking requirements where an existing structure is converted for use as an accessory dwelling unit.

(3) Conditional use zoning.

(d) In permitting accessory dwelling units under this section, a city shall not do any of the following:

(1) Prohibit the connection of the accessory dwelling unit to existing utilities serving the primary dwelling unit.

(2) Charge any fee, other than a building permit fee, that exceeds the amount charged for any single-family dwelling unit similar in nature.

(e) Except as otherwise provided in this section, a city may regulate accessory dwelling units pursuant to this Chapter, provided that the regulations do not act to discourage development or siting of accessory dwelling units through unreasonable costs or delay. Nothing in this section shall affect the validity or enforceability of private covenants or other contractual agreements among property owners relating to dwelling type restrictions.

(f) A city may impose a setback minimum for accessory dwelling units of 5 feet or the setback minimum imposed generally upon lots in the same zoning classification, whichever is less."

## AMEND REQUIREMENTS FOR ESTABLISHMENT OF HISTORIC DISTRICTS

**SECTION 13.** G.S. 160D-944 reads as rewritten:

### "§ 160D-944. Designation of historic districts.

(a) Any local government may, as part of a zoning regulation adopted pursuant to Article 7 of this Chapter or as a development regulation enacted or amended pursuant to Article 6 of this Chapter, designate and from time to time amend one or more historic districts within the area subject to the regulation. Historic districts established pursuant to this Part shall consist of areas that are deemed to be of special significance in terms of their history, prehistory, architecture, or culture and to possess integrity of design, setting, materials, feeling, and association.

A development regulation may treat historic districts either as a separate use district classification or as districts that overlay other zoning districts. Where historic districts are designated as separate use districts, the zoning regulation may include as uses by right or as special uses those uses found by the preservation commission to have existed during the period sought to be restored or preserved or to be compatible with the restoration or preservation of the district.

(b) No historic district or districts shall be designated under subsection (a) of this section until all of the following occur:

(1) An investigation and report describing the significance of the buildings, structures, features, sites, or surroundings included in the proposed district and a description of the boundaries of the district have been prepared.

(2) The Department of Natural and Cultural Resources, acting through the State Historic Preservation Officer or his or her designee, has made an analysis of and recommendations concerning the report and description of proposed boundaries. Failure of the Department to submit its written analysis and recommendations to the governing board within 30 calendar days after a written request for the analysis has been received by the Department relieves the governing board of any responsibility for awaiting the analysis, and the governing board may at any subsequent time take any necessary action to adopt or amend its zoning regulation.

(3) Seventy-five percent (75%) of the property owners in the proposed district sign a petition requesting designation of the district.

(c) The governing board may also, in its discretion, refer the report and proposed boundaries under subsection (b) of this section to any local preservation commission or other interested body for its recommendations prior to taking action to amend the zoning regulation. With respect to any changes in the boundaries of a district, subsequent to its initial establishment, or the creation of additional districts within the jurisdiction, the investigative studies and reports required by subdivision (1) of subsection (b) of this section shall be prepared by the preservation commission and shall be referred to the planning board for its review and comment according to procedures set forth in the zoning regulation. Changes in the boundaries of an initial district or

proposal for additional districts shall also be submitted to the Department of Natural and Cultural Resources in accordance with the provisions of subdivision (2) of subsection (b) of this section.

On receipt of these reports and recommendations, the local government may proceed in the same manner as would otherwise be required for the adoption or amendment of any appropriate zoning ~~regulation~~-regulation, except that the governing board shall unanimously approve the adoption of the district.

(d) G.S. 160D-914 applies to zoning or other development regulations pertaining to historic districts, and the authority under that statute for the ordinance to regulate the location or screening of solar collectors may encompass requiring the use of plantings or other measures to ensure that the use of solar collectors is not incongruous with the special character of the district."

## **REQUIRE ONLY A SHELL PERMIT FOR THE CONSTRUCTION OF MULTIFAMILY DEVELOPMENTS**

**SECTION 14.(a)** G.S. 160D-1110(d) reads as rewritten:

"(d) A local government shall not do any of the following:

- (1) Require more than one building permit for the complete installation or replacement of any natural gas, propane gas, or electrical appliance on an existing structure when the installation or replacement is performed by a person licensed under G.S. 87-21 or G.S. 87-43. The cost of the building permit for this work shall not exceed the cost of any one individual trade permit issued by that local government. The local government shall not increase the costs of any fees to offset the loss of revenue caused by this provision.
- (2) Require more than one building permit for simultaneous projects at the time of the application located at the same address and subject to the North Carolina Residential Code.
- (3) Require more than a shell permit for the construction of a multifamily development project. Upon the request of the permittee, the local government shall issue certificates of occupancy for individual units in a multifamily development project permitted under a shell permit as the units meet the criteria for issuance of a certificate of occupancy. For purposes of this subdivision, "shell permit" means a permit that allows for the structural construction of a building but does not result in the issuance of a certificate of occupancy.

**SECTION 14.(b)** This section is effective when it becomes law and applies to permit applications filed on or after that date.

## **EXPAND CAUSES FOR CIVIL ACTION INVOLVING CLAIMS INVOLVING QUESTIONS OF INTERPRETATION AND CLARIFY STANDING IN SUCH CASES**

**SECTION 15.** G.S. 160D-1403.1 reads as rewritten:

**"§ 160D-1403.1. Civil action for declaratory relief, injunctive relief, other remedies; joinder of complaint and petition for writ of certiorari in certain cases.**

(a) Civil Action. – Except as otherwise provided in this section for claims involving questions of interpretation, in lieu of any remedies available under G.S. 160D-405 or G.S. 160D-108(h), a person with standing, as defined in subsection (b) of this section, may bring an original civil action seeking declaratory relief, injunctive relief, damages, or any other remedies provided by law or equity, in superior court or federal court to challenge the enforceability, validity, or effect of a local land development regulation or decision for any of the following claims:

- (1) The ordinance, either on its face or as applied, is unconstitutional.

- (2) The ordinance, either on its face or as applied, is ultra vires, preempted, arbitrary or capricious, or is otherwise in excess of statutory authority.
- (3) The ordinance, either on its face or as applied, constitutes a taking of property.
- (4) The decision of an administrative staff member, local government decision-making board or governing board, or a local government official made pursuant to a local government's authority under G.S. 160D-702, G.S. 160D-703, or both, is ultra vires, preempted, in excess of its statutory authority, made upon unlawful procedure, made in error of law, arbitrary and capricious, or an abuse of discretion.

If the decision being challenged is from an administrative official charged with enforcement of a local land development regulation, the party with standing must first bring any claim that the ordinance was erroneously interpreted to the applicable board of adjustment pursuant to G.S. 160D-405. An adverse ruling from the board of adjustment may then be challenged in an action brought pursuant to this subsection with the court hearing the matter de novo together with any of the claims listed in this subsection.

(b) Standing. – Any of the following criteria provide standing to bring an action under this section:

- (1) The person has an ownership, leasehold, or easement interest in, or possesses an option or contract to purchase the property that is the subject matter of a final and binding decision made by an administrative official charged with applying or enforcing a land development regulation.
- (2) The person was a development permit applicant before the decision-making board whose decision is being challenged.
- (3) The person was a development permit applicant who is aggrieved by a final and binding decision of an administrative official charged with applying or enforcing a land development regulation.
- (4) An association, organization, society, or entity whose membership is comprised of an individual or entity identified in subdivision (2) or (3) of this subsection.

...

(g) Definitions. – The definitions in G.S. 143-755 apply in this section. For purposes of this section, the term "local government official" means an elected official or appointed member of a decision-making board or governing board or a local government's administrative staff member.

## EXPAND PRIVATE REMEDIES FOR VIOLATIONS OF CHAPTER 160D

**SECTION 16.** Article 14 of Chapter 160D of the General Statutes is amended by adding a new section to read:

### **"§ 160D-1403.3. Private remedies.**

In addition to any other remedy otherwise provided by law, any person, association, organization, society, or entity may bring a civil action to enforce the provisions of this Chapter and recover damages, costs, and disbursements, including costs of investigation and reasonable attorneys' fees, and receive other equitable relief as determined by the court."

## PERSONAL LIABILITY FOR CERTAIN ACTS OF LOCAL GOVERNMENT OFFICIALS

**SECTION 17.(a)** G.S. 160D-110 reads as rewritten:

### **"§ 160D-110. Chapter construction.**

- (a) G.S. 153A-4 and G.S. 160A-4 are not applicable to this Chapter.
- (b) "Written" or "in writing" is deemed to include electronic documentation.

(c) Unless specified otherwise, in the absence of evidence to the contrary, delivery by first-class mail shall be deemed received on the third business day following deposit of the item for mailing with the United States Postal Service, and delivery by electronic mail shall be deemed received on the date sent."

**SECTION 17.(b)** Article 14 of Chapter 160D of the General Statutes is amended by adding a new section to read:

**"§ 160D-1406. Civil liability in certain instances.**

(a) In addition to any other remedy available, actual damages resulting from any development decision, or lack thereof, may be recovered by civil action instituted by any person with standing as described in G.S. 160D-1402(c) from any member or members of the decision-making board who did any of the following with respect to the development decision:

(1) Engaged in impermissible violations of due process.

(2) Considered evidence or other material gained outside of an evidentiary hearing when making a quasi-judicial decision.

(3) Acted maliciously, arbitrarily, and capriciously, or unlawfully.

(b) If a court determines that a member of a decision-making board is liable under subsection (a) of this section, the court may also award punitive damages.

(c) Subject to the common law of legislative privilege and legislative immunity, a court may compel disclosure of information if, in the presiding judge's opinion, the disclosure is necessary to a proper administration of justice.

(d) Attorneys' fees and costs shall be awarded in accordance with G.S. 6-21.7."

**SECTION 17.(c)** G.S. 6-21.7 reads as rewritten:

**"§ 6-21.7. Attorneys' fees; cities or counties acting outside the scope of their authority.**

(a) In any action in which a city or county is a party, upon a finding by the court that the city or county violated a statute or case law setting forth unambiguous limits on its authority, the court shall award reasonable attorneys' fees and costs to the party who successfully challenged the city's or county's action. In any action in which a member of a decision-making board under Chapter 160D of the General Statutes is found to be liable under G.S. 160D-1406, the court shall award reasonable attorneys' fees and costs to the party who successfully challenged the acts of the member of a decision-making board under Chapter 160D of the General Statutes.

(b) In any action in which a city or county is a party, upon finding by the court that the city or county took action inconsistent with, or in violation of, G.S. 160D-108(b) or G.S. 143-755, the court shall award reasonable attorneys' fees and costs to the party who successfully challenged the local government's failure to comply with any of those provisions.

(c) In all other ~~matters~~, matters not covered by subsection (a) or (b) of this section, the court may award reasonable attorneys' fees and costs to the prevailing private litigant.

(d) For purposes of this section, "unambiguous" means that the limits of authority are not reasonably susceptible to multiple constructions."

**SECTION 17.(d)** G.S. 153A-121 reads as rewritten:

**"§ 153A-121. General ordinance-making power.**

(a) A county may by ordinance define, regulate, prohibit, or abate acts, omissions, or conditions detrimental to the health, safety, or welfare of its citizens and the peace and dignity of the county; and may define and abate nuisances.

(b) This section does not authorize a county to regulate or control vehicular or pedestrian traffic on a street or highway under the control of the Board of Transportation, nor to regulate or control any right-of-way or right-of-passage belonging to a public utility, electric or telephone membership corporation, or public agency of the State. In addition, no county ordinance may regulate or control a highway right-of-way in a manner inconsistent with State law or an ordinance of the Board of Transportation.

(c) This section does not impair the authority of local boards of health to adopt rules and regulations to protect and promote public health.

(d) This section does not apply to the adoption or enforcement of development regulations under Chapter 160D of the General Statutes."

**SECTION 17.(e)** G.S. 160A-174 reads as rewritten:

**"§ 160A-174. General ordinance-making power.**

(a) A city may by ordinance define, prohibit, regulate, or abate acts, omissions, or conditions, detrimental to the health, safety, or welfare of its citizens and the peace and dignity of the city, and may define and abate nuisances.

(b) A city ordinance shall be consistent with the Constitution and laws of North Carolina and of the United States. An ordinance is not consistent with State or federal law when:

- (1) The ordinance infringes a liberty guaranteed to the people by the State or federal Constitution;
- (2) The ordinance makes unlawful an act, omission or condition which is expressly made lawful by State or federal law;
- (3) The ordinance makes lawful an act, omission, or condition which is expressly made unlawful by State or federal law;
- (4) The ordinance purports to regulate a subject that cities are expressly forbidden to regulate by State or federal law;
- (5) The ordinance purports to regulate a field for which a State or federal statute clearly shows a legislative intent to provide a complete and integrated regulatory scheme to the exclusion of local regulation;
- (6) The elements of an offense defined by a city ordinance are identical to the elements of an offense defined by State or federal law.

The fact that a State or federal law, standing alone, makes a given act, omission, or condition unlawful shall not preclude city ordinances requiring a higher standard of conduct or condition.

(c) This section does not apply to the adoption or enforcement of development regulations under Chapter 160D of the General Statutes."

**REQUIRE THE DIVISION OF HIGHWAYS TO ACCEPT PERFORMANCE GUARANTEES PENDING COMPLETION OF SUBDIVISION STREETS**

**SECTION 18.** G.S. 136-102.6 reads as rewritten:

**"§ 136-102.6. Compliance of subdivision streets with minimum standards of the Board of Transportation required of developers.**

(a) The owner of a tract or parcel of land which is subdivided from and after October 1, 1975, into two or more lots, building sites, or other divisions for sale or building development for residential purposes, where ~~such-the~~ subdivision includes a new street or the changing of an existing street, shall record a map or plat of the subdivision with the register of deeds of the county in which the land is located. The map or plat shall be recorded prior to any conveyance of a portion of said land, by reference to ~~said-the~~ map or plat.

(b) The right-of-way of any new street or change in an existing street shall be delineated upon the map or plat with particularity and ~~such-the~~ streets shall be designated to be either public or private. Any street designated on the plat or map as public shall be conclusively presumed to be an offer of dedication to the public of ~~such-the~~ street.

(c) The right-of-way and design of streets designated as public shall be in accordance with the minimum right-of-way and construction standards established by the Board of Transportation for acceptance on the State highway system. If a municipal or county subdivision control ordinance is in effect in the area proposed for subdivision, the map or plat required by this section shall not be recorded by the register of deeds until after it has received final plat approval by the municipality or county, and until after it has received a certificate of approval by the Division of Highways as ~~herein-provided~~ in this section as to those streets regulated in subsection (g). The certificate of approval may be issued by a district engineer of the Division of Highways of the Department of Transportation.



(c1) Notwithstanding anything to the contrary in this section, the Division of Highways shall accept a performance guarantee as provided under G.S. 160D-804.1 to ensure completion of streets that are required by a municipal or county subdivision control ordinance. On receipt of the performance guarantee, the Division of Highways shall issue a certificate of approval to the municipality or county as to those streets.

(d) The right-of-way and construction plans for ~~such~~the public streets in residential subdivisions, including plans for street drainage, shall be submitted to the Division of Highways for review and approval, prior to the recording of the subdivision plat in the office of the register of deeds. The plat or map required by this section shall not be recorded by the register of deeds without a certification pursuant to G.S. 47-30.2 and, if determined to be necessary by the Review Officer, a certificate of approval by the Division of Highways of the plans for the public street as being in accordance with the minimum standards of the Board of Transportation for acceptance of the subdivision street on the State highway system for maintenance. The Review Officer shall not certify a map or plat subject to this section unless the new streets or changes in existing streets are designated either public or private. The certificate of approval shall not be deemed an acceptance of the dedication of the streets on the subdivision plat or map. Final acceptance by the Division of Highways of the public streets and placing them on the State highway system for maintenance shall be conclusive proof that the streets have been constructed according to the minimum standards of the Board of Transportation. The Board of Transportation must approve the addition of subdivision street improvements designated as public to the State highway system for maintenance pursuant to this subsection within 90 days after the Department of Transportation receives a petition for road addition and the Department determines those subdivision streets meet the minimum standards of the Board of Transportation.

...."

## **LIMIT CURB CUT REGULATIONS**

**SECTION 19.** G.S. 160A-307 reads as rewritten:

### **"§ 160A-307. Curb cut regulations.**

(a) ~~A~~Except as expressly permitted by Chapter 160D of the General Statutes, a city may not regulate by ordinance regulate the size, location, direction of traffic flow, and manner of construction of driveway connections into any street or alley. ~~The~~To the extent allowed by Chapter 160D of the General Statutes, the ordinance may require the construction or reimbursement of the cost of construction and public dedication of medians, acceleration and deceleration lanes, and traffic storage lanes for driveway connections into any street or alley if all of the following apply:

- (1) The city has shown through substantial evidence the need for ~~such~~the improvements is reasonably attributable to the traffic using the driveway.
- (2) The city has shown through substantial evidence the improvements serve the traffic of the driveway.

(b) No street or alley under the control of the Department of Transportation may be improved without the consent of the Department of Transportation. A city shall not require the applicant to acquire right-of-way from property not owned by the applicant. However, an applicant may voluntarily agree to acquire such right-of-way.

(c) For purposes of this section, "substantial evidence" means facts and information, other than mere personal preferences or speculation, that a reasonable person would accept in support of a conclusion.

## **PROVIDE FOR RESERVATION OF WATER AND SEWER CAPACITY FOR PROPOSED DEVELOPMENT**

**SECTION 20.(a)** Article 11 of Chapter 162A of the General Statutes is amended by adding a new section to read:

**"§ 162A-901. Reservation of water and sewer capacity for proposed development.**

(a) On receiving a completed application for service commitment to a proposed development, a public water system, public sewer system, or public water and sewer system serving the site for the proposed development shall respond within 30 days as to whether the public system has capacity to serve the proposed development. For the purposes of this section, "proposed development" means a project for which a complete development application is submitted and that has received, or there is pending, required development approval under Chapter 160D of the General Statutes.

(b) Reservation of capacity in a public system shall be provided only to applicants with an active application for development approval under Chapter 160D of the General Statutes. A local government or public authority shall not reserve capacity in a public system for any speculative or future development or general purpose not associated with a specific proposed development.

(c) Unless the public system does not have capacity to serve the proposed development or is under a moratorium precluding expansion imposed under G.S. 160D-107 or by a State agency, a public system shall reserve the necessary capacity for the proposed development for 24 months from the date of the completed application for service commitment. If the public system lacks sufficient capacity to serve a proposed development, the public system shall, within 90 days of notice of reservation denial to the applicant, prepare a plan for expansion of the public system capacity. The plan shall include the estimated time line, funding sources, and steps necessary to implement the plan to expand the public system capacity.

(d) Upon costs associated with the proposed development having been incurred by the applicant in reliance on the public system capacity reservation, neither the public system nor a local government shall deny access to the public system in which capacity is reserved for the proposed development during the 24-month period. After the initial 24-month period, the public system shall extend the reservation of capacity until the construction of the proposed development is completed provided (i) the development application remains active or (ii) work on the development project has commenced and continues under a valid development permit.

(e) No less than 90 days prior the end of the initial 24-month reservation period, the public system shall notify the development applicant that the reservation of capacity will expire."

**SECTION 20.(b)** For applicants that, on or after July 1, 2020, received a service commitment from a public water system, public sewer system, or public water and sewer system confirming availability of capacity for the applicant's development project, but whose capacity needs have not been provided, the system shall reserve, allocate, and provide those applicants with the capacity assured in the system's service commitment in the chronological order that the service commitment was issued before the system reserves, allocates, or provides capacity to another applicant.

**ALLOW PACKAGE PLANT WASTEWATER TREATMENT SYSTEMS**

**SECTION 21.** Article 11 of Chapter 130A of the General Statutes is amended by adding a new section to read:

**"§ 130A-343.5. Wastewater systems for property within service area of a public or community wastewater system.**

(a) Notwithstanding G.S. 130A-55(16), 153A-284, 160A-317, 162A-6(a)(14d), and 162A-14(2), a property owner may install a wastewater system in accordance with this Article to serve any undeveloped or unimproved property located so as to be served by a public or community wastewater system.

(b) Notwithstanding G.S. 130A-55(16), 153A-284, 160A-317, 162A-6(a)(14d), and 162A-14(2), a property owner of developed or improved property located so as to be served by a public or community wastewater system may install a wastewater system in accordance with this Article if the public or community wastewater system has not yet installed sewer lines

1 directly available to the property or otherwise cannot provide wastewater service to the property  
2 at the time the property owner desires wastewater service.

3 (c) Upon compliance with this Article, the property owner installing a wastewater system  
4 pursuant to subsection (a) or (b) of this section shall not be required to connect to the public or  
5 community wastewater system for so long as the wastewater system installed in accordance with  
6 this Article remains compliant and in use. A property owner may opt to connect to the public or  
7 community wastewater system if the property owner so desires.

8 (d) Nothing in this section shall require a property owner to install a wastewater system  
9 in accordance with this Article if the property is located so as to be served by a public or  
10 community wastewater system and the public or community wastewater system is willing to  
11 provide wastewater service to the property.

12 (e) This section shall not apply, and a public or community wastewater system may  
13 mandate connection to that public or community wastewater system, in any of the following  
14 situations:

15 (1) The wastewater system in accordance with this Article serving the property  
16 has failed and cannot be repaired.

17 (2) The public authority or unit of government operating the public water system  
18 is being assisted by the Local Government Commission.

19 (3) The public authority or unit of government operating the public or community  
20 wastewater system is in the process of expanding or repairing the public or  
21 community wastewater system and is actively making progress to having  
22 wastewater lines installed directly available to provide wastewater service to  
23 that property within the 24 months of the time the property owner applies for  
24 a permit under this Article."

## 25 **SEVERABILITY CLAUSE AND EFFECTIVE DATE**

26 **SECTION 22.(a)** If any provision of this act or the application thereof to any person  
27 or circumstances is held invalid, such invalidity shall not affect other provisions or applications  
28 of this act that can be given effect without the invalid provision or application and, to this end,  
29 the provisions of this act are declared to be severable.

30 **SECTION 22.(b)** Except as otherwise provided, this act is effective when it becomes  
31 law.  
32

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

FILED SENATE  
Mar 25, 2025  
S.B. 688  
PRINCIPAL CLERK

S

D

SENATE BILL DRS45298-TQ-20

Short Title: Local Government Land Use Reform. (Public)

Sponsors: Senator Jarvis (Primary Sponsor).

Referred to:

A BILL TO BE ENTITLED  
AN ACT TO AMEND LOCAL GOVERNMENT PLANNING AND DEVELOPMENT LAWS.  
The General Assembly of North Carolina enacts:

**SECTION 1.(a)** G.S. 160D-101 reads as rewritten:

**"§ 160D-101. Application.**

(a) The provisions of this Article shall apply to all development regulations and programs adopted pursuant to this Chapter or applicable or related local acts. To the extent there are contrary provisions in local charters or acts, G.S. 160D-111 is applicable unless this Chapter expressly provides otherwise. The provisions of this Article also apply to any other local ordinance that substantially affects land use and development.

(b) The provisions of this Article are supplemental to specific provisions included in other Articles of this Chapter. To the extent there are conflicts between the provisions of this Article and the provisions of other Articles of this Chapter, the more specific provisions shall control.

(c) Local governments may also apply any of the definitions and procedures authorized by this Chapter to any ordinance that does not substantially affect land use and development adopted under the general police power of cities and counties, Article 8 of Chapter 160A of the General Statutes and Article 6 of Chapter 153A of the General Statutes respectively, and may employ any organizational structure, board, commission, or staffing arrangement authorized by this Chapter to any or all aspects of those ordinances.

~~(d) This Chapter does not expand, diminish, or alter the scope of authority for planning and development regulation authorized by other Chapters of the General Statutes.~~

(e) A local government may not exercise planning, zoning, or development regulation authority except as expressly authorized by statute."

**SECTION 1.(b)** This section becomes effective January 1, 2026. Any local government ordinance in effect on, or adopted subsequent to, that date that is inconsistent with this section is void and unenforceable.

**SECTION 2.(a)** G.S. 160D-702 reads as rewritten:

**"§ 160D-702. (Effective January 1, 2025) Grant of power.**

(a) A local government may adopt zoning regulations. Except as provided in subsections (b) and (c) of this section, a zoning regulation may regulate and restrict the height, number of stories, and size of buildings and other structures; the percentage of lots that may be occupied; the size of yards, courts, and other open spaces; the density of population; the location and use of buildings, structures, and land. A local government may regulate development, including floating homes, over estuarine waters and over lands covered by navigable waters owned by the State pursuant to G.S. 146-12. A zoning regulation shall provide density credits or severable



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development rights for dedicated rights-of-way pursuant to G.S. 136-66.10 or G.S. 136-66.11. Where appropriate, a zoning regulation may include requirements that street and utility rights-of-way be dedicated to the public, that provision be made of recreational space and facilities, and that performance guarantees be provided, all to the same extent and with the same limitations as provided for in G.S. 160D-804 and G.S. 160D-804.1.

(b) Any regulation relating to building design elements adopted under this Chapter may not be applied to any structures subject to regulation under the North Carolina Residential Code except under one or more of the following circumstances:

- (1) The structures are located in an area designated as a local historic district pursuant to Part 4 of Article 9 of this Chapter.
- (2) The structures are located in an area designated as a historic district on the National Register of Historic Places.
- (3) The structures are individually designated as local, State, or national historic landmarks.
- (4) The regulations are directly and substantially related to the requirements of applicable safety codes adopted under G.S. 143-138.
- (5) Where the regulations are applied to manufactured housing in a manner consistent with G.S. 160D-908 and federal law.
- (6) Where the regulations are adopted as a condition of participation in the National Flood Insurance Program.

~~Regulations~~ Except as expressly provided in G.S. 160D-703(b), ~~regulations prohibited by this subsection may not be applied, directly or indirectly, in any zoning district or conditional district unless voluntarily consented to by the owners of all the property to which those regulations may be applied as part of and in the course of the process of seeking and obtaining a zoning amendment or a zoning, subdivision, or development approval, district nor may any such the regulations be applied indirectly as part of a review pursuant to G.S. 160D-604 or G.S. 160D-605 of any proposed zoning amendment for consistency with an adopted comprehensive plan or other applicable officially adopted plan.~~

For the purposes of this subsection, the phrase "building design elements" means exterior building color; type or style of exterior cladding material; style or materials of roof structures or porches; exterior nonstructural architectural ornamentation; location or architectural styling of windows and doors, including garage doors; the number and types of rooms; and the interior layout of rooms. The phrase "building design elements" does not include any of the following: (i) the height, bulk, orientation, or location of a structure on a zoning lot, (ii) the use of buffering or screening to minimize visual impacts, to mitigate the impacts of light and noise, or to protect the privacy of neighbors, or (iii) regulations adopted pursuant to this Article governing the permitted uses of land or structures subject to the North Carolina Residential Code.

Nothing in this subsection affects the validity or enforceability of private covenants or other contractual agreements among property owners relating to building design elements.

(c) A zoning or other development regulation shall not do any of the following:

- (1) Set a minimum width, length, or square footage of any structures subject to regulation under the North Carolina Residential Code.
- (2) ~~Require a parking space to be larger than 9 feet wide by 20 feet long unless the parking space is designated for handicap, parallel, or diagonal parking.~~ Set parking or parking space requirements or allocations except as required by the Americans with Disabilities Act.
- (3) Require additional fire apparatus access roads into developments of one- or two-family dwellings that are not in compliance with the required number of fire apparatus access roads into developments of one- or two-family dwellings set forth in the Fire Code of the North Carolina Residential Code for One- and Two-Family Dwellings.

(4) Except as provided under G.S. 136-18(29) and G.S. 160A-307, set a minimum width, length, or square footage for driveways within a development unless the driveway abuts a public road. A "public road" means any road, street, highway, thoroughfare, or other way of passage that is owned and maintained by a city or the Department of Transportation.

(5) Set design standards for roads within a development in excess of those required by the Department of Transportation, unless the city agrees to accept ownership and maintenance responsibility for the road prior to or in conjunction with site plan approval. Confirmation of conformity of the improvements consistent with local government design specifications, regulations, or ordinances under this section shall be conducted consistent with G.S. 160D-804.1(1c). Upon confirmation that the improvements have been made consistent with G.S. 160D-804.1(1c), the city shall record with the register of deeds a plat evincing ownership of the road by the city.

(d) A zoning regulation or other development regulation adopted by a city with a population of 150,000 or more shall permit by right or by special use the siting of no fewer than five dwellings subject to regulation under the North Carolina Residential Code per acre in areas zoned for residential use.

(e) A zoning regulation or other development regulation adopted by a city with a population of 149,999 or less shall permit by right or by special use the siting of no fewer than four dwellings subject to regulation under the North Carolina Residential Code per acre in areas zoned for residential use.

(f) Subsections (d) and (e) of this section shall not apply to property used for a bona fide farm purpose as described in G.S. 160D-903 or an open space use as defined in G.S. 160D-1307.

(g) A local government shall follow quasi-judicial procedures in adopting a zoning or other development regulation authorized under this section."

**SECTION 2.(b)** This section becomes effective July 1, 2025. Any local government ordinance in effect on, or adopted subsequent to, that date that is inconsistent with this section is void and unenforceable.

**SECTION 3.** G.S. 160D-703 reads as rewritten:

**"§ 160D-703. Zoning districts.**

(a) Types of Zoning Districts. – A local government may divide its territorial jurisdiction into zoning districts of any number, shape, and area deemed best suited to carry out the purposes of this Article. Within those districts, it may regulate and restrict the erection, construction, reconstruction, alteration, repair, or use of buildings, structures, or land. Zoning districts may include, but are not be limited to, the following:

(1) Conventional districts, in which a variety of uses are allowed as permitted uses or uses by right and that may also include uses permitted only with a special use permit.

(2) Conditional districts, in which site plans or individualized development conditions are imposed.

(3) Form-based districts, or development form controls, that address the physical form, mass, and density of structures, public spaces, and streetscapes.

(4) Overlay districts, in which different requirements are imposed on certain properties within one or more underlying conventional, conditional, or form-based districts.

(5) Districts allowed by charter.

(b) Conditional Districts. – Property may be placed in a conditional district only in response to a petition by all owners of the property to be included. Specific conditions may be proposed by the petitioner or the local government or its agencies, but only those conditions approved by the local government and consented to by the petitioner in writing may be

1 incorporated into the zoning regulations. ~~Unless consented to by the petitioner in~~  
2 ~~writing, Notwithstanding any other provision of law,~~ in the exercise of the authority granted by  
3 this section, a local government may not (i) require, enforce, or incorporate into the zoning  
4 ~~regulations any condition or requirement not authorized by otherwise applicable law, regulations,~~  
5 ~~or require as a condition of approval of any site plan, development agreement, conditional zoning~~  
6 ~~permit, or any other instrument any condition, requirement, or deed restriction not specifically~~  
7 ~~authorized by law, or any condition or requirement that the courts have held to be unenforceable~~  
8 ~~if imposed directly by the local government, or (ii) accept any offer by the petitioner to consent~~  
9 ~~to any condition not specifically authorized by law, including, without limitation, taxes, impact~~  
10 fees, building design elements within the scope of G.S. 160D-702(b), driveway-related  
11 improvements in excess of those allowed in G.S. 136-18(29) and G.S. 160A-307, or other  
12 unauthorized limitations on the development or use of land. Conditions and site-specific  
13 standards imposed in a conditional district shall be limited to those that address the conformance  
14 of the development and use of the site to local government ordinances, plans adopted pursuant  
15 to G.S. 160D-501, or the impacts reasonably expected to be generated by the development or use  
16 of the site. The zoning regulation may provide that defined minor modifications in conditional  
17 district standards that do not involve a change in uses permitted or the density of overall  
18 development permitted may be reviewed and approved administratively. Any other modification  
19 of the conditions and standards in a conditional district shall follow the same process for approval  
20 as are applicable to zoning map amendments. If multiple parcels of land are subject to a  
21 conditional zoning, the owners of individual parcels may apply for modification of the conditions  
22 so long as the modification would not result in other properties failing to meet the terms of the  
23 conditions. Any modifications approved apply only to those properties whose owners petition  
24 for the modification.

25 (b1) Limitations. – For parcels where multifamily structures are an allowable use, a local  
26 government may not impose a harmony requirement for permit approval if the development  
27 contains affordable housing units for families or individuals with incomes below eighty percent  
28 (80%) of the area median income.

29 (c) Uniformity Within Districts. – Except as authorized by the foregoing, all regulations  
30 shall be uniform for each class or kind of building throughout each district but the regulations in  
31 one district may differ from those in other districts.

32 (d) Standards Applicable Regardless of District. – A zoning regulation or unified  
33 development ordinance may also include development standards that apply uniformly  
34 jurisdiction-wide rather than being applicable only in particular zoning districts.

35 (e) A local government shall follow quasi-judicial procedures in adopting a zoning or  
36 other development regulation authorized under this section."

37 **SECTION 4.** G.S. 160D-406 reads as rewritten:

38 **"§ 160D-406. Quasi-judicial procedure.**

39 (a) Process Required. – Boards shall follow quasi-judicial procedures in determining  
40 appeals of administrative decisions, special use permits, conditional use permits, certificates of  
41 appropriateness, variances, or any other quasi-judicial decision.

42 ...."

43 **SECTION 5.** G.S. 6-21.7 reads as rewritten:

44 **"§ 6-21.7. Attorneys' fees; ~~cities or counties~~ cities, counties, or local elected officials acting**  
45 **outside the scope of their authority.**

46 (a) In any action in which a city or county is a party, upon a finding by the court that the  
47 city or county violated a statute or case law setting forth unambiguous limits on its  
48 ~~authority, authority or that its action was arbitrary and capricious,~~ the court shall award reasonable  
49 attorneys' fees and costs to the party who successfully challenged the city's or county's action. In  
50 any action in which a city or county is a party, upon finding by the court that the city or county  
51 took action inconsistent with, or in violation of, G.S. 160D-108(b) or G.S. 143-755, or that its

1 action was arbitrary and capricious, the court shall award reasonable attorneys' fees and costs to  
2 the party who successfully challenged the local government's failure to comply with any of those  
3 provisions. In all other matters, the court may award reasonable attorneys' fees and costs to the  
4 prevailing private litigant. For purposes of this section, "unambiguous" means that the limits of  
5 authority are not reasonably susceptible to multiple constructions.

6 (b) In any action in which any county commissioner, alderman, councilman, or other  
7 local elected official is a party, upon a finding by the court that the commissioner, alderman,  
8 councilman, or other local elected official's individual act was fraudulent, unlawful, arbitrary and  
9 capricious, beyond the scope of his or her statutory authority, or malicious or corrupt, may be  
10 held personally liable for an injury or damage resulting from the act and reasonable attorneys'  
11 fees shall be awarded by the court to a party who successfully challenged the act of the  
12 commissioner, alderman, councilman, or other local elected official. Where the court finds that  
13 the commissioner, alderman, councilman, or other local elected official's act was fraudulent,  
14 unlawful, arbitrary and capricious, beyond the scope of his or her statutory authority, or malicious  
15 or corrupt, the defenses of public official immunity, legislative immunity and judicial immunity  
16 are waived. A commissioner, alderman, councilman, or other local elected official shall not be  
17 personally liable in damages or otherwise for an unlawful act of an officer or employee of the  
18 city or county, unless the act is committed by the authority of the commissioner, alderman,  
19 councilman, or other local elected official, or he or she has notice or knowledge thereof, or unless  
20 the act is committed under circumstances which would cause, or would have caused, a reasonably  
21 prudent person to have knowledge of the act."

22 **SECTION 6.** G.S. 160A-307 reads as rewritten:

23 **"§ 160A-307. Curb cut regulations.**

24 (a) ~~A-Except as expressly permitted by Chapter 160D of the General Statutes, a city may~~  
25 ~~not regulate~~ by ordinance ~~regulate~~ the size, location, direction of traffic flow, and manner of  
26 construction of driveway connections into any street or alley. ~~The~~ To the extent allowed by  
27 Chapter 160D of the General Statutes, the ordinance may require the construction or  
28 reimbursement of the cost of construction and public dedication of medians, acceleration and  
29 deceleration lanes, and traffic storage lanes for driveway connections into any street or alley if  
30 all of the following apply:

- 31 (1) The city has shown through substantial evidence the need for such the  
32 improvements is reasonably attributable to the traffic using the driveway.  
33 (2) The city has shown through substantial evidence the improvements serve the  
34 traffic of the driveway.

35 (b) No street or alley under the control of the Department of Transportation may be  
36 improved without the consent of the Department of Transportation. A city shall not require the  
37 applicant to acquire right-of-way from property not owned by the applicant. However, an  
38 applicant may voluntarily agree to acquire such right-of-way."

39 **SECTION 7.** G.S. 160D-1403.1 reads as rewritten:

40 **"§ 160D-1403.1. Civil action for declaratory relief, injunctive relief, other remedies; joinder**  
41 **of complaint and petition for writ of certiorari in certain cases.**

42 (a) Civil Action. – Except as otherwise provided in this section for claims involving  
43 questions of interpretation, in lieu of any remedies available under G.S. 160D-405 or  
44 G.S. 160D-108(h), a person with standing, as defined in subsection (b) of this section, may bring  
45 an original civil action seeking declaratory relief, injunctive relief, damages, or any other  
46 remedies provided by law or equity, in superior court or federal court to challenge the  
47 enforceability, validity, or effect of a local land development regulation for any of the following  
48 claims:

- 49 (1) The ordinance, either on its face or as applied, is unconstitutional.  
50 (2) The ordinance, either on its face or as applied, is ultra vires, preempted, or  
51 otherwise in excess of statutory ~~authority~~ authority or jurisdiction.



- 1 (3) The ordinance, either on its face or as applied, constitutes a taking of property.  
2 (4) The decision of a local government or local government official made  
3 pursuant to a local government's authority under G.S. 160D-702,  
4 G.S. 160D-703, or both, is ultra vires, preempted, in excess of its statutory  
5 authority or jurisdiction, made upon unlawful procedure, made in error of law,  
6 arbitrary and capricious, or an abuse of discretion.

7 If the decision being challenged is from an administrative official charged with enforcement  
8 of a local land development regulation, the party with standing must first bring any claim that the  
9 ordinance was erroneously interpreted to the applicable board of adjustment pursuant to  
10 G.S. 160D-405. An adverse ruling from the board of adjustment may then be challenged in an  
11 action brought pursuant to this subsection with the court hearing the matter de novo together with  
12 any of the claims listed in this subsection.

13 (b) Standing. – Any of the following criteria provide standing to bring an action under  
14 this section:

- 15 (1) The person has an ownership, leasehold, or easement interest in, or possesses  
16 an option or contract to purchase the property that is the subject matter of a  
17 final and binding decision made by an administrative official charged with  
18 applying or enforcing a land development regulation.  
19 (2) The person was a development permit applicant before the decision-making  
20 board whose decision is being challenged.  
21 (3) The person was a development permit applicant who is aggrieved by a final  
22 and binding decision of an administrative official charged with applying or  
23 enforcing a land development regulation.  
24 (4) An association, organization, society, or entity whose membership is  
25 comprised of an individual or entity identified in subdivisions (1) through (3)  
26 of this subsection.

27 ...."

28 **SECTION 8.** Article 14 of Chapter 160D of the General Statutes is amended by  
29 adding a new section to read:

30 **"§ 160D-1403.3. Private remedies.**

31 In addition to any other remedy otherwise provided by law, any person injured by a violation  
32 of this Chapter may bring a civil action and recover damages, costs, and disbursements, including  
33 costs of investigation and reasonable attorney's fees, and receive other equitable relief as  
34 determined by the court."

35 **SECTION 9.** Except as otherwise provided, this act becomes effective January 1,  
36 2026.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

FILED SENATE  
Mar 25, 2025  
S.B. 713  
PRINCIPAL CLERK

S

D

SENATE BILL DRS15264-RI-8

Short Title: Limit Local Gov't Environmental Rqmt's. (Public)

Sponsors: Senators Jarvis, Moffitt, and McInnis (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO LIMIT LOCAL GOVERNMENT AUTHORITY TO REGULATE  
3 ENVIRONMENTAL MATTERS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Part 1 of Article 7 of Chapter 143B of the General Statutes is amended  
6 by adding a new section to read:

7 "**§ 143B-279.30. Limitation on regulation of environmental matters by units of local**  
8 **government.**

9 (a) No unit of local government, as that term is defined by G.S. 159-44, may enact, adopt,  
10 implement, or enforce any ordinance, rule, regulation, or policy for the protection of the  
11 environment or natural resources that imposes a more restrictive standard or limitation than those  
12 imposed by State or federal law, unless otherwise specifically directed by the General Assembly.

13 (b) Nothing in this section shall be construed to prohibit a unit of local government from  
14 adopting, implementing, and enforcing requirements necessary to comply with federal or State  
15 law or a condition of a permit, certificate, or other approval issued by a federal or State agency,  
16 provided such requirement does not exceed the scope of the authority expressly granted.

17 (c) The limitation established by this section shall not be construed to apply to any  
18 ordinance, rule, regulation, or policy adopted by a unit of local where the regulations are adopted  
19 as a condition of participation in the National Flood Insurance Program."

20 **SECTION 2.** This act is effective when it becomes law. Each unit of local  
21 government shall review and amend its ordinances, rules, regulations, and policies to ensure  
22 compliance with G.S. 143B-279.30, as enacted by Section 1 of this act, by December 1, 2025,  
23 after which date any non-compliant provisions remaining shall be null and void.



# UPDATE ON 2025 PLANNING RELATED LEGISLATION

Carrboro Town Council - April 15, 2025



TOWN OF CARRBORO • NC

# Overview – Proposed NC Legislation

House Bills	Senate Bills
HB9 Firearm Discharge/Preempt Local Ordinance	SB291 Regulation of Short-Term Rentals
HB24 Restore Down-Zoning Authority	SB413 Eliminate ETJ Overlap
HB372 Home-Based Business Fairness Act	SB419 Restore Down-Zoning Authority
HB369 Parking Lot Reform and Modernization	SB493 Land Use Clarification and Changes
HB627 Regulation of Accessory Dwelling Units	SB495 Regulation of Accessory Dwelling Units
HB661 Building Industry Efficiency Act	SB497 Expand Middle Housing
<b>HB765 Local Government Development Regulations Omnibus</b>	SB499 Allow Housing Near Jobs
	SB587 Clarify Nonconforming Uses
	<b>SB688 Local Government Land Use Reform</b>
	<b>SB713 Limit Local Government Environmental Requirements</b>
	SB736 Foundation Act: Building NC's Housing Future
	SB758 Water & Sewer Allocation Reforms

# HB765 Local Government Development Regs Omnibus

- **Fiscal Note Requirement (Sec. 1)**

- Fiscal notes required for ordinances affecting single-family housing costs.
- Must cover 5 fiscal years, use median-priced home data, and be available 5+ days in advance.
- Civil action allowed if not prepared.

- **Jurisdiction Rule Choice (Sec. 5)**

- Application of development rules when property crosses boundary lines and water/sewer service.

- **Review Timelines (Sec. 8)**

- 14 days to deem amendment (text/map) applications complete/deficient.
- 90-day max to decide on rezonings/site plans—automatic approval if deadline missed.

# HB765 Local Government Development Regs Omnibus

- **Grant of Power Limitations (Sec. 9)**

- Prohibits local governments from:
  - Applying certain conditions based on voluntary consent such as single-family residential design standards.
  - Setting minimum width or length for structure.
  - Establishing driveway dimensions or parking requirements/dimensions (except ADA).
  - Requiring sidewalk installation for commercial or school property unless it connects to an existing or planned sidewalk (within 2 years).
  - Enforcing road standards stricter than NCDOT (unless city maintains the road).

- **Zoning Based on Density (Sec. 10)**

- Zoning must be based on density, not lot size.
- Cities (pop. 20,000–124,999) must allow  $\geq 5$  units/acre in every zoning district.
- Local governments cannot add conditions to approvals unless specifically authorized by law.
- Density yield must use full parcel size—no deductions for buffers, streets, open space, etc.

# HB765 Local Government Development Regs Omnibus

- **Expanded Range of Decisions Available for Challenge via Civil Action (Sec. 15)**
  - Broadens standing to associations with qualifying members.
  - Defines "local governmental official" as elected, appointed board members, or administrative staff.
- **Private Remedies Expansion (Sec. 16)**
  - Expands rights for individuals to pursue private legal remedies for violations of Chapter 160D.
- **Increased Liability for Local Officials (Sec. 17)**
  - Personal Civil Liability if officials:
    - Violate due process.
    - Use outside evidence in quasi-judicial decisions.
    - Act with malice, arbitrariness, capriciousness, or unlawfulness.
  - Courts may award punitive damages; courts must award attorney fees to successful plaintiffs under 160D-1406.
  - Local governments cannot regulate development through general ordinance-making power alone.

# HB765 Local Government Development Regs Omnibus

- **Driveway Regulation Restrictions (Sec. 19)**
  - Cities cannot regulate driveway size, location, traffic flow, or construction methods of driveway connections.
  - Cities may only require medians or turning lanes if they show substantial evidence of need.
- **Water & Sewer Capacity Reservations (Sec. 20a)**
  - Prohibits reserving water/sewer capacity for speculative or future development (OWASA).
- **On-Site Wastewater Systems (Sec. 21)**
  - Allows landowners to install package plant wastewater systems even within public sewer service areas (OC Environmental Health).
  - Landowners cannot be forced to connect to public sewer unless their system fails.



# SB688 Local Government Land Use Reform

- **Application of Chapter 160D (Sec. 1)**
  - Limits local government land use authority solely to that expressly authorized in Statutes.
- **Grant of Zoning Power (Sec. 2)**
  - **Restrictions on local government powers:**
    - (b) Local regulations (including conditional districts) cannot impose building design standards on residential structures.
    - (c) Prohibits regulations that:
      - Set minimum structure dimensions (width, length, square footage)
      - Set parking standards
      - Require fire apparatus access roads
      - Mandate street design standards beyond NCDOT's (unless locally maintained)
    - (e) Cities with a population of 149,000 or less must allow at least 4 dwelling units per acre by-right or by special use permit (SUP).

# SB688 Local Government Land Use Reform

## Zoning Districts (Sec. 3)

- **Recognizes zoning districts as:**
  - Conventional, Conditional, Form-Based, Overlay, or as authorized by charter.
- **(b) Conditional Districts:**
  - Prohibits any conditions deemed unenforceable by courts, even if voluntarily offered by a developer.
- **(b1) Limitations:**
  - No requirement for developments to be “in harmony” with surroundings if affordable housing is included (serving <80% Area Median Income).
- **(c) Uniformity Clause:**
  - All zoning regulations must be uniform for each class of building in the same district.
- **(e) Process:**
  - Adoption of zoning or development regulation must follow quasi-judicial procedures.

# SB688 Local Government Land Use Reform

## Attorneys' Fees & Personal Liability (Sec. 5)

- **Courts may award attorneys' fees if local officials:**
  - Act inconsistently with or violate G.S. 160D-108(b) or G.S. 143-755
  - Engage in actions that are arbitrary, capricious, unlawful, or outside statutory authority
- **Personal liability applies to elected officials** (e.g., commissioners, aldermen, councilmembers) if their conduct is found to be fraudulent, malicious, corrupt, or beyond authority.

## Driveway Regulation Limits (Sec. 6)

- Cities may not regulate the size, traffic flow direction, or construction method of driveway connections, except as expressly allowed under Chapter 160D.

## Civil Action for Local Government Decisions (Sec. 7)

- Allows individuals/entities to seek judicial review of local government or official decisions.
- Provides options for declaratory relief, injunctive relief, or other remedies.
- Ensures legal recourse if local decisions are challenged.

# SB713 Limit Local Government Environmental Rqmt's

## **Limitation on regulation of environmental matters by units of local government. (Sec. 1)**

- (a) No unit of local government, as that term is defined by G.S. 159-44, may enact, adopt, implement, or enforce any ordinance, rule, regulation, or policy for the protection of the environment or natural resources that imposes a more restrictive standard or limitation than those imposed by State or federal law, unless otherwise specifically directed by the General Assembly.
- (b) Nothing in this section shall be construed to prohibit a unit of local government from adopting, implementing, and enforcing requirements necessary to comply with federal or State law or a condition of a permit, certificate, or other approval issued by a federal or State agency, provided such requirement does not exceed the scope of the authority expressly granted.
- (c) The limitation established by this section shall not be construed to apply to any ordinance, rule, regulation, or policy adopted by a unit of local where the regulations are adopted as a condition of participation in the National Flood Insurance Program."

## **This act is effective when it becomes law. (Sec. 2)**

Each unit of local government shall review and amend its ordinances, rules, regulations, and policies to ensure compliance with G.S. 143B-279.30, as enacted by Section 1 of this act, by December 1, 2025, after which date any non-compliant provisions remaining shall be null and void.

# Questions / Discussion



## Agenda Item Abstract

**File Number:** 25-033

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**Agenda Date:**  
**In Control:** Town Council  
**Version:** 1

**File Type:** Information Item

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Presentation of the Customer Assistance Program from OWASA Representatives

**PURPOSE:** The purpose of this agenda item is for OWASA to present their Customer Water Bill Relief Program.

**DEPARTMENT:** Town Clerk

**COUNCIL DIRECTION:**

☐ Race/Equity ☐ Climate ☐ Comprehensive Plan ☒ Other

Town Council requests an annual update from OWASA.

**INFORMATION:** OWASA Board members will postpone their annual update.

**FISCAL IMPACT:** There is no fiscal or staff impact associated with the Town Council receiving this report.

**RECOMMENDATION:** The Town Clerk recommends that the Town Council receive this presentation from OWASA.



# Water Bill Relief Program Proposal

*A discussion with the Town of Carrboro Town Council*

April 15, 2025



Our community's trusted partner for clean water and environmental protection.

# Strategic Priority: Equitable Services

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- **Goal:** Increase the adequacy and accessibility of customer assistance funding
- **Initiative:** Evaluate and update customer assistance program



**STRATEGIC PLAN**  
2023-2027

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# The Current State of OWASA Bill Affordability

## Water Bill Assistance

### Care to Share

- Supported 84 families in 2024
- Assistance provided: \$18,475
- Significant effort to increase donations and increase households served

### Other

Assistance provided by other entities in 2024:  
\$8,587



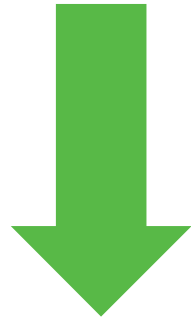
Donate today!



 SCAN ME

# The Current State of OWASA Bill Affordability Disconnections for Non-Payment

598 accounts disconnected for  
non-payment in 2024



Of these, 167 were disconnected for  
non-payment multiple times

# The Current State of OWASA Bill Affordability Rates and Projected Rates

- \$115.55/month for 4,000 gallons
- Requires 15.9 hours at minimum wage (pre-tax)
- 5-year rate increase projected: 42-49% increase



## High-Level Goals for Sustained Water Bill Relief Program



- Provide sustained water bill support to low-income households served by OWASA
- Minimize administrative burden for residents to apply and qualify for sustained water bill assistance, thereby increasing the use of the program

**Proposed Strategy:** Utilize FNS assistance qualification to pre-qualify recipients of water bill relief

# Program Support: Estimated Costs and Customer Impact

Resident Eligibility	FNS-Receiving OWASA Customers	Assistance Provided	Percent of Average \$115.55 Bill Covered (Remaining to Be Paid)	Annual Cost of Program	Cost of Six-Month Program
<b>Qualify for FNS; 55+</b>	87	\$23.11/month	20% (\$92.44)	\$24,127	\$12,064
		\$115.55/month	100% (\$0)	\$120,634	\$60,317
<b>Qualify for FNS</b>	249	\$23.11/month	20% (\$92.44)	\$69,053	\$34,526
		\$115.55/month	100% (\$0)	\$345,263	\$172,632

# Next Steps and Questions



Mary Tiger, Director of Community Relations

(919) 537-4241 | [mtiger@owasa.org](mailto:mtiger@owasa.org)

[www.owasa.org](http://www.owasa.org)



## Agenda Item Abstract

**File Number:** 25-034

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**Agenda Date:** 4/15/2025

**File Type:** Information Item

**In Control:** Town Council

**Version:** 1

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Discussion of Advisory Boards/Commissions Membership Process

**PURPOSE:** The purpose of this item is for the Town Council to have discussion on the advisory boards/commissions membership process related to the following topics:

- consider streamlined process for comparison and integration of current process
- how Council will discuss appointments/reappointments
- maintain the paper ballot for voting or use voice votes
- provide all applications, including board chair recommendations and other supporting documents to Council for considerations of appointments and reappointments
- consider if current members requesting reappointment will need to submit a new application

**DEPARTMENT:** Town Council/Town Clerk

**INFORMATION:** Town Council received the updated advisory boards/commissions membership process from the Town Clerk at the meeting on March 18, 2025.

**RECOMMENDATION:** Town Council will consider and provide direction on the appointment/reappointment process.



# ADVISORY BOARDS MEMBERSHIP PROCESS UPDATE

Town Clerk's Office



# CONSOLIDATION OF ADVISORY BOARDS AND COMMISSIONS

- Board of Adjustment
- Economic Sustainability Commission
- Climate & Environmental Advisory Commission
- Housing & Human Services Advisory Commission
- Planning Board
- Racial Equity Commission
- Recreation, Parks & Cultural Resources Advisory Board
- Stormwater Advisory Commission
- Transportation, Mobility & Greenways Advisory Commission

# VACANCY PROCESS

- Vacancies will be advertised in partnership with the Communication department, through Town-related activities, and other various manners.
- Applications will be received, checked for eligibility, and shared with the liaisons by the Clerk's office.
- New applicants for appointment may be interviewed by liaisons/chairs prior to appointment.
- A list of qualified applicants will be provided to Council for appointment.
- Within the list, appointment recommendations will be provided to Council.
- A board appointment section will be added to Council meeting agendas.

**March 18, 2025**

**Planning Board  
(1 reappointment)  
\*recommendation**

NAME	ADDRESS	EMPLOYER	Terms Served	R/S	Years in Town
*Lamar Joyner	301 W. Main Street Carrboro, NC 27510	Town of Carrboro	1	B/M	6

**Stormwater Advisory Commission  
(2 reappointments)  
\*recommendations**

NAME	ADDRESS	EMPLOYER	REQUIREMENT	Terms Served	R/S	Years in Town
*Dewayne Joyner	301 W. Main Street Carrboro, NC 27510	Town of Carrboro	In-Town or ETJ	2	B/M	40
*Lamar Joyner	301 W. Main Street Carrboro, NC 27510	Town of Carrboro	Special Expertise	1	B/M	10

**Racial Equity Commission  
(1 appointment)  
\*recommendation**

NAME	ADDRESS	EMPLOYER	REQUIREMENT	Terms Served	R/S	Years in Town
* Lamar Joyner	301 W. Main Street Carrboro, NC 27510	Town of Carrboro	Youth	0	B/M	8
Dewayne Joyner	301 W. Main Street Carrboro, NC 27510	Town of Carrboro	Youth	0	B/M	17

# EXAMPLE OF BOARD APPOINTMENT LIST



TOWN OF CARRBORO • NC

# QUESTIONS?

[Advisory Boards & Commissions | Carrboro, NC - Official Website](#)

