

# Western Piedmont Housing Growth Toolkit



*Adopted: May 23, 2023*



# Executive Summary

## The Western Piedmont region must confront a serious housing challenge.

The health of the regional economy relies on a strong local workforce, and a healthy housing market is crucial to providing space for families to live, work, and make contributions to our extraordinary communities.

## Supply Has Not Met Demand

During the prolonged recovery from the Great Recession, there has been a recent resurgence in housing production. However, cost pressures are still intense, and **many families risk being priced out of the area.**

Housing production across the four-county region was robust through the early 2000s, with counties approving an average of 1,500 single-family and 133 multifamily residential permits a year, as well as hundreds of manufactured homes.

That changed in 2008. From 2008 to 2021, the four counties combined approved an average of only 610 single-family home permits per year, and an average of only 36 permits for multifamily residences per year. **Some counties had multiple years in which there was not a single permit approved for multifamily residences.**

## Preferences Are Changing

The average family size in America has shrunk, with 28% of households now consisting of a single person living alone. These households, as well as early-career young professionals and older residents looking to downsize, are seeking additional choices in housing size and type, especially lower-maintenance options closer to cultural amenities.

## Prices Are Soaring

That lack of supply, coupled with high demand from people moving to North Carolina, has led to higher prices and slower growth. According to Canopy MLS Real Estate data, **the median sales price of a home in the region rose from about \$120,000 in 2013 to more than \$250,000 in 2023.**

Only 10% of Residents Say The Region Has Enough Housing



Over 50% of Residents Say Their Community Needs More Affordable Housing



About 37% of Households Who Rent Spend 1/3 of Their Income or More on Housing



About 20% of Homeowner Households Spend 1/3 of Their Income or More on Housing



Data: 2022 Comprehensive Economic Development Strategies Public Survey, 2021 American Community Survey.

# How To Get More Housing? Let The Market Work

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- **Restrictive, complicated, or time-consuming land use regulations** can create bottlenecks in the market, discourage new home construction, and limit the range of options for potential residents.
- This toolkit **takes a market-based approach to housing production** and focuses on how zoning and development codes may be optimized for enabling new housing.
- **A healthy housing market provides choice**, and allows people to find housing that fits their needs.
- **The market is diverse.** Some people want smaller homes. Some want to share space with family. Some want to live near shops and restaurants. Some want lots of land, and some want less.
- A healthy housing market **leads to a strong workforce and a stable, dynamic local economy.**

## Best Practices: Creating High-Quality Housing in Harmony With The Community

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Revising development codes does not mean opening a development “free for all.” Standards should still be robust and tailored to each community, while removing unnecessary barriers to development and affordability. There are standard best practices which should be integrated among all housing types. Some of these, which you will find throughout this document in greater detail, are listed below:

### **Shift Site Reviews to Staff**

Boards and councils should reserve their time for only the largest and most complex projects.

### **Require Connectivity**

New developments should connect to each other and to the existing street network.

### **Manage Parking Efficiently**

On-street parking should be encouraged. Parking minimums should be lowered or eliminated. Parking should be located behind buildings and accessed through alleys.

### **Reduce Minimum Lot Dimensions**

Minimum setbacks, lot sizes and lot widths should be reduced as much as possible.

### **Allow Multifamily By-Right**

Multifamily development should be permitted by right in most or all districts, for all but the largest and most complex projects.

### **Reduce Street Widths**

New roads are often overbuilt for their needs. Allow smaller alley or roads in new developments when feasible.

### **Require Trees and Open Space**

Street trees and open spaces promote health, help the environment and add value.

### **Require Pedestrian Connection**

Ensure pedestrians can access and exit the development safely and easily.

### **Integrate Stormwater Management in the Design**

Stormwater ponds, bioswales and rain gardens should be designed as amenities, not hidden in buffers.

# Welcoming Higher Density

*Housing density is a measurement of how many living units are in a given area. But areas of similar densities may look very different, and densities should have natural transitions.*

## What Does “Units Per Acre Really” Look Like?

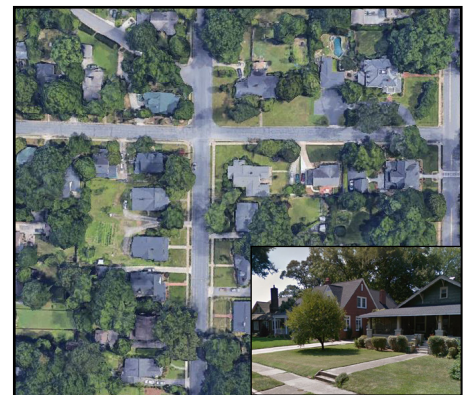
Housing density is often measured in terms of units per acre. A subdivision of single-family homes, each on a quarter-acre lot, would be at a density of four units per acre. A triplex on a half acre lot would have a density of six units per acre, and so on. Not all areas of the same density are the same, however; depending on their design, and how they integrate with the neighborhood, they may feel very different. Higher density means more housing can be generated on a given piece of land. This broadens the market, and opens up more choice for residents.

Each housing type in this toolkit includes a “Density Target” at the top of the page, which gives an estimate of the range of densities which may be expected as a goal for each type. The actual number may vary significantly based on context.

### Density Target



*Hickory - homes at 2 units per acre*



*Hickory - homes at 4 units per acre*



*Morganton - townhomes at 20 units per acre*

## More Units = Better for Taxpayers

Higher density housing leads to more efficient local services, and can help lower overall taxpayer costs.

- **Cost-Savings:** Higher density housing allows the same amount of infrastructure to serve a larger number of people.
- **Environmental Benefits:** Higher density housing allows more land to be conserved as countryside, and protects water supplies and the natural beauty of the area.
- **Increased Revenue:** Higher density housing can increase the tax base, leading to greater revenue and potentially lowering the cost burden per resident while allowing for improved services.

A sudden influx of high-density housing can sometimes strain existing infrastructure, like roads and utility lines, but proper planning can address this risk.



# Densities Across Districts

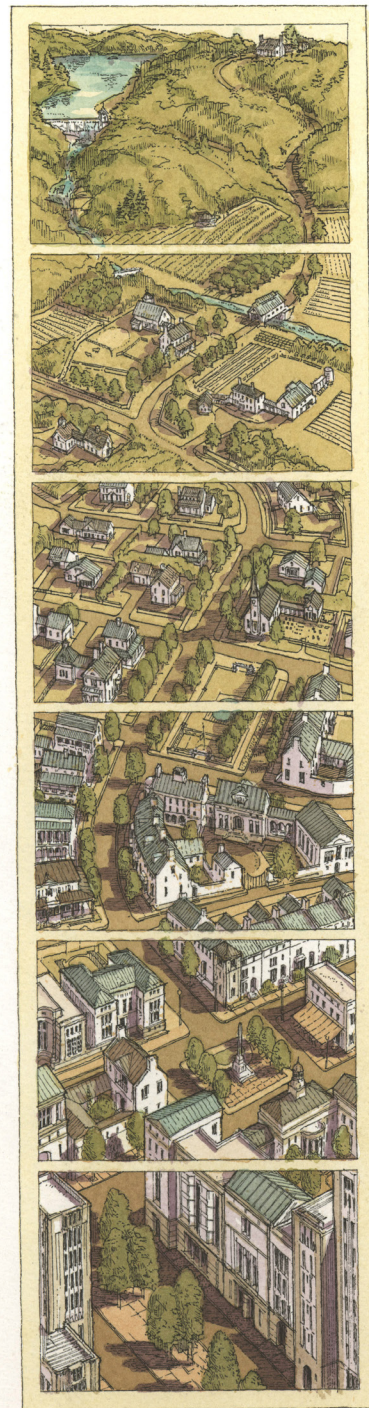
No community will have the same density across its entire planning area – nor should it.

The housing density of a town, city or county will change depending on its context, with areas of higher densities transitioning to slightly lower densities, and then further down to fully rural areas of countryside, forest and farmland.

Usually, the densest areas, which have the highest units per acre and often include the highest concentration of multifamily housing, are located in a central business district or a similarly concentrated area, such as near a hospital or college. As one moves further from this area, densities begin to drop, until the transition is complete into a fully natural landscape.

While browsing the different housing types and tools in this toolkit, consider how the districts in your jurisdiction are arranged, and consider where the different housing types may fit within that range. “Missing middle” housing (types of housing somewhere between the lowest and highest densities) may best be allowed in transition zones or corridor districts, where a natural “step-down” of intensity may occur.

The images on this page illustrate this concept. To the right, we can see how the natural form of a town goes from higher intensity and higher density down to larger lots and farmland, and eventually to a fully rural setting. At the bottom, we can see how this transition applies to different types of housing specifically.



*Illustrations from open-source SmartCode  
and from Opticos Design.*



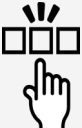




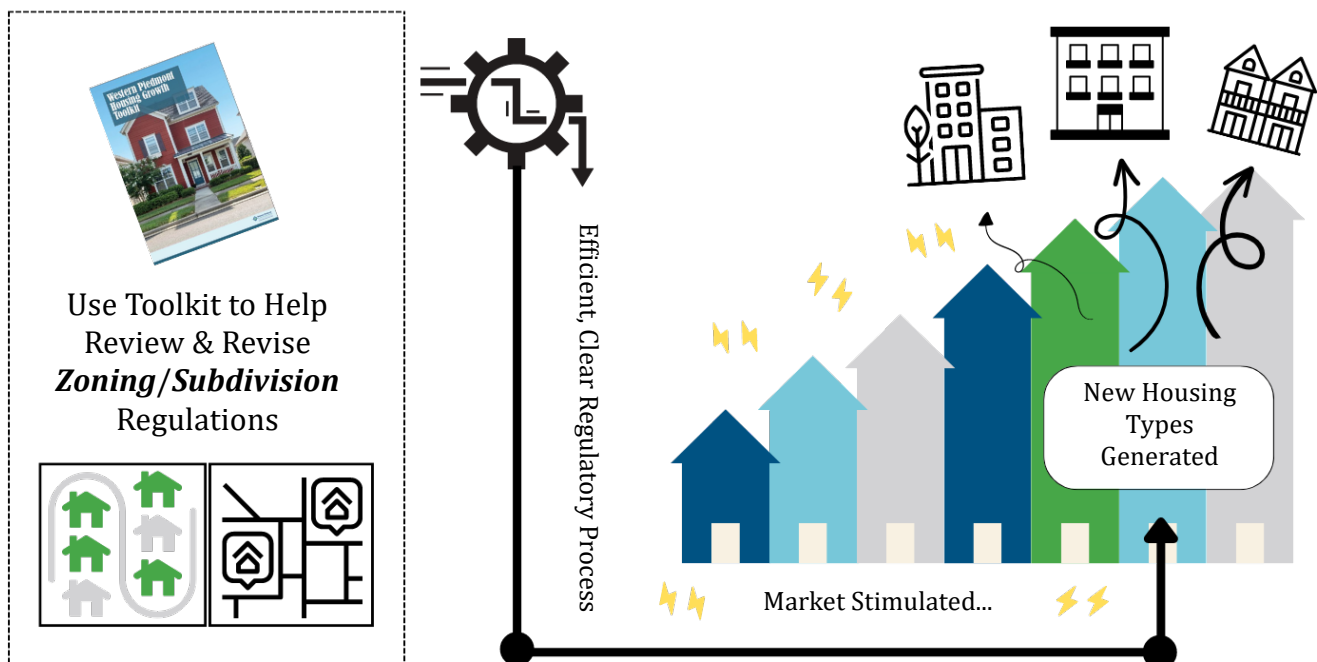
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# How to Use This Toolkit

Use the workflow steps below to integrate the Housing Toolkit with your area's unique context. Neighborhoods and housing mixes vary widely throughout the region, so it is important to align the policy strategies in this document with the particular needs of your area. A combination of staff, citizen groups, and elected and appointed officials should participate in this process.

- **1**  
***Review the Housing Types***  
Read the left page of each type as you work through the document to become familiar with the form and definitions of the various types.
- **2**  
***Survey Neighborhoods***  
Survey local neighborhoods to determine what types of housing they already include.
- **3**  
***Identify Needs***  
Using the insights from your local survey, determine which types are needed and desired in your current districts.
- **4**  
***Review Strategies***  
Go back through the document and review the policy and strategy suggestions.
- **5**  
***Modify and Adopt Codes***  
Modify the policy and strategy suggestions to integrate them into your jurisdiction's zoning and development code, and adopt the changes.





# Contents

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**8. Single-Family**

**18. Low-Rise**

**10. Accessory Dwelling  
Units**

**20. Mid-Rise**

**12. Duplexes**

**22. Townhomes**

**14. Multiplex (3s, 4s, +)**

**24. Live/Work And  
Mixed Use**

**16. Cottage Courts**

**26. Other Concepts**

## Project Scope

There are many factors which can influence the provision of housing in a community. This toolkit is focused on providing information and regulatory best practices which can help stimulate the free market to deliver new housing options. Some topics not included in the scope of this document include:

- **Public housing production:** Direct provision of affordable housing from the public sector, whether through physical construction, public/private partnerships, or through HUD programs, while critically important to serving local residents, is not included as part of this toolkit.
- **Intensive policy programs:** Inclusionary zoning, density bonuses, transfers of development rights (TDR), land banking, and other more intensive policies can be complex undertakings and require their own dedicated study and consideration.
- **Detailed residential subdivision design:** While this toolkit does provide some policy recommendations and strategies for housing types commonly found in residential subdivisions, detailed subdivision design and regulation as a whole is not included.

# Single-Family Detached

Density Target



Single-family detached homes are the most commonly zoned housing type in the United States, and are a vitally important part of this toolkit. Detached homes provide an equity stake for owners and bring important quality-of-life benefits. Houses can still be unnecessarily costly to build, however, because of large lot size and setback regulations, as well as cumbersome review processes.

## Background Briefing

### A variety of home types are needed

A healthy market should create high-quality housing through the mixing of many different housing types. This includes some lower-impact multifamily homes, like duplexes, but it also includes detached single-family homes of varying sizes. Small bungalows, ranches, and two-story homes can all work together to create a vibrant neighborhood.

### Large minimum lot sizes and setbacks increase housing cost

Minimum lot sizes are sometimes necessary in rural areas to allow for enough space for well and septic service. In areas with city services, however, large lot minimums and large setback requirements drive up the cost of housing, as people must purchase more land in order to build and often need to build larger than desired to maximize their investment. While there is benefit to regulating densities in some neighborhoods, using lot size minimums can lead to unintended consequences.

### Tiny homes and modular homes are treated as single-family detached

Modular homes, which are prefabricated dwellings built to state standards, are considered the same as stick-built homes in North Carolina. “Tiny homes” are considered the same as any other single-family home, as long as they are constructed to building code standards. RVs are generally not permitted as permanent dwellings outside of designated campgrounds.



*Homes in this development in Hickory are on compact lots and built close to the street. Garages are accessed through a rear alley.*

### Homes can be owned or rented

In North Carolina, local governments cannot restrict whether homes are rented or owner-occupied.

### Manufactured homes can be included

Manufactured homes (double and single wides) are some of the most affordable housing types available. Local appearance and safety standards can provide guidance for establishing this housing type in neighborhoods, especially for individual units on individual lots.

### Development reviews may need reform

Too many public meetings can cause uncertainty about the approval process, create expectations that local governments possess greater legal authority to approve or deny projects than they do and encourage opposition based on inaccurate perceptions. Instead, effort can be placed into crafting high-quality codes and allowing administrative review.



# Implementation Tools and Strategies

## Reduce or Eliminate Minimum Lot Size

- In areas with sewer and water, eliminate minimum lot size entirely, or reduce it to 6,000 square feet or less.
- In areas without water and sewer, reduce lot size as much as possible while ensuring proper septic and well operation. Remember these are minimums - people will create larger lots.
- Reduce minimum lot widths to 45 feet or less.

## Reduce Setbacks

- Reduce minimum setbacks to 15 feet from the front and 8 feet from the sides, or less.
- Allow side setbacks to be offset, allowing the house to hug one side of the lot, leaving room for a driveway and parking or detached garage.
- Consider build-to lines rather than setbacks in districts with established frontage patterns.

## Reduce Street and Paving Requirements

- Do not require driveways and off-street parking to be permanently paved.
- Do not require family or minor subdivisions to construct the most costly road improvements.
- Encourage alternative parking options, such as shared driveways or group parking lots.

## Revise Subdivision Regulations

- Focus subdivision regulation on lot and street arrangement and design, not density. This puts the focus on livability and functionality, not the sheer number of units.
- Reduce required pavement width to 18 feet for local roads and 28 feet for larger connectors.
- Require connectivity to existing roads (to absorb traffic volume) and construction of road stubs where future expansion is possible.

*Driveways can be shared to lower cost and save space.*

## Target Key Areas for Zoning Changes to Allow More Housing

- Target transition zones between neighborhoods and commercial areas.
- Target districts with lots of vacant/infill opportunity.
- Target districts near key assets like grocery stores, downtowns, schools and major employment centers.

## Focus on Staffing at Key Technical Agencies

- Regional priorities should shift to staffing up technical review positions to eliminate backlogs.
- Hiring priorities should include environmental health, building inspection and public works.

## Reserve Board and Council Review for Truly Large Projects

- Boards should reserve their time for truly large projects of 500+ homes.
- Remove public hearing requirements for all but the largest projects.
- Shift board decisions to a legislative rather than quasi-judicial process.
- Focus on tailoring zoning and subdivision codes, and allow staff to administer and issue approvals.
- Planned Unit Developments can be reviewed and approved by staff, as long as the project meets ordinance standards.
- Assign all technical plat review to staff, as plats should match construction drawings.



# Accessory Dwelling Units

Density Target



Accessory dwelling units (ADUs) are living spaces associated with existing single-family homes on the same lot. ADUs provide practical housing options for the elderly, empty nesters, young students, and new families, and can provide additional rental income for homeowners. ADUs can help provide needed housing and do not require the extra expense of purchasing land. Instead, they can be developed by converting existing structures, and do not usually require the extension of city infrastructure.

## Background Briefing

**Accessory dwelling units go by different names.**

Other terms include granny flats, mother-in-law suites, garage apartments, secondary suites, carriage houses, or backyard bungalows.

**ADUs can take different forms**

They can be small houses or cottages, garage lofts, basement apartments, or other forms of housing for single people, couples or small families.

**ADUs cater to people of all ages**

The average household size is shrinking, yet new homes are larger than ever. Young couples, single adults, and senior citizens need smaller living spaces that are closer to amenities and easier to maintain.

**ADUs are already required to be permitted by state law, in limited situations**

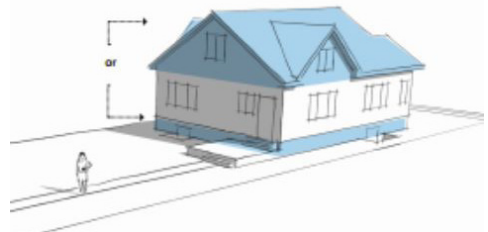
Temporary "family health care structures" are required to be permitted by G.S. 160D-915, as long as the accessory structure is used for the care of a physically or mentally impaired relative, with conditions.

**ADUs are still costly to build from scratch**

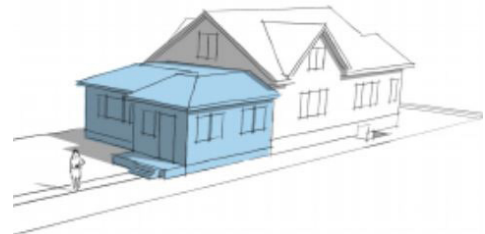
Just because ADUs are permitted does not mean many will be built. Detached ADUs can easily cost \$150,000 or more to build. Garage or basement conversions are easier, but some companies are selling modular ADUs for much lower costs.

### Three Types of ADUs

*Internal - A new unit can be **built into the basement or attic** of an existing home*



An **addition** can be built on to an existing building



A **fully-detached** accessory building can be placed on the lot, to the side or rear



*ADUs can take multiple forms, making them easy to blend into existing neighborhoods (Image from city of St. Paul, MN).*





*This detached accessory unit in Morganton can be seen to the rear left of the house.*



*This basement unit in Lenoir includes its own entrance and parking separate from the main floor.*

## Implementation Tools and Strategies

### Permit ADUs By-Right

- Allow ADUs by-right in residential and mixed use districts.
- Permit ADUs as administrative approvals not requiring hearings before a board or council.
- Require single ownership of both the ADU and the main house to avoid legal confusion.
- Require ADUs to be built to state building code. Do not permit RVs or other vehicles to be used as ADUs.

### Address Parking Concerns

- Require space for one off-street parking space per dwelling unit.
- Do not require the spaces to be permanently paved.
- Do not require new parking spaces to be built if off-street capacity already exists on the site.

### Address Short-Term Rental Concerns

- Define “short-term rental” in the zoning ordinance as separate from long-term rentals.
- Regulate short-term rentals depending on local context and in accordance with state law (G.S. § 42A), including the utilization of lodging taxes.

### Review Setback Requirements

- Review existing setback requirements for accessory structures; often, accessory dwelling units may be counted under the same standards.
- Generally, allow ADUs in the rear, at least 5 feet from side lot lines, and up to the building line of the primary dwelling.

### Decide Area Ratios

- Require ADUs to be smaller than the heated square footage of the primary dwelling. Between 50% and 70% is standard.

### Simplify Process for Homeowners

- Create a one-page guide clearly explaining your local regulations to homeowners.
- Include basic information on building code requirements, including fire safety.
- Issue a zoning permit for all accessory dwelling units.

# Duplexes

Density Target



Duplexes are single buildings that hold two distinct living units. Duplexes are of a similar size and scale to single-family houses, and in some cases are virtually indistinguishable from them, making them excellent candidates for low-impact housing production. Duplexes are some of the more commonly-built multifamily housing types because the costs to finance them are similar to building traditional single-family homes.

## Background Briefing

### Duplexes can vary widely in design

A traditional view of a duplex is often of a one story building with two units side-by-side and twin doors in the middle. These can sometimes be unattractive, but it is not the only design, and in fact was relatively rare historically. Duplexes can be one story with entryways on opposing sides, or with separate entrances on two streets for corner lots. They may also be stacked, with one unit above and one below, with entryways configured in many varieties.

### Duplexes are unique engines for building local wealth

Because duplexes are similar in cost to single-family homes, they are within reach of more local residents. Lower income and middle income residents who could otherwise not afford a home can purchase a duplex with the extra income generated from renting out the second unit -- sometimes to a friend or family member, strengthening social bonds in the neighborhood.

### Duplexes are ideal for changing demographics

One of the largest demographics in America is now single adults living alone, a group that includes many seniors on limited income as well as lower-income young people. Duplexes allow this group to split housing costs while living in a smaller space with less maintenance.

### Duplexes are some of the simplest multifamily housing types to build

Financing a duplex is similar to financing a single-family home, and they can easily be integrated into the existing neighborhood fabric.

*A stacked duplex in Lenoir has a front entrance for the first floor and stairs to the upstairs unit on the side.*



*A renovated duplex in Hickory, with entrances on opposing ends and both front and side off-street parking areas.*





# Implementation Tools and Strategies

## Permit Duplexes By-Right in Residential Zones

- Allow construction of duplexes by-right in all residential zones.
- If this is not possible, allow them in all but the most restrictive zones.
- Consider creating “transition” overlays where duplexes and other housing types can be added more easily.

## Address Parking Concerns

- Require two off-street spaces per unit.
- Reduce to one space per unit if on-street parking is available.
- Require on-site parking spaces to be placed at side or rear of building.

## Review Setback and Lot Size Requirements

- Do not require additional lot size.
- Consider limits on building bulk, width and depth, rather than setbacks or lot size.
- Generally keep setbacks consistent with neighborhood. Code can require matching average of setbacks within certain distance.
- Allow offset side setbacks (wider on one side than the other) to allow flexibility.

## Set Different Requirements for Stacked vs. Side-by-Side

- One-story duplexes have more potential to be out of scale than stacked.
- Set maximum building width at the building line for duplexes to discourage this. Base the number on average for the district.
- Allow smaller lot sizes and setbacks for stacked duplexes.

*Another example of a stacked duplex from Minneapolis (photo from Bigos Management, Inc.).* →

## Consider Further Review for Projects with Multiple Duplexes

- Large subdivisions of duplexes on individual lots are of a different form and may require additional review as major subdivisions.
- Review should focus on ingress and egress, parking and ensuring consistency of building and lot form.

## Regulate Entranceways and Driveways Carefully

- Consider requiring offset setbacks to locate building to the side and allow space for a driveway leading to hidden rear parking.
- For alley-loaded buildings, the structure should be centered and pulled closer to the street.
- Require duplexes on corner lots to have pedestrian access on each cross street.



# Multiplex (3s, 4s, and More)

Density Target



Triplexes, quadplexes, and more (usually a maximum of 12 units) encompass a wide range of types and designs, which can be found all across the nation. They are relatively common in some cities in the region, particularly in Hickory and Morganton. Small enough to fit snugly in both existing residential neighborhoods and transition zones, multiplexes can provide significant new housing capacity on standard residential lots without disrupting the overall feel of a neighborhood.

## Background Briefing

### **Multiplexes are some of the most ideal small multifamily types for adding units**

Multiplex housing types provide many housing units while still blending in smoothly with existing neighborhoods. Quadplexes, in particular, can easily fit in nearly any standard single-family neighborhood lot. Larger multiplex houses, sometimes created out of older, large historic homes, can also integrate into neighborhoods very well. Triplexes are best able to integrate when stacked, and therefore are mostly suitable for downtown areas due to the height differential.



*A quadplex example across from the Morganton Public Library, adjacent to several single-family homes. Parking is accessed off the side street, behind the building.*

### **Multiplexes appeal to many different residents**

One of the largest demographics in America is now single adults living alone, a group which includes many seniors on limited income to students and early-career young adults. Multiplex housing allows these residents to find more reasonably-sized accommodation, while still living in and contributing to the community.

### **Multiplexes are also some of the most challenging types to build**

Complexity increases when more units are added to a building, due to either the legal difficulty of forming condominium associations or additional financing and building code requirements for multifamily homes. That complexity is similar after a critical mass of units, which means developers would often rather dedicate their resources to building larger projects. One solution is to allow large existing homes, often in historic districts, to be internally divided into multiplexes.

### **Multiplex design is critical for successful integration**

The design of multiplex buildings is key to successfully blend them into existing neighborhoods. Placement of parking/vehicle circulation, frontage, and entryway locations will determine whether the building integrates well with the neighborhood.



# Implementation Tools and Strategies

## Permit Multiplexes By-Right in Residential Zones

- Allow construction of multiplexes, especially quadplexes, by-right in residential zones.
- If this is not possible, allow them in all but the most restrictive areas.
- Consider creating “transition” overlays between districts of different density allowances where housing types can be added more easily.

## Review Setback and Lot Size Requirements

- For quadplexes and stacked (3-story) triplexes, do not require additional lot width. Most can fit on a standard 50 or even 30-foot lot.
- Larger projects, say anything over 6 units, will require larger widths and depths; roughly 100 feet width and at least 100 feet depth, in order to blend well.
- Consider limits on building bulk, width and depth, rather than setbacks or lot size.
- Uphold height limits in residential areas to prevent buildings from growing too tall and out of scale.
- Generally keep setbacks consistent with neighborhood. The code can require matching the average setbacks within a certain distance.
- Allow offset side setbacks (wider on one side than the other) to allow flexibility.

## Address Parking Concerns

- Parking requirements will be dependent on the context of the neighborhood.
- Require only one space per unit, especially if on-street parking is available. Excessive parking requirements often make this type economically unfeasible for developers.
- Require parking spaces to be placed at side or rear of building.

## Regulate Entranceways and Driveways

- Consider requiring offset setbacks to force the building to the side and allow space for a driveway to hidden rear parking.
- For alley-loaded buildings, the structure should be centered and pulled closer to the street.
- Require multiplexes on corner lots to have entranceways on each cross street.

## Avoid Buffer Requirements

- Buffer requirements isolate multifamily structures from the rest of the town and add cost.

*This large multiplex in Hickory maximizes its corner location, and hides most of its parking in a rear lot.*



*This multiplex building in Granite Falls has a small unit fronting the street, and parking off the side for the other units.*

# Cottage Courts

Density Target



Cottage Courts are collections of smaller units, usually detached and between one and two stories, which form a cohesive site on a small lot. These units have a shared green space or “court” that is visible from the street. The shared green space acts as a front yard or plaza which can be shared by the residents in the neighborhood. The houses and their entrances are positioned to encourage a sense of community and shared space. Cottage courts can help to provide affordable housing because they can be developed on small or oddly shaped lots which may otherwise be uneconomical.

## Background Briefing

### **Cottage courts go by different names:**

Other terms include bungalow courts, garden courts, or pocket neighborhoods.

### **Cottage Courts can take different forms:**

Cottage courts are highly adaptable. Small projects on as little as an acre can act as infill in existing neighborhoods, while larger sites of several acres can form true pocket neighborhoods. They are useful for generating housing units on unusually shaped lots or areas with frontage limitations. Cottage courts are frequently offered as condos or rentals but can be sold as individual fee-simple lots as well.

### **Cottage courts are not a new idea**

The cottage court development style was regularly practiced in the early 1900s, and was especially prevalent in California, but cottage courts have seen a surge in interest across the country. Don Carlos Court in Pasadena is a prime example.

### **The demographics of cottage courts**

Cottage courts are attractive to different groups. They can act as starter homes for young adults and professionals, retirement communities for older generations looking to downsize, and reasonably priced housing for smaller families and couples.

### **Cottage Courts can add to affordable stock**

Cottage courts can add to affordable housing stock. The ability to construct smaller houses and to create more units per acre tends to lower costs, although many cottage court homes still sell at luxury prices.





# Implementation Tools and Strategies

## Allow Cottage Courts As Planned Developments (PUD)

- Allow cottage courts in residential and mixed-use districts.
- Define development standards in the ordinance, and then permit at the staff level; public/board reviews should be reserved for truly sensitive areas.

## Allow Flexibility Within Projects

- Allow both attached and detached units, or a mix.
- Attached units function well in cottage courts, and can mix with detached in the same project.

←  
*The site plan for Duke Street Cottages, a cottage court development underway in Granite Falls. (Image from Howard Building Science)*

## Cluster Parking, Small Minimums

- Require one off-street parking space per unit.
- Cluster parking to the rear of each unit or in a separate group lot.
- Encourage on-street parking as an extra option when feasible.

## Base Reviews Around Home Orientation and Siting

- Instead of requiring street frontage at each home site, require frontage to a public courtyard or pedestrian walk. The site as a whole should front a public street to provide access, but each lot need not front a public street.
- Require walkways that connect dwellings and the common space. This prevents the development from turning into a normal cul-de-sac.
- Review orientation of homes and windows to ensure adequate balance between privacy and community. Do not allow the fronts of structures to face the rear of others, and ensure houses are offset slightly so windows don't look in on each other.

## Focus Efforts on Key Areas

- Cottage courts perform best in areas with high pedestrian activity.
- Consider overlays, bonuses, or other incentives to encourage development of cottage courts near pedestrian areas or sites of interest.

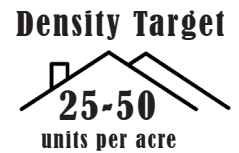
## Ensure All Units Are to Scale for the Type

- Depending on parking and design, the minimum area for the entire project may be anywhere from 10,000 to 24,000 sq.ft.
- About 5-10 units are ideal to maintain a community-focused feel, ranging from 500-1000 sq.ft. per unit, or larger.
- Restrict building heights to 1-2 stories to prevent overbulking, or to ensure consistency in a PUD.
- Require minimum widths and depths for the courtyard - a minimum of 25 feet. This can be adjusted conditionally if the site has peculiarities or a unique design
- Keep minimum side setbacks very small, between 5 and 8 feet, for individual units.



←  
*A cottage court development in Kirkland, Washington (image from the Cottage Company).*

# Low-Rise Apartments



Low-rise apartments are some of the most common and most variable forms of multifamily housing. They are the starting limit of what many think of as “apartments,” and tend to be low-slung buildings of between two and four stories with a few dozen units. They can take many forms, from courtyard U-shaped complexes to boxy garden apartments to designs which look very much like large mansion homes or townhomes. They can function well in many different parts of town, depending on their design.

## Background Briefing

### **Low-rise apartments bring more choice to the marketplace**

Modern households are much smaller than they have been historically, and less likely to include children, so they require less living space per unit. But many residents still want housing options with nearby street access, or with built-in amenities like courtyards. Low-rise apartments can help provide this choice as a step-up in intensity from multiplexes, but not as intensive as larger mid-rise apartments.

### **Low-rise apartments have high fiscal efficiency for the municipality**

Low-rise apartments, especially when placed in transition zones which may otherwise be filled with single-family homes on large lots, generate financial efficiencies for towns because they can service many people at once, leading to lower infrastructure extension and maintenance costs.

### **Low-rise apartments are extremely flexible in design**

Low-rise apartments pack a lot of housing into a small area all at once, but because they are so variable in design, they are often able to blend well with existing neighborhoods of all types. Adaptive reuse projects, such as loft conversions from older industrial or warehousing buildings, present a common opportunity for adding low-rise apartments. This flexibility presents a challenge when trying to design standards for this type, especially between zoning districts.

*Low-rise apartments can take many forms, including adaptive re-use, such as this project in Lenoir.*





# Implementation Tools and Strategies

## Permit Low-Rise Apartments By Right in Transitional Districts and Downtowns

- Allow construction of low-rise apartments with staff review in central business districts and transition zones.

## Review Lot Size Standards

- Consider limits on building bulk, width and depth, rather than setbacks or lot size.
- Minimum widths and depths for lots will vary, but should be compatible with surrounding patterns.



*A low-rise development in Lenoir. A walking path connects the back area of these units to a nearby park.*

## Address Parking Requirements

- Require parking be placed to the rear or side.
- Require only 1 space per dwelling unit.
- Allow offset side setbacks to make room for a driveway to the rear parking lot.
- Encourage on-street parking when feasible.

## Consider Lot Coverage Requirements

- If there are neighborhood concerns about bulk, consider regulating maximum lot coverage.
- Providing open space (a courtyard-style building) open to the public may be used to offset the maximum coverage.

## Require Building Orientation to the Street

- Buildings should be oriented and built to the street and sidewalk, or a common open space, in order to integrate with the surrounding neighborhood and promote a pedestrian focus.
- Some adjustment may be required on hilly or unusually shaped lots.



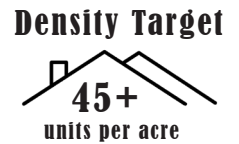
## Avoid Buffer Requirements

- Buffer requirements isolate apartments from the community.
- Do not require vegetative or solid buffers between projects as a whole.
- Buffers may be acceptable if used to shield other residential uses from surface parking lots.



*A low-rise condominium development in Morganton.*

# Mid-Rise Apartments



Mid-rise apartments are some of the highest density developments seen in the region. These are multi-family projects of considerable scale, usually across a large tract of land. In urban areas, a project may consist of one large building of 5 stories or greater on a single lot, but in other cases, mid-rise apartments are constructed as complexes of repeating buildings with walk-up entrances. Most new projects include common gathering areas. Their scale and density make this one of the most dynamic housing types, able to generate a large boost in housing stock all at once.

## Background Briefing

### **Mid-rise apartments work best in certain areas**

Mid-rise apartments are often best suited close to municipal centers where residents can take advantage of proximity to services and attractions. They can also be beneficial when close to key job and education centers like colleges and hospitals.

### **Mid-rise apartments can have fiscal benefits**

Mid-rise apartments can generate financial efficiencies for towns because they can service many people at once, leading to lower infrastructure, construction and maintenance cost per person served. If placed near key centers and attractions, mid-rise apartments can provide ready housing for workers, students, and patrons of local businesses.

### **While mid-rise apartments themselves may have high rents, they can help bring down overall costs**

New multifamily construction is expensive, especially across large sites. Developers often must charge relatively high rents (and build more luxurious individual units) to offset these costs. But the rapid infusion of new supply can put downward pressure on other housing prices.

### **Mid-rise apartments may require more regulatory control than other types**

New mid-rise construction can have a major impact on existing neighborhoods, particularly when it comes to how the project interfaces with the street and handles vehicle circulation and parking. Regulation should focus on integrating the site into the larger neighborhood through orientation and bulking standards and by requiring parking be placed in the interior of the site. Parking garages are encouraged in dense areas.



*From top: A mid-rise building near downtown Hickory; a mid-rise apartment development near Startown Road.*



# Implementation Tools and Strategies

## Permit Mid-Rise Apartments By Right in Central Business Districts at Minimum

- Allow construction of mid-rise apartments with staff review in central business districts and transition zones near major job centers, higher education campuses, and attractions.
- Consider by-right approval of mid-rise apartments in medium-density districts. Ensure the code has sufficient standards for parking, circulation, access, and open space.

## Review Lot Size Standards

- Minimum widths and depths for the lot will vary, but should be compatible with surrounding patterns.
- Larger minimum lot sizes may be required to handle runoff from the larger buildings and parking structures.
- Uphold height limits in residential areas and transition areas to prevent buildings from growing too tall and out of scale.
- Larger setbacks may be required in transition or residential areas.

## Avoid Buffer Requirements in Most Cases

- Buffer requirements isolate apartment complexes from the rest of the community.
- Do not require vegetative or solid buffers between projects as a whole in urban conditions.
- Buffers may be acceptable if used to shield other residential uses from surface parking lots, dumpsters, or other non-residential space.

## Address Parking Requirements

- Require parking be placed to the rear or, if site conditions demand, to the side. Do not permit parking lots at the street frontage.
- Do not require more than 1 space per dwelling unit.
- Allow offset side setbacks to make room for a driveway leading to the rear parking lot, or entry from a rear street.

## Consider Lot Coverage Requirements

- If there are neighborhood concerns about bulk, consider regulating maximum lot coverage and height rather than units per acre.
- Providing required open space (a courtyard-style building, passive or active park space) open to the public may be used to offset the maximum.
- This may also address any relevant stormwater/watershed lot coverage requirements if possible, including density averaging provisions. Retention ponds can be designed as amenities, with walking paths and gathering space, if possible, and not placed in buffers.

## Require Orientation to the Street or Shared Space

- The apartments should be oriented toward the street and sidewalk in order to integrate with the surrounding neighborhood.
- If the project is too large to orient to the street, ensure internal orientation of buildings is to a shared space (green space, recreation area, etc).
- Require construction of sidewalks, trails or some other pedestrian connection from the project site to the street network.

*Recently-completed apartments in Morganton overlook agricultural land.*



# Townhomes

Density Target



Townhomes (also called townhouses, row homes, row houses and brownstones), are multi-story attached units that share a common wall. There are many configurations, but usually at least four units will share a common block. Each unit has its own dedicated entrance, often including a small patio or dooryard. Townhouses are usually owned individually, and often on their own platted lots (though the actual resident may rent). Townhomes can provide significant new housing capacity at a lower fiscal impact to the municipality, as units share services, while still providing a neighborhood feel.

## Background Briefing

### **Townhomes have a long history**

The townhouse form is one of the most common types of housing in the country apart from single-family detached homes. In some cities it is the primary housing type, and they are extremely common in many European cities of all sizes. Over the last century, dedicated townhome developments have become more common across the United States.

### **Townhomes are attractive to different populations**

Townhomes tend to be more affordable than detached single-family homes because they can share land, services and building material. The “best of both worlds” aspect of lower cost and minimal lawn maintenance, but relatively expansive private living space, tends to attract both young people looking to start out and older residents looking to downsize -- though they are popular throughout the age range.

### **Townhomes work best near area centers**

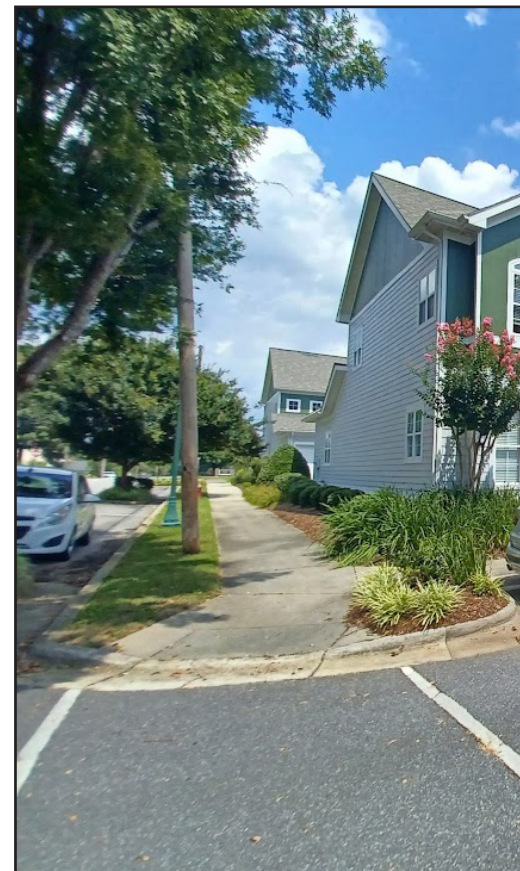
Townhomes are most beneficial when they are located close to the center of town or the center of a defined neighborhood. Because they are by nature “bunched” more closely together, they do not always integrate well when inserted into very low density residential neighborhoods, as they may either be out of scale or generate disproportionate traffic when placed in an area where shops and services are only accessible by car.

### **Building orientation and parking are key**

Regulating building orientation to the street (and from building to building), as well as where vehicles are stored, can make or break this housing type as a functional and quality development. Because this type is best suited near centers, orienting the building to the street and managing parking can result in the creation of a vibrant, pedestrian-friendly and economically valuable addition to the town.



*These townhomes in Morganton front the sidewalk. Parking is hidden in a rear lot.*





# Implementation Tools and Strategies

## Replace Minimum Lot Size with Width and Depth Standards

- Lot sizes can vary widely between designs.
- Enforce minimum widths per unit to ensure a comfortable scale at the street level. Roughly 25 feet is sufficient as frontage per home.
- Minimum depth requirements ensure sufficient privacy between units and can encourage alley loading for included garages. Roughly 100 feet is sufficient in most cases.

## Regulate Setbacks by District

- Front setbacks can be very small in downtown, urban projects -- five feet or less. Unit entries may be designed as front courtyards as well.
- In more transitional zones, setbacks may be larger to provide a more thoughtful transition between public and private space, 10 -20 feet.

*These townhomes, in downtown Morganton, prioritize on-street parking, and include some retail uses on the ground floor..*



- Do not require large front setbacks, or a “canyon” effect may be created between the street and building line.
- Build-to lines can help by requiring units to be built close to the street.
- Side setbacks between blocks of units will vary, but should generally be at least ten feet.

## Limit Block Size

- Smaller blocks help with traffic flow and connectivity, and prevent unbroken “walls” of townhomes. Therefore, require a new block for every so many units (anywhere from every 8 to 16, depending on the context).
- Require pedestrian connectivity between these blocks, through sidewalk/path connections or green space networks.

## Require Street-Facing Orientation

- To preserve good form and connectivity, require townhomes to front the main street of travel. Do not allow townhomes developments to branch off into dead ends and cul-de-sacs, or fronts of some units to face the backs of others.
- Fronting a plaza or open recreational space may be substituted in some cases.

## Strongly Encourage or Require Rear Parking

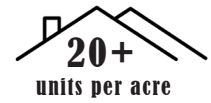
- Require only one parking space per unit.
- Encourage or require developments provide garages to the rear of the lot, accessed through alleys.
- If garages must be front loaded, encourage tapered driveways or paired garages (adjacent to each other) to preserve lawn space. Lots should be wider in this case.

## Avoid Buffer Requirements

- Buffer requirements can isolate units from the rest of the town.
- Do not require vegetative or solid buffers between projects as a whole.

# Live/Work and Mixed Use

Density Target



Mixed-use developments are the combination of two or more uses in the same building or on the same lot. Typically, the uses are residential and commercial. Mixed use developments are often found in or near downtown pedestrian-friendly areas which offer access to work, home, retail or services with ease. The commercial uses are usually found on the ground floor for visibility and access to shoppers, with living space above. In some cases, the ground floor will have a retail use, the floor above will have office spaces for businesses to rent, and the rest of the floors will have housing. In rarer cases, the residences may be directly adjacent to a commercial use, sometimes on a corner.

## Background Briefing

### **Mixed use development can boost economic vitality downtown**

Adding housing units downtown through mixed uses can be a boon for local businesses, who now have a ready customer base which does not have to drive into the area. This often means rents command a slight premium, however, reducing the affordability benefit of the type somewhat.

### **Mixed use developments go by different names**

Other terms include live-work units or flex housing.

### **Mixed use development was common historically**

Many main street and downtown buildings throughout the country were originally built as live-work buildings, with commercial space at ground level and either offices or apartments above. This type has seen a resurgence in many cities, with some codes even requiring new apartments to include retail at ground level.

### **Mixed use development can run into regulatory grey areas**

Many zoning codes do not account for mixed use development, as residential and commercial uses are often kept strictly separate. Ordinances sometimes need to be updated to allow or even encourage the construction of new mixed use buildings in key areas. Additionally, historic buildings should make use of building rehabilitation code to help accommodate upfittings or changes in use.

### **Mixed use developments don't work everywhere**

It is easier to add housing to commercial areas than to add commercial space to residential areas. Unless the design of the building is exemplary, conflict between existing residential uses and the commercial use may be substantial, whether through parking, traffic, noise, odor, etc. Strategic placement of this type is key.





# Implementation Tools and Strategies

## Revise Zoning Codes to Allow Mixed Use By Right in Central Business District (At Minimum)

- Amend codes as necessary to permit new live/work space in downtown areas. Eliminate any nonconformity status of existing units.
- Consider allowing mixed uses in transition zones or along certain corridors as well.
- Home occupations in residential districts should be regulated separately, as accessory uses.

## Allow Flexibility Within Projects

- Codes should allow for uses on the ground floor to change with time on - from office to retail, for example, with ease.
- For more intensive uses - say, from retail sales to quick service restaurant - more review may be required before conversion.
- Building rehabilitation code can be used for historic structures during upfits and changes of use.

## Require Design Standards Which Minimize Conflicts

- Carefully enforce fire separation codes between the residential and commercial space.
- Require separate entrances for residential and commercial spaces.
- Require minimum street frontage for the commercial unit, ideally as close to the sidewalk/street as possible.
- Setbacks for the entrance to the residence can be larger, or placed in the side or rear of the building.

## Address Parking Issues

- Designate parking in the rear or side of new buildings.
- For existing buildings converting to mixed-use, do not require additional parking. Instead, consider issuance of long term on-street parking for residents.
- Allow shared parking between buildings/projects, especially if the mixed use building is near mostly daytime commercial uses. Excess capacity can be used for residential parking with appropriate agreements.
- Parking garages can be opportunities for public/private partnerships.

*(Bottom Left): Many historic downtowns, like Catawba, include buildings with livable space on the upper floors. (Bottom Right): One North Center in Hickory is a large mixed-use project. Note the pedestrian focus, windows, and retail space on the bottom floor.*



# Other Concepts

The housing landscape is constantly evolving to serve new interests, whether that be through cohousing communities, short-term rentals for “digital nomads,” or tiny homes for first-time homebuyers or downsizers. The following list includes a few additional housing types and concepts for further research and consideration.

## Short-Term Rentals

Short-term rentals are housing units rented for a day, week, or longer, but are generally not intended to be permanent housing and are not operated as full commercial operations in the same way a hotel or boarding house may be. These units can provide hosts with valuable rental income, can serve as “stopping points” for new residents as they try to secure more permanent housing, and can bring new visitors

to town as tourists. In some areas, however, they can eat into a town’s limited housing supply and force would-be residents to settle in other areas. Local governments should define short-term rentals in their code and regulate them in their community context, but they should be aware of recent jurisprudence (*Schroeder v. City of Wilmington*) which prohibits the creation of a formal registry program for these uses.

## Age-Targeted Housing

Age-targeted housing refers to housing for a particular life-stage group - usually either college-aged students or senior citizens. Housing for college students is usually not distinguishable from regular market housing except in large college towns. Housing for low-income seniors is often supported through HUD Section 202, which has resulted in conversion and adaptive reuse projects of industrial buildings in many areas, as well as new construction. Assisted living facilities and nursing homes are usually independently defined and regulated in the development code. Local governments themselves have no authority



to dictate housing patrons by age. Senior living subdivisions, which use private deed restrictions to prohibit younger residents, are increasingly popular, as well particularly in the Sun Belt.

## Manufactured Homes

Manufactured homes are factory-built housing units constructed to Federal Manufactured Home Construction and Safety Standards. They remain some of the most affordable housing types available. Many newer models blend in well with existing neighborhoods as infill on individual lots, and are regulated similarly to stick-built or modular homes. Their placement may be restricted by zoning, but they generally cannot be universally restricted from a jurisdiction. Manufactured home parks, wherein individual units are all placed on a tract in single

ownership, require additional standards for health, safety, sanitation, open space, and often require additional appearance standards.





# Cohousing

Cohousing is a form of housing wherein residents individually own homes but share common space, often including gardens, small farms, and a larger common building which may include a full kitchen for shared meals. It is a significant elevation of a traditional homeowner's association -- the members actively create, plan and run the community. North Carolina has several of these communities, most clustered around Asheville and the Raleigh-Durham areas. Zoning codes usually do not account for this type, which poses a challenge. Subdivision regulations can also run into conflict with these communities, given the tendency for the land to be held and maintained separately from the

houses. Jurisdictions interested in allowing this type (or presented with it) should review their regulations to identify barriers.



## Tiny/Modular Homes

"Tiny homes" are considered the same as any single-family detached home, as long as they meet state building code standards. With some exceptions, governments do not have the authority to regulate minimum square footage sizes for residential units as a matter of zoning.



Tiny homes can be more affordable to build than larger homes, but to be economical they must either be allowed on very small lots, as ADUs, or in special groupings (such as in a cottage court).

Modular homes are fabricated homes which meet state building code (not HUD manufactured-home code), and are also treated the same as any other home. They come in many styles, from "tiny homes" to A-frames and many other designs. They can be mistaken for manufactured homes, so regulators should check to make sure the structure is engineered to meet traditional building code.

## RVs/Campgrounds

Recreational vehicles (which includes park model homes and other "tiny home vehicles") are not classified as permanent dwellings in most jurisdictions and are not recognized as such by the state of North Carolina. This can present challenges for new forms of housing, such as "villages" of park model vehicles, which look similar to tiny homes, and are set up and rented long term. The current best practice to enable this type of housing is to permit them under existing campground regulations. Of particular note should be ingress/egress, water and wastewater management, safety from flooding

and other natural risks, and ensuring proper space between units (at least 1,500 square feet per "space" is adequate).





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