MINUTES OF SHELBY CITY COUNCIL

Special Meeting – UDO Revision Workshop **May 28, 2026**
City Hall Council Chamber **Thursday, 2:00 p.m.**

Present: Mayor O. Stanhope Anthony III, presiding; Council Members Violet Arth, Charles Webber, Andrew Hopper, Sr., Lori Waris, Emilie Bullock and David W. White, City Manager Justin S. Merritt, Assistant City Manager Ben Yarboro, Assistant City Manager Kerri Melton, City Attorney Jason Lunsford, City Clerk Carol Williams, Director of Planning and Development Brian Burgess, Senior Planner Audrey Godfrey, Director of Water Resources Brian Wilson and Public Information Officer Chip Nuhrah

Remotely: Jay McLeod and Erin Anderson, consultants from Inspire Placemaking Collective

Mayor Anthony called the meeting to order at 2:00 p.m. City Manager Justin Merritt welcomed everyone and began the meeting with these comments:

- **This is a first look at what staff and the consultants have been working on as far as our update of the Unified Development Ordinance (UDO).**
- **The UDO will be the City's document that is the guide to how development occurs throughout the city regarding zoning, design standards, and development standards. Developers reference the UDO when thinking about constructing something in the city.**
- **Since this is the first pass on the UDO revision, staff and the consultants want to hear from Council to see if the revision is on the right track. There is time to switch things up if needed.**

Mr. Burgess gave the following quick overview:

- **The City contracted with Inspire Placemaking a few months ago.**
- **The UDO has not been substantially updated in almost 20 years. Some items don't make sense anymore or the wording is outdated.**
- **The goal is for the UDO to be user friendly and for it to make sense to the average person. It shouldn't be cryptic archaic language that is hard to understand.**
- **The UDO needs to be effective. If there's something that doesn't impact our City then we need to get rid of it and include things that do impact our city. For example, commercial design standards are a priority if the City wants Hwy. 74 to be more desirable looking.**
- **What is presented today is a very rough draft; staff and the consultants hope to gain input from Council on items that are important and need to be included.**

Mr. McLeod started by going over the agenda for the presentation:

- **Project Overview**
- **Zoning District Updates**
- **Corridor Overlays**
- **Corner Stores**
- **Development Standards**
- **Next Steps**

PROJECT OVERVIEW:

Rewriting of the City's Unified Development Ordinance (UDO) involves the following:

- **Align with Imagine Shelby Comprehensive Plan and local/state law**
- **Internally consistent**
- **Modernize land uses and development standards**
- **User-friendly, including enhanced graphics**

The proposed revisions are related to:

- **Organization of the UDO for a user-friendly experience**
- **Alignment with Imagine Shelby Comprehensive Plan**
- **Best practice recommendations that ensure clarity and high-quality standards**
- **Zoning Map revisions (simplify, consolidate, focus on character)**
- **State Statute compliance**

ZONING DISTRICTS:

Currently, Shelby has many overlapping districts that don't always match the neighborhood characteristics. The goal is to simplify the zoning districts and cut away some of the things that weren't needed and focus on things that are important. The zoning districts should be easy to understand and easier to use.

Residential Districts:

Current:	Proposed
RR Rural Residential	Residential – Rural Edge - RRE
R20	Residential – Middle - RMD
R10	Residential – Compact - RC
R8	Residential – Mixed - RMX
R6	
RO Residential Office	

The proposed four districts each have their own purpose.

RRE is less walkable, more rural, larger lots, single-family detached homes.

RMD is mostly single-family detached and some duplexes, most of our existing neighborhoods.

RC is compact single-family with some multifamily housing, more neighbors, smaller lots, most new subdivisions are this type.

RMX is mostly townhomes and apartments, more urban, more walkable.

Mr. White asked about R8 and R6 being classified now as Compact and if a developer can build either size home on the property. We will be proposing minimum lot sizes, but they will change slightly from what is currently outlined in the UDO. We have not defined those minimums yet and they weren't discussed at the work session. The proposed zoning districts allow more flexibility in each classification. Mr. White stated he hopes the city will get rid of the R6 classification.

Mr. McLeod further explained that with the proposed residential zoning districts there will be more housing type flexibility. A Residential – Compact district could see duplexes, triplexes, and multi-family dwellings. These neighborhoods will have smaller setbacks and lot sizes. A Residential – Middle district could have single-family homes, duplexes or triplexes but the lot sizes and setbacks will be larger.

Ms. Arth inquired about non-conforming lots. Ms. Godfrey stated there are still many non-conforming lots especially in older neighborhoods. There is a North Carolina statute that allows people to build on those small lots as long as they comply with our setbacks.

Commercial Districts:

Currently, the City has several districts relating to commercial or industrial property. The UDO revision simplifies all of the commercial districts to three: Commercial – Neighborhood, Commercial – Core, and Commercial – General. Industrial properties are simplified to Limited Industrial and Intensive Industrial.

Non-residential Zoning Districts:

District Name :	Description
Commercial Neighborhood	Neighborhood-serving commercial district with pedestrian-oriented character
CC Commercial Core	Pedestrian oriented downtown commercial areas

CG Commercial General	**Auto-accessible commercial areas with a wide range of uses allowed**
I1 Limited Industrial	**Light industrial areas which are compatible with nonindustrial neighbors**
I2 Intensive Industrial	**Higher intensity and larger scale industrial areas**

Table of Permitted Uses and Zoning Districts:

- **There's a need to simplify zoning districts and permitted uses for easier administration and greater flexibility**
- **Reduce zoning districts from 13 to 9**
- **Consolidate allowed use types from 328 to 134**
- **Significant reduction in the number of Special Use Permits**

<u>Corridor Overlays:</u>

Proposing two overlay districts – the Gateway Overlay and the Redevelopment Corridor Overlay (RCO)

Gateway Overlay:

- **These areas are located as you drive into the City.**
- **Want people to get the sense that it's a city of high quality and value and reliable.**
- **Need to strengthen signage and landscaping appearance and standards**
- **Decrease unsightly land uses, for example, limiting self-storage, laydown yards, outdoor storage, big equipment rentals, etc.**
- **The City will probably get some push back from developers on some of these new standards**

Redevelopment Corridor Overlay:

- **This overlay runs along Hwy. 74 and part of Grover Street**
- **Reduce the sea of parking lots and shopping centers**
- **Encourage and facilitate investment along Hwy. 74**
- **Increase housing and connectivity**
- **Encourage redevelopment along the highway by building closer to the street, reducing parking requirements, and enhancing landscaping to make the shopping center look more attractive**

Mr. Merritt mentioned Retail Strategies that we contract with is marketing the

same type of standards regarding commercial development. However, a bill has been passed by the House that would eliminate our ability to set parking minimums. There are different thoughts on parking whether it's from a developer standpoint or a city's standpoint. The developers want ample parking for their customer; the City wants a more appealing landscape.

Mr. Merritt stated we have very little requirements currently regarding parking and landscaping.

CORNER STORES:

A new concept to our UDO would be creating corner stores in neighborhoods. According to Ms. Anderson, the corner neighborhood store has been phased out over the years in many communities, but it's a way to bring connectivity and walkability to neighborhoods. This allows small-scale commercial stores in residential neighborhoods while limiting impacts on neighbors.

- **Proposed to be allowed in all residential zoning districts**
- **Corner lot or a lot adjacent to a corner lot with a nonresidential primary use**
- **Low-impact commercial uses**
- **Maximum gross floor area: 3,000 sq. ft.**
- **Hours limited: 6 AM to 10 PM – limits noise and traffic**
- **Requires 6' tall privacy fence abutting any residential structure**

Types of businesses that would be allowed as corner stores are:

- **Restaurant**
- **Bakery**
- **Retail, general**
- **Personal or professional services**
- **Arts instruction, piano lessons**
- **Gallery**

Types of businesses prohibited as corner stores are:

- **ABC Store**
- **Sexually oriented business**
- **Drive-thru**
- **Service station, gasoline sales**
- **Vape/CBD stores**
- **Bars, nightclubs, taverns**
- **Animal kennels**
- **Outdoor sales areas**
- **Contractors**

Tattoo studios were on the prohibited list, but with Council's suggestion this type

of business could be allowed; not the same establishment as they once were.

Ms. Bullock stated she didn't think corner stores would work in some residential areas so it may be better to limit it to specific residential zoning districts. In neighborhoods that have sidewalks and better walkability it would work, but it seems very broad if allowed in all residential zoning districts.

Ms. Arth inquired about on-street parking and if corner stores would affect the walkability and safety of pedestrians.

Council would like more discussion on this concept and to see what the public thinks of corner stores.

Mr. McLeod gave his thoughts:

- **The City currently allows certain low-impact businesses to operate from homes that don't come to Council for approval.**
- **Not every corner is created equal; a corner with no traffic or visibility is not conducive for a corner store.**
- **Envision such low-impact businesses that residents wouldn't mind living beside a corner store.**
- **Council can limit the uses allowed.**

<u>DEVELOPMENT STANDARDS:</u>

According to Ms. Anderson parking requirements are sometimes a barrier to development. This UDO update proposes that there are no parking space requirements except for residential, educational and event venue uses. In all other uses it will be up to the developer to determine what parking is needed.

Alternative modes of parking are included in this UDO update. Such as, requirements for bicycle parking at residential multi-family (more than four units) and non-residential developments and requiring a couple EV charging stations for parking areas with 10 or more spaces.

Mr. Merritt stated there will be costs that a developer will incur especially for the EV charging stations. The owner of the parking area will determine if the EV charge is free or if the vehicle owner is charged. That's not for the City to determine.

Landscaping:

This UDO update clarifies the types of landscaping and materials that are required for each type. There are five types of landscaping:

- **Buffer Landscape area**
- **Vehicular Use Landscape area**
- **Street Yard Landscape area**
- **Interior Site Landscape area**
- **Stormwater Area**

Each landscape area has a specific number of trees or shrubs that is required. Our current UDO only states what types of trees the City does not allow and that a buffer is required. This UDO update states exactly how much of a buffer and what trees are allowed.

A developer will obtain credits toward landscaping requirements if they preserve existing trees. For example, according to the proposed chart, if a developer preserves a 12" caliper tree, they will get a 3-tree credit, meaning their number of new trees to be planted is reduced by 3 trees. This is an incentive tactic for developers to preserve existing trees. The City has two certified arborists on staff who can provide a professional opinion on the health of preserved trees..

Tree longevity and tree health are also included in this UDO update that dictate how trees can be preserved. Preservation standards include root health, so a backhoe or mower doesn't ruin a tree after the developer has gotten credit for that preserved tree.

Lighting:

Enhance commercial lighting standards to ensure buildings are safely lit while preventing impacts on neighbors. This UDO update includes the following standards:

- **Adding commercial lighting for nonresidential and multifamily uses and parking lots**
- **Glare control for residential neighbors**
- **Prohibits flashing, moving, and strobe lights**

Mr. Burgess stated that this lighting standard spells it out much more clearly than our current UDO, which lumps lighting in with signage requirements.

Mr. Merritt addressed Council about Senate Bill 445 which the City will continue to monitor. If this bill is passed it takes away what municipalities and counties can do regarding zoning and development standards. Items to monitor are:

- **Parking minimums**
- **Allowing Accessory Dwelling Units (ADU) in all residential zoning districts**
- **Construction that is built to the residential building code would be allowed in all zoning districts, even in commercial or industrial districts.**

NEXT STEPS:

- **Continue revisions to create Draft 2 for staff and public review**
- **Gather public comment**
- **Public Open House in Summer 2026**
- **Revise for adoption in late Summer/Fall 2026**
- **Keep up to date by the QR code**
- **https://www.cityofshelby.com/o/cos/page/unified-development-ordinance**

Mayor Anthony suggested that Planning staff or City Manager attend church or civic group meetings to get suggestions for the UDO revision. Mr. Merritt agreed.

Mr. White stated he is concerned with the current trend of building houses on postage size stamp lots with a setback of 5 feet; he would like to get rid of the R6 zoning district. Mayor Anthony stated this UDO revision is addressing some of that issue. Mr. Burgess stated that the City may not be able to get rid of the small lot houses, but we can designate where the City can tolerate that type of housing.

Mayor Anthony stressed that it's important that the requirements set forth in the UDO are stringent enough and clearly written where people know what is expected. Zoning decisions made decades ago are why the City has some of the problems the City has now, and it's time now to work through the issues.

Meeting adjourned at 3:50 p.m.

Respectfully submitted,

Carol Williams
City Clerk

O. Stanhope Anthony, III
Mayor

Minutes of May 28, 2026