



Issue Analysis: Charlotte's PED Overlay District

Overview:

Charlotte's **Pedestrian Overlay (PED) District** was implemented to "promote a mixture of uses in a pedestrian-oriented setting of moderate intensity and to support economic development along business corridors ..." As an *Overlay District*, its standards take precedence over those of the underlying zoning district, establishing additional rights or development restrictions on property. All of the current "by-right" uses permitted by the underlying district are still allowed, but billboards and outdoor storage are prohibited. The PED overlay can be applied to either an individual lot or a designated corridor or subarea, *but only by approval of City Council*.

The first PED overlay was approved in 2002 along East Boulevard in Dilworth, with additional overlays subsequently approved in the Plaza-Central, Sunnyside, West Morehead and West End subareas. City staff is currently considering applying the overlay to the Elizabeth and Morehead-Midtown-Cherry subareas, among others. Any properties zoned UMUD (Uptown Mixed Use), MUDD (Mixed Use) or NS (Neighborhood Services) *are not affected* by the requirements of the PED overlay. Also, the PED regulations *will not* take precedence over the exterior features required by any Historic District Overlay.

In July 2011, City Council approved a series of amendments to the PED to address issues and weaknesses identified by planning staff and stakeholders. Most of these amendments were positive, such as loosening the streetscape requirements triggered by facade improvements, property expansions or changes of use. But other amendments added requirements for Urban Open Space and active uses on the street level of parking decks and other buildings.

Key Features:

- No minimum lot area or FAR required;
- Flexible front setbacks;
- Mixed-use dwellings permitted in any underlying use;
- Residential uses permitted in an underlying industrial district;
- No side setback required, unless site abuts a residential use, in which case a 5' setback is required.
- A 25% parking reduction is allowed if the property is within 400' of public parking;
- Drive-thru windows **prohibited** for restaurant or retail uses. Drive-thru service windows (for banks) allowed only *at rear* of a building;
- Building expansions of less than 25% of the building area or 1,000 SF (whichever is less) are exempt from the PED requirements. *Recently expanded from 5% in the original ordinance.*
- **Urban Open Space Requirement:** All *new development* over 1 acre in a PED overlay must provide either Private Open Space (for residential uses) or Public Open Space (for non-residential uses). The amount required is minimal, either 1 SF per 100 SF of gross floor area or

- 1 SF per 200 SF of lot area, whichever is greater. For example, a 5,000-SF office building would be required to include 50 SF of public open space. This can be accomplished through the inclusion of terraces, plazas, courtyards, or similar areas.
- **Street Wall Design Standards:** All *new development* must include active uses (retail, office, residential, etc.) on the first floor of buildings fronting a public street. At least 50% of the first floor length must consist of transparent windows and doors, and blank wall expanses cannot exceed 20' in length.
- **Streetscape Requirements:** All new developments will be required to install sidewalks and street trees in accordance with a streetscape plan approved by City Council, and with the Tree Ordinance.
- Administrative variances of *up to 5 percent* may be granted by city staff;
- Developers may apply for use of the optional, alternative *PED-O* district if they have innovative projects or site designs that cannot be accommodated by the PED standards;

Areas of Concern:

- **Change of Commercial Use:** A property owner substituting one commercial use for another will be required to make *all the streetscape improvements* mandated by the PED overlay if the new use requires more than 5 additional parking spaces. This would most likely occur if the owner is substituting a restaurant for any other commercial use, such as a retail shop or office, because of the higher parking ratio required. REBIC argued against the inclusion of this provision in the 2011 amendments because of the cost it will impose on landlords and small businesses.
- **Active Uses Required in Structured Parking:** One of REBIC's greatest concerns with the recent PED amendments is the requirement that any new parking deck fronting a public street include active uses (office, retail, etc.) on at least 50% of its street-level length. We believe this requirement creates an unnecessary impediment to the construction of structured parking decks by mandating the inclusion of retail in a setting where it is economically unfeasible. The likely result of this policy will be the construction of more empty commercial space in a city with already-high vacancy rates. REBIC will encourage the City to re-evaluate this language in the coming months to determine its effectiveness.
- **Front Driveways Prohibited for Town Homes near SF Residential:** The revised PED overlay prohibits front-loading parking pads or driveways for individual town homes located across from or adjacent to SF residential uses, except on corner lots or lots at least 50' wide. This provision essentially requires the construction of alley-loaded town homes in SF residential areas covered by the PED Overlay, unless a variance is approved by staff. While there may be some merit to the aesthetics of alley-loaded development, this requirement creates an impediment to the construction of medium-density housing in a zoning district where it is particularly appropriate.

In conclusion, we see the PED Overlay as a valuable zoning tool that will require continued tweaks in the months and years to come. REBIC will continue to work with Charlotte's planning staff to address our outstanding concerns with the ordinance, and carefully monitor its expansion into other areas of the city.

If you'd like to read the entire PED Overlay, you can download the entire ordinance from the City website [HERE](#).