



MEMORANDUM

Town of Nags Head

Planning & Development Department

To: Board of Commissioners
Planning Board

From: Michael Zehner, Director of Planning & Development

Date: September 29, 2020

Subject: Planning and Development Director's Report (F-1)

This memo provides an overview of selected Planning and Development Department activities, projects, and initiatives. If requested, Staff will be prepared to discuss any of this information in detail at the Board of Commissioners meeting on October 7, 2020.

Monthly Activity Report

Attached for the Board's review is the *Planning and Development Monthly Report for August 2020*. In addition to permitting, inspections, code enforcement, and Todd D. Krafft Septic Health Initiative activities, Staff was involved in the following meetings or activities of note during the month:

- Wednesday, August 5 - Board of Commissioners Meeting
- Thursday, August 6 - Farmers' Market
- Thursday, August 13 - Farmers' Market
- Tuesday, August 18 - Planning Board Meeting
- Wednesday, August 19 - Arts & Culture Committee Meeting
- Thursday, August 20 - Farmers' Market
- Wednesday, August 26 - Conference Call with Rep. Murphy re: J-1 Visa Program
- Thursday, August 27 - Farmers' Market

Short-Term Rental Registration Update

As provided in last month's Director's Report, a total of 69 properties were registered as short-term rentals in 2019, and as of August 25, 2020, 32 of these properties were registered in 2020. As of September 29, 2020, 61 of these properties had been registered in 2020. Staff intends to reach out to the owners of the remaining 8 properties to confirm their status and seek registration, if necessary. Last month's Director's Report also indicated that as of August 25, 2020, 98 additional properties had been newly registered in 2020, for a total of 167 properties then currently registered as short-term rentals. As of September 29, 2020, 151 additional properties had been newly registered in 2020, for a total of 216 properties currently registered as short-term rentals.

As reported at the Board's January 2020 meeting, based upon information provided by the Dare County Tax Collector, Staff anticipated that approximately 600 units could be eligible for registration as short-term rentals under the Town's regulations. Through

administration of the regulations and communication with property owners, Staff has been able to determine that at least 16 properties presumed to require registration, are exempt or are otherwise not required to be registered. Therefore, it is estimated that 37% of eligible units have been registered; however, it should be expected that some portion of the remaining properties do not require registration. To this date, 46 properties have been registered as short-term rentals that were not previously identified as rentals on Dare County's records.

Staff had previously noted the intent to bring forward an amendment to the registration regulations to specifically exempt cottage court units managed by a single entity from being required to register as short-term rentals; Staff understands that it was not the intent to require these units to be registered, and has therefore not been requiring these units to be registered. However, based upon a recent court decision concerning the City of Wilmington's registration program, Staff has delayed this change at this time upon the recommendation of the Town Attorney.

Nonconforming Hotels and Fishing Piers - Legacy Establishments/Structures

As the Board is aware, recommendations from the Planning Board and Staff on a text amendment to address nonconforming hotels and fishing piers had been forwarded to the Board prior to the September 2, 2020 meeting to allow the Board to consider the scheduling of a public hearing. At the September 2 meeting, the Board voted to remove the item to schedule the public hearing from the agenda, to discuss the matter at a future meeting. Staff will await further direction from the Board as to a timeline for future consideration of this matter.

CAMA Land Use Plan Update

Staff received notice from DCM on September 28, 2020 that the Town's Comprehensive Plan was accepted as complete, allowing for State review to be initiated. The Plan has been routed to the various review agencies, and the submitted draft is available at the following link:

https://files.nc.gov/ncdeq/Coastal%20Management/documents/PDF/Land%20Use%20Plans/state-review-lups/NagsHeadCompPlanRecvd_092520edit.pdf

The Town will receive comments on the plan no later than Wednesday, December 9th.

Following approval of the Plan, the Board will need to consider final re-adoption of the Plan incorporating modifications required by DCM to satisfy completeness requirements

Planning Board - Pending Applications and Discussions

The September 15, 2020 Planning Board meeting included the Site Plan Review for the Islington Street Beach Access Improvements. Related to this, the Planning Board also discussed safety at the Town's various accesses, and plans to provide ADA-accessible accommodations at accesses. The Board also revisited their consideration of the text amendment to address nonconforming hotels and fishing piers, making a further suggestion that the option to seek a conditional use permit not be permitted for projects

involving the reconstruction of a nonconforming hotel following the voluntary demolition of a significant percentage of existing floor area.

It is important to note that the September 15 Planning Board meeting was broadcast live using the Zoom platform to accommodate remote viewing, as requested by the Outer Banks Association of Realtors. The Board and Staff intend to continue this practice and will look for ways to improve the broadcast of these meetings.

The Planning Board's next meeting is scheduled for Tuesday, October 20, 2020. At this time, the agenda is expected to include consideration of a conditional use permit application for the Dream Center property and the amendment of a previously issued conditional use permit for The Soundside Event Site to include properties recently acquired by the Dare County Tourism Board.

Additional Updates

- **2020 Census** - As previously indicated, the number/percentage of vacant vacation/rental homes in Town would skew the response rate recognized by the Census, as the rate is not adjusted at this time to account for those homes. Dare County has begun releasing the information on the rate depicting more accurate response rates based upon the number of occupied homes in the various communities. Based upon this methodology, the Town's response rate as of September 21, 2020 has been determined to be 90.49%, up from 87.39% on August 17, and up from 85.46% on July 20, 2020.

As the Board may be aware, the collection of Census responses was scheduled to cease on September 30, 2020; however, a recent court order directed an extension until October 31.

- **Town Workforce Housing Study & Plan** - Phase 1 Report presented to the Board of Commissioners at the February 5, 2020 meeting. Further action on this project is on hold pending direction from the Board of Commissioners; however, it is important to note that funds associated with this project were liquidated due to budgetary constraints associated with the Covid-19 Pandemic.

Given discussion at the Board's recent retreat, Staff anticipates reinitiating this project with the Board in the coming months.

- **Skate Park Renovation - Phase 1** - As previously reported, Staff finalized submission of an application for the National Endowment for the Arts Our Town Grant on August 18, 2020, seeking funds to design and develop plans for a future renovation of the Skate Park. With support from the Board, Staff is also preparing to submit for a grant from the Tourism Board.
- **UDO Reference Manual & Permitting Workflow** - Staff continues to develop Reference Manual materials, including identifying and refining workflows, to be brought to the Board of Commissioners for approval at a later date.

- **Art Masts** - As previously noted, the Art Mast project, coordinated with the Arts & Culture Committee, has resulted in four completed art panels. The Arts & Culture Committee continues to discuss the locations for the new Art Masts, and is considering installations beginning at Bonnet Street and ending in the Gallery Row District. Staff is awaiting a proposal from a sign company to identify the best way to install the masts.
- **Decentralized Wastewater Master Plan** - As noted above, an RFQ seeking proposals from consultants was released on August 14, 2020, with responses due September 30, 2020. As of September 29, a total of 3 responses were expected.

A Staff team will be reviewing the responses over the coming weeks to select a consultant for the project. Additionally, Staff will be soliciting volunteers for a project steering committee, and will bring those that express an interest to the Board for consideration at the November 2020 meeting.

- **Dowdy Park Farmer's Market** - As the Board is aware, the Farmers' Market was extended through September, with the final market being held on September 24, 2020.
- **Permitting/Online Permitting** - Staff had previously contacted representatives of the Outer Banks Home Builders Association to coordinate a schedule for a workshop/forum for the building community. However, given current circumstances, this effort has been placed on hold. Staff is considering developing a series of videos in the interim.

As previously noted, in the spring Staff had begun fairly regular email updates to contractors and related design professionals on matters related to permitting and zoning. Similar updates in the future are expected to be made on a more regular schedule using the News Flash feature on the Town's website; this was announced in an email on September 11, 2020, encouraging recipients to subscribe to the Department's News Flash.

As previously reported, as of May 8, 2020, online permitting has been activated for all residential and commercial building and trade permit types. As noted in the FY19-20 3rd and 4th Quarter Permitting Report, Staff will continue to work to make improvements to the platform, publicize the availability of the resource, refine documents providing guidance to the Town's customers, and develop protocols for records management in support of the platform.

- **Grants and Assistance**
 - Staff had submitted a request under the Hazard Mitigation Grant Program (Tropical Storm Michael) to update the Town's Emergency Operations Plan. Staff learned that funding under that event was no longer being considered, but that the request was being considered under funding decisions related to Hurricane Dorian.

- Staff submitted a Letter of Interest (“LOI”) under the Hazard Mitigation Grant Program related to Hurricane Dorian for the acquisition of property, and assisted Fire Chief Wells in the submission of an LOI for replacement of a generator; we have been notified that the generator request has been selected for further consideration, and have also learned that the request for funds for property acquisition also continues to be considered.
 - A final application for a National Fish and Wildlife Foundation - National Coastal Resilience Fund grant to develop an Estuarine Shoreline Management Plan was submitted in July 2020. Additionally, an application was submitted for the 2020 North Carolina Attorney General Environmental Enhancement Grant for the same project. Staff had hoped to learn the status of these applications by the end of September, and is now looking for an update in the next few weeks.
 - As noted, Staff submitted a final application for the National Endowment for the Arts Our Town Grant on August 18, 2020 seeking funds to prepare designs for the renovation of the Town’s Skate Park.
- **Academic/NGO Projects**

As the boards are likely aware, the Outer Banks and Town are the subject of numerous academic and general research projects. We felt it important to provide an overview of the active projects involving the Town in some degree, as follows:

- 2020 OBX Field School and UNC-CSI Capstone Project

The OBX Field School, along with the UNC-CSI Capstone Project, are coordinated through the Coastal Studies Institute. Kicking off the Fall 2020 Semester, Department Staff along with Town Engineer David Ryan were invited to join the UNC Field School on their Water Tour on August 12, 2020. Mr. Ryan and Holly White provided students with an overview of the Town’s Comprehensive Plan and challenges related to groundwater, septic health management, stormwater, and water quality. The students concluded their time with Town Staff with a trip to the groundwater lowering wells near the Barnes Street Park.

In conjunction with the Field School, the Planning Department will virtually host an intern this semester. Brianna “Bri” Thompson is a junior at UNC double majoring in Environmental Studies and Public Policy. She also has an interest in art and design that will assist her in her project with the Town. Bri will work on developing social media messaging and general outreach materials for the stormwater, septic health, and floodplain management programs.

As part of the UNC-CSI Capstone Project, students will perform water sampling at several locations in Nags Head throughout the semester to monitor bacteria and optical brighteners. Their work last year suggested that the groundwater lowering systems, managed by the Town, are having

an added benefit to improved water quality; additional research will be conducted to investigate this further. Lastly, students will develop and conduct a survey to resident and non-residential property owners to assess their knowledge and awareness, attitudes/risk perceptions, and behaviors/practices regarding septic systems. Previous work, and this semester's work, will benefit the forthcoming update of the Town's Decentralized Wastewater Management Plan.

- C-CoAST - The Collaboratory for Coastal Adaptation over Space and Time (C-CoAST)

A Research Coordination Network (RCN) funded by the National Science Foundation (NSF) to address grand challenges in coastal resilience. Developed coastal environments are shaped by interactions between human activities and natural processes. Mitigation and recovery strategies that promote adaptation at the time scale of storm events can be counterproductive over longer timescales. A series of collaborative activities will integrate coastal researcher, stakeholder, and practitioner expertise, building capacity for a comprehensive understanding of the human-natural coastal system. This will enable the potential for steering away from future outcomes that communities may want to avoid, and toward outcomes they deem more desirable.

This network is working to develop a hub which will ultimately provide funding for project implementation for both researchers and practitioners. Dare County was identified as a pilot community in which virtual listening session and a community meeting will be held. Staff's role is limited to providing feedback as a sounding board for ideas and connection to local stakeholder groups.

- ECU Groundwater Study

This project was initiated in 2019, intended to measure and identify changes in groundwater levels within the Town and the causes. There is to be a related focus on impacts to onsite wastewater. The lead researcher is currently out of the country working on a separate research assignment.

- Wastewater Infrastructure Tipping Points: Prioritizing Implementation of Climate Adaptation Plans in Decentralized Systems

This project is being led by North Carolina Sea Grant and faculty from ECU. The project is researching the relationship between climate change/adaptation, groundwater, and onsite decentralized wastewater systems.

- Climate Change Adaptation in a Coupled Geomorphic-Economic Coastal System

This project is being led by UNC-Wilmington, UNC, Duke, and Ohio State. There have been no recent updates.

- Focused CoPe: Supporting Environmental Justice in Connected Coastal Communities through a Regional Approach to Collaborative Community Science

Spearheaded by ECU and the Coastal Studies Institute, the Town recently submitted an “intent to collaborate” letter in support of the project. The project will focus on regional climate adaptation impacts to equity and environmental justice, and will likely result in the Town being provided with two interns during the course of the project. The project is contingent on the successful awarding of a grant.

Upcoming Meetings and Other Dates

- Tuesday, October 6 - Technical Review Committee Meeting
- Wednesday, October 7 - Board of Commissioners Meeting
- Thursday, October 8 - Board of Adjustment Meeting
- Tuesday, October 13 - Permitting/Inspections/Code Enforcement Team Staff meeting
- Tuesday, October 14 - Planning & Zoning Team Staff Meeting
- Wednesday, October 14 - Arts & Culture Committee Meeting
- Tuesday, October 20 - Planning Board Meeting

**TOWN OF NAGS HEAD PLANNING AND DEVELOPMENT
MONTHLY REPORT
AUGUST 2020**

DATE SUBMITTED: September 7, 2020

| | Aug-20 | Aug-19 | Jul-20 | 2020-2021 FISCAL YTD | 2019-2020 FISCAL YTD | FISCAL YEAR INCREASE/ DECREASE |
|--|--------------------|--------------------|--------------------|-------------------------|-------------------------|--------------------------------------|
| BUILDING PERMITS ISSUED - RESIDENTIAL | | | | | | |
| New Single Family | 1 | 1 | 2 | 3 | 2 | 1 |
| New Single Family, 3000 sf or > | 1 | 1 | 0 | 1 | 2 | (1) |
| Duplex - New | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total - New Residential | 2 | 2 | 2 | 4 | 4 | 0 |
| Miscellaneous (Total) | 14 | 22 | 21 | 35 | 38 | (3) |
| <i>Accessory Structure</i> | 2 | 3 | 3 | 5 | 6 | (1) |
| <i>Addition</i> | 1 | 1 | 3 | 4 | 1 | 3 |
| <i>Demolition</i> | 0 | 0 | 0 | 0 | 0 | 0 |
| <i>Move</i> | 0 | 0 | 0 | 0 | 0 | 0 |
| <i>Remodel</i> | 4 | 8 | 5 | 9 | 11 | (2) |
| <i>Repair</i> | 7 | 10 | 10 | 17 | 20 | (3) |
| Total Residential | 16 | 24 | 23 | 39 | 42 | (3) |
| BUILDING PERMITS ISSUED - COMMERCIAL | | | | | | |
| Multi-Family - New | 0 | 0 | 0 | 0 | 0 | 0 |
| Motel/Hotel - New | 0 | 0 | 0 | 0 | 0 | 0 |
| Business/Govt/Other - New | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal - New Commercial | 0 | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous (Total) | 4 | 3 | 9 | 13 | 8 | 5 |
| <i>Accessory Structure</i> | 0 | 1 | 6 | 6 | 4 | 2 |
| <i>Addition</i> | 0 | 0 | 0 | 0 | 0 | 0 |
| <i>Demolition</i> | 0 | 0 | 1 | 1 | 1 | 0 |
| <i>Move</i> | 0 | 0 | 0 | 0 | 0 | 0 |
| <i>Remodel</i> | 2 | 1 | 0 | 2 | 2 | 0 |
| <i>Repair</i> | 2 | 1 | 2 | 4 | 1 | 3 |
| Total Commercial | 4 | 3 | 9 | 13 | 8 | 5 |
| Grand Total | 20 | 27 | 32 | 52 | 50 | 2 |
| SUB-CONTRACTOR PERMITS | | | | | | |
| Electrical | 26 | 43 | 28 | 54 | 92 | (38) |
| Gas | 1 | 2 | 3 | 4 | 4 | 0 |
| Mechanical | 28 | 38 | 43 | 71 | 81 | (10) |
| Plumbing | 6 | 5 | 6 | 12 | 14 | (2) |
| Sprinkler | 0 | 0 | 0 | 0 | 0 | 0 |
| VALUE | | | | | | |
| New Single Family | \$180,000 | \$150,000 | \$686,336 | \$866,336 | \$325,000 | \$541,336 |
| New Single Family, 3000 sf or > | \$430,000 | \$750,000 | \$0 | \$430,000 | \$1,450,000 | (\$1,020,000) |
| Duplex - New | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Misc (Total Residential) | \$305,111 | \$410,386 | \$617,281 | \$922,392 | \$765,955 | \$156,437 |
| Sub Total Residential | \$915,111 | \$1,310,386 | \$1,303,617 | \$2,218,728 | \$2,540,955 | (\$322,227) |
| Multi-Family - New | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Motel/Hotel - New | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Business/Govt/Other - New | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Misc (Total Commercial) | \$140,000 | \$77,450 | \$111,700 | \$251,700 | \$140,325 | \$111,375 |
| Sub Total Commercial | \$140,000 | \$77,450 | \$111,700 | \$251,700 | \$140,325 | \$111,375 |
| Grand Total | \$1,055,111 | \$1,387,836 | \$1,415,317 | \$2,470,428 | \$2,681,280 | (\$210,852) |

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| | Aug-20 | Aug-19 | Jul-20 | 2020-2021 FISCAL YTD | 2019-2020 FISCAL YTD | FISCAL YEAR INCREASE/ DECREASE |
|---------------------------------------|--------|--------|--------|-------------------------|-------------------------|--------------------------------------|
| ZONING | | | | | | |
| Zoning Permits | 16 | 26 | 26 | 42 | 47 | (5) |
| CAMA | | | | | | |
| CAMA LPO Permits | 1 | 0 | 2 | 3 | 3 | 0 |
| CAMA LPO Exemptions | 0 | 4 | 5 | 5 | 9 | 0 |
| Sand Relocations | 0 | N/A | 0 | 0 | N/A | N/A |
| CODE COMPLIANCE | | | | | | |
| CCO Inspections | 82 | 145 | 82 | 164 | 302 | (138) |
| Cases Investigated | 48 | 68 | 51 | 99 | 146 | (47) |
| Warnings | 10 | 5 | 11 | 21 | 15 | 6 |
| NOVs Issued | 39 | 63 | 40 | 79 | 131 | (52) |
| Civil Citations (#) | 0 | 0 | 0 | 0 | 0 | 0 |
| Civil Citations (\$) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| SEPTIC HEALTH | | | | | | |
| Tanks inspected | 27 | 0 | 0 | 27 | 64 | (37) |
| Tanks pumped | 15 | 0 | 4 | 19 | 5 | 14 |
| Water quality sites tested | 69 | 0 | 0 | 69 | 46 | 23 |
| Personnel Hours in Training/School | 9 | 0 | 15 | 24 | 0 | 24 |



Michael D. Zehner, Director of Planning & Development