



# MEMORANDUM

## Town of Nags Head

### Planning & Development Department

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To: Planning Board

From: Kelly Wyatt, Planning Director  
Joseph Costello, Deputy Planning Director

Date: October 15, 2024

Subject: Potential Accessory Dwelling Unit (ADU) Ordinance Discussion

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In November 2023, during their retreat, the Board of Commissioners directed the Planning staff to explore the development of an Accessory Dwelling Unit (ADU) ordinance that incorporates a range of optional provisions and regulatory standards to build community support. This initiative is identified as Action Item #2.2 under the Development Goals of the 2024 Strategic Plan. The range of options for consideration includes permitted zoning districts, geographic areas, minimum lot size requirements, maximum unit size limitations, height restrictions, deed restrictions, and parking considerations.

The Planning Department had previously researched and presented a draft ADU ordinance to the Board of Commissioners in September 2019, though it was not adopted at that time.

To advance discussions on a potential ADU ordinance, staff presented the Board of Commissioners with an overview on July 3, 2024, highlighting the similarities and interconnections between ADUs, partial-home short-term rentals, and duplexes. This same presentation was also shared with the Planning Board on July 16, 2024, and is attached.

Staff would like to emphasize that many of the existing partial-home short-term rentals within the town share similar characteristics and functions with accessory dwelling units. Both provide additional living spaces that can be rented as separate, independent units, with comparable operational features. Additionally, many of these existing partial-home short-term rentals, along with attached ADUs if permitted, would resemble duplexes in terms of structure and use.

In order to better understand the potential impact of an ADU ordinance, staff believes it is critical to openly discuss and clarify what is currently allowed within the town, the definitions and regulations governing these uses, and the overlap between these uses. Ensuring regulatory consistency is key.

At their August 20, 2024 meeting, the Planning Board emphasized the importance of community awareness and engagement on this issue. As a result, two public input sessions were scheduled: Tuesday, September 17th, at 9:00 AM, in the Board Room at 5401 S. Croatan Highway, and a second session on Wednesday, September 18th, from 6:00 PM to 7:30 PM, to accommodate those unable to attend the morning meeting.

Staff began each session with a brief informational presentation, followed by a demonstration of a survey with live results, and lastly an open forum was held to hear feedback from attendees.

Planning staff will be available at the Planning Boards October 15, 2024 for continued discussion and guidance on next steps.

## Public Input Session – Discussion Points

### - What are Accessory Dwelling Units (ADU's)

Accessory Dwelling Units are smaller, secondary housing units located on the same property as a primary residence. ADU's can include detached units, garage conversions, or in-home apartments.

### - Why ADU's?

Accessory Dwelling Units can help address local housing needs, providing more affordable rental options or housing for family members.

Accessory Dwelling Units can offer a way for older family members to live independently and age in place.

Accessory Dwelling Units can allow homeowners to generate rental income, which can help with mortgage payments or property upkeep.

Accessory Dwelling Units typically use less land and resources as compared to a new development.

### - What is some PRO's of ADU's?

ADU's can create more affordable housing options.

ADU's offer flexibility for multi-generational living or accommodating family members, caregivers, or tenants.

ADU's can help house local workers who may otherwise struggle to afford housing in the area.

ADU's can encourage long-term rentals over short-term options, supporting housing stability.

### - What is some CON's or CONCERNS of ADU's?

Some residents might be concerned about increased traffic, inadequate parking, or noise – especially in quiet areas.

There may be worries about enforcing regulations, such as ensuring ADU's are not turned into unregulated short-term rentals.

There may be concerns about local infrastructure, such as water, septic capacity, and handling increased housing density.

Some homeowners may be concerned about the proximity of ADU's to their own property and potential impacts on privacy.

### - Goals for Allowing Accessory Dwelling Units

The primary goal is to increase the housing supply of workforce housing.

### - Location of ADU's?

If the Town were to allow Accessory Dwelling Units, are there locations within the Town that you believe are more suitable than others? Specific zoning districts, geographical areas of the Town?

# Post-event feedback survey

29 Responses

08:18 Average time to complete

Active Status

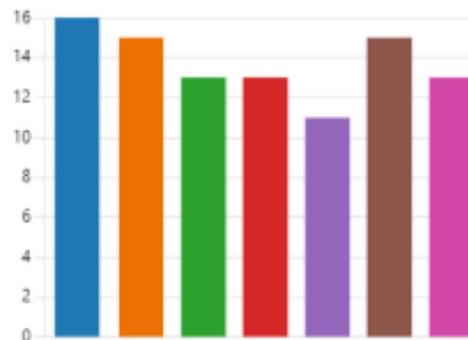
1. Why are you interested in this topic?

- Currently rent a portion of my h... 6
- Currently rent all my home as a ... 1
- Concerned about possible ADUs... 14
- Other 10



2. What are your concerns with ADUs, short term rentals, if any?

- Density (additional structures or... 16
- Traffic 15
- Parking 13
- Noise 13
- Sanitation 11
- Over Occupancy 15
- Other 13



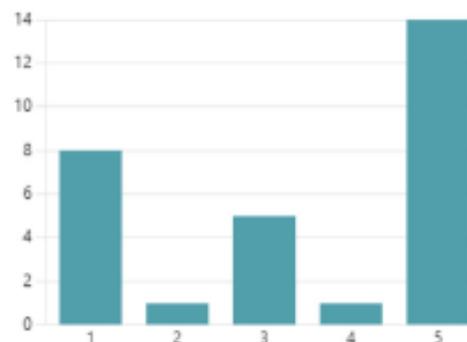
3. What are the potential benefits of allowing ADUs, check all that apply

- Affordable/Workforce housing ... 19
- Financial benefit/income for ho... 18
- Multi-generational/Aging in Pla... 21
- Flexibility in how you utilize the ... 14
- Other 7



4. Do you think ADU's should be allowed in the Town of Nags Head?

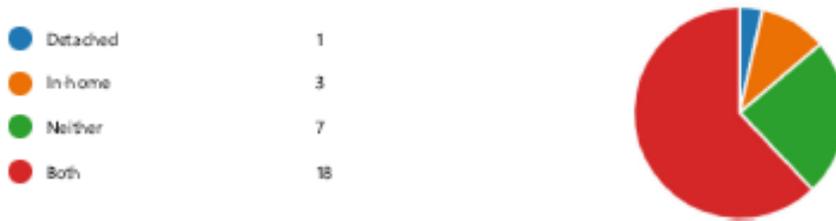
3.41  
Average Rating



5. If ADUs were allowed in Town, would you prefer them to be utilized as long-term rentals?



6. If ADUs were allowed in Town, would you prefer them to be in-home or detached?



7. How likely are you to consider adding an ADU if allowed?



8. Do you have any specific feedback you would like to provide as we consider text amendments related to ADUs?

- Destabilize communities
- If the need is for housing of our hospital staff, teachers etc why wouldn't we only allow long term rentals
- Destabilizing peaceful communities
- Don't KDH Nags Head!!
- Existing neighborhoods should not be changed to allow additional development. The sound side neighborhoods were intended for local year round residents. Extra apartments, dwellings, etc in these areas should not be allowed.
- I believe who ever owns the proposed ADUs should be held responsible for maintenance of outside perimeter, and be responsible to displace anyone who creates excessive noise, traffic: as you see with drug traffic and anyone who brings trouble with the law.
- Do not turn our beautiful town into KDH. We love Nags Head the way it is!
- Long term rentals should be encouraged over short term rentals across the board where possible - incentivized, even, to improve the housing crisis.
- Please stop restricting people from employing the highest and best use of their property as they see fit.
- Yes
- Lot size, traffic concerns, storm water management

- ADU is an essential need to our community. Providing housing and income sources for homeowners
- Please consider the financial impact to your constituents if you disallow STR's. We need to apply creative thinking to allow for affordable housing and additional income for the people of Nags Head
- ADU's are not permitted within the Village at Nags Head
- Bad policy. In a single family home community
- Consider the livelihood of local families that rely on STR/Airbnb income.
- Allow owners to do with their property as they see fit
- Too much focus on development. I moved here because it didn't have all the things that other coastal communities had. It was more raw. That is an value that is being forgotten. KDH 🤔
- Keep ADUs available for STR
- Need more housing options

### **Themes During Workshop**

1. Majority of respondents felt ADUs should be allowed in Nags Head and that they would prefer them to be long term rentals.
2. People have concerns about ADU's changing the character of Nags Head.
3. People were more supportive of attached ADUs then detached ADUs

### **Public Comment Summary**

- Don't really need to do anything, if we do something keep it simple. Don't need detached ADUs. Double the density of units on the lot foreign to Nags Head.
- Concerned with safety for young families, speeding, a lot of illegal apartments in North Ridge. Concerned about septic, enforcement around it and it falling on Westside neighborhoods.
- People like Nags Head because it is not super developed, plenty of homes, possibly limiting Airbnb's with lottery system, open up dwellings we already have.
- Currently have partial home Airbnb but can't rent as long term. A lot of people who have homes and like renting a portion of it don't want to change. Some need Airbnb to pay bills, mortgage, etc. What is on the books is not well defined, lets define what an ADU is. Tough to get to morning meetings, but happy for the evening meeting opportunity. Need to have affordable housing in Nags Head.
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- Do not put deed restrictions on property, prevent highest and best use of property, limits equity gained from investment.
- Don't harm single family homeowners.
- Hard to live here for young people, multiple jobs can't make it work. Want to add an ADU but can't. Do not understand difficulty of long-term renting vs. short term, since there is more vetting and control.
- If the property allows for it via septic and parking, ADUs should be allowed. I believe in property rights.
- Family rents Airbnb during summer and uses space for in-laws during off season. Locals are hardworking but no place to live. Depend on income from Airbnb to sustain.

- Everyone loves Nags Head; property rights are huge. Allow people to long term rent in their house.
- Feels ADU is essential need to provide housing for local and workforce housing and a huge benefit to property owners helps them afford it.
- Development takes away a little bit of the magic of the Outer Banks, ADUs are density. Changes flavor of the neighborhood with density.
- Have an Airbnb but has become saturated not doing as well as during COVID. Is there middle ground, put disagree on survey but mind is changed, older population moving in with children needs somewhere to live, solution may be ADU.
- Agree we need more housing in workforce, but ADU conflicts with covenants of HOA, HOA covenants supersede (if adopted).
- Agree with earlier comments on ADU doubling up and density is bad, but people should be able to rent long term in their home. Absentee owners cause issues.