



**MINUTES
TOWN OF NAGS HEAD
MULTI-FAMILY WORKING GROUP
MONDAY, APRIL 15, 2024
(Meeting #2)**

(Approved April 29, 2024)

Members Present:

Comr. Kevin Brinkley and Comr. Megan Lambert
Planning Board members Meade Gwinn and Molly Harrison
TW's Bait & Tackle business owner Chris Greening
Outer Banks Association of Realtors Government Affairs representative Donna Creef
Outer Banks Homebuilders Association representative Duke Geraghty
Town of Nags Head resident Basil Belsches

Members Absent:

None

Staff Present:

Town Manager Andy Garman
Planning Director Kelly Wyatt
Town Clerk Carolyn F Morris

A. CALL TO ORDER

The meeting was called to order at 10 am.

B. REVIEW OF MINUTES

MOTION: Comr. Lambert made a motion to approve the March 25th meeting minutes as presented. The motion was seconded by Molly Harrison/Basil Belsches which passed unanimously.

C. PRESENTATION FROM PLANNING BOARD RE: LOTS AVAILABLE FOR MULTI-FAMILY DEVELOPMENT/DENSITY

The Multi-Family Dwelling presentation from August 15, 2023 was updated and presented by Planning Director Kelly Wyatt. Ms. Wyatt presented her slides which were titled as follows:

Proposed dimensional standards

- Within the C-2 General Commercial Zoning District
- Only on lots adjacent to US Hwy 158

- Minimum lot width of 150 feet
- Minimum lot area 26,000 square feet of uplands
- Minimum setback of 35 feet from all property lines except in the case of CAMA setbacks, more stringent prevails
- 26,000 square feet uplands required for the first three units; 3,500 square feet required for every unit thereafter

Ms. Wyatt noted that this applies to lots that must front on US 158 per the ordinance; she detailed all lots, undeveloped and developed, that would fit.

Mr. Greening confirmed with staff that the total number of GIS properties that meet the criteria are 8 or 9. He is not sure how, with the current market, that the properties on 158 would be able to be utilized for this purpose. He felt it would be more economical for properties off of 158 to be utilized for this purpose. Town Manager Garman confirmed that currently only C-2 allows multi-family - Residential (R-3) does not allow multi-family.

D. DISCUSSION OF FINANCIAL CONSIDERATIONS RE: ORDINANCE STANDARDS

Notes from Town Manager Garman's conversation with realtor Bobby Harrell were discussed and compared to the proposed multi-family ordinance; Mr. Harrell had asked about basing density on floor area or number of bedrooms.

Manager Garman spoke of at least starting out where the Planning Board ended; he spoke of the Coastal Villas Subdivision which will most likely be a mix of long term, year round, and short term rentals. There was discussion of the possibility of removing the US 158 frontage requirement.

The next time the committee meets, staff hopes to have a draft ordinance to send to the Planning Board and then to the BOC. Manager Garman asked if the group was interested, due to the high costs fronting on US158, in allowing other areas of C-2 to be considered? It was committee consensus that staff look at other areas besides just the frontage on US 158 for availability for further discussion at the next meeting.

Ms. Creef said that if Nags Head gets a process in place, they could be the lead in workforce housing development.

There was committee discussion of usage of parking lots for additional housing units such as the 10.5 Shoppes; Ms. Wyatt said there needs to be discussion re: if the footage should be based on the entire site. Ms. Creef said that this would be driven by the corporate business.

Mr. Greening spoke of allowing housing units on existing business sites – to allow on site a commercial business along with a residential unit. If this is done for a small percentage of businesses in the town, he doesn't feel it would change the look of the Town.

In response to Ms. Creef, Comr. Brinkley spoke of incentivizing projects in order to push them through faster. Ms. Creef suggested not requiring a special use permit, processing applications at the staff level to make it easier and cheaper for developers.

Ms. Wyatt confirmed that it was committee consensus to go from 16,000 to 15,000 for minimum lot size for small multi-family housing. She noted that this would be included in the proposed ordinance and she would bring back an analysis of the properties that would benefit from this at the next meeting.

Mr. Greening questioned any undeveloped property that the Town owns that there are no long-term development plans; for a potential lease option. Manager Garman stated that this is already being looked into

in the upcoming CIP process with the former Outer Banks Medical Center (OBMC) site – where the Community Care Clinic currently leases a portion of the building – for possible use as lifeguard housing.

Manager Garman is to speak to the Town Attorney re: upcoming GS 160D changes to the Residential Building Code – there is concern about the upcoming building code changes.

Staff is to look at C-2 areas outside of the bypass; need to discuss setbacks and density as well as look at 35 foot separation allowance.

Mr. Greening asked about basement housing units Ms. Wyatt mentioned that sometimes Base Flood Elevation (BFE) could be an issue. The possibility of having some control over duplexes by allowing them. Mr. Harrell's notes included some information on this.

Ms. Harrison suggested that a rendering from Dep Planning Director Joe Costello would be helpful for the next committee meeting.

Manager Garman suggested reconfiguring size for the amount of density; staff is to look at properties to show square foot per acre or number of bedrooms per acre for the next meeting.

Comr. Brinkley said he would be willing to look at some of the suggestions made by Mr. Harrell.

Staff is to look into a site plan that was approved by the Town of Kill Devil Hills last year for 45 small units as mentioned by Ms. Creef.

Manager Garman stated that staff will bring back density scenarios and setbacks as well; also mentioned was reducing the limit size from a minimum of 800 to 600 square feet? Mr. Belsches mentioned State building code, unit size, and number of bedrooms.

Mr. Greening suggested renting out motel/hotel rooms for housing purposes and Ms. Wyatt reported that the Board of Commissioners recently adopted an ordinance to allow this.

*** Town Manager Garman said that he anticipates the committee reporting to the Board in June 2024 in terms of its recommendation, then sending a proposal to the Planning Board with a draft ordinance for review.

Town Manager Garman is to verify committee members have the following document links:

- Architectural Design Manual
- Community Survey results
- Town Code of Ordinances

E. NEXT MEETING

The next meeting was scheduled for Monday, April 29, 2024 at 10 am in the second floor Conference Room.

F. ADJOURNMENT

The meeting adjourned at 12:02 p.m.