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**Bob Sanders**  
Commissioner

**Megan Lambert**  
Commissioner

**To:** Mayor and Board of Commissioners  
**From:** Andy Garman, Town Manager  
**Date:** *Updated October 14, 2024*  
**Re:** Status Report, Strategic Plan 2024-2025

**Progress Overview for Goal #1 Environment:**

To safeguard our critical natural resources and coastal ecosystem.

Objective #1: Maintain the natural resources that we have	Objective #2: Mitigate the risk of natural disasters	Objective #3: Educate the public about their natural environment	Objective #4: Have a comprehensive strategy for clean water
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**1. Incentivizing Water Stewardship (Action 1.1)**

- **Objective(s): #1**  
Progress has been made in developing water rate structures that encourage conservation and responsible water usage. These rates aim to promote sustainable water practices, reducing unnecessary consumption while ensuring long-term water availability. Staff is currently evaluating how the AMI meters impact revenue. Additionally, the AIA study and corresponding CIP recommendations will go hand in hand in working with Raftelis to look at an overall comprehensive rate strategy rather than looking at individual components. Staff anticipates this being a topic for the FY 25/26 budget. NC DEQ incentivizes stewardship in applying for grants, with points being given for implementing a water conservation rate structure.

**2. Estuarine Shoreline Management Plan Prioritization (Action 1.2)**

- **Objective(s): #1, #2, #4**  
Key priorities for the Estuarine Shoreline Management Plan have been identified, and strategies for implementation are in development. These will enhance shoreline ecosystems, address flood risks, and improve coastal resilience. The Town has received a grant/contract to complete 60% drawings for Pilot Sites 1 and 2 (Villa

Dunes and Soundside Road). The Town has received a grant for engineering and construction of Pilot Site 3 (Harvey Site/OB Event Site). The Town has submitted a grant for the local match at Pilot Site 3 (November notification). The Town has applied for a CCAP (Community Conservation Assistance Program) grant for the causeway. The Coastal Federation has set aside funds for this as well, although the final amount is not known. The Coastal Federation has done a site visit for depth analysis, SAV, etc. to give a preliminary design of the shoreline. Depending on how much of a funding gap there is, the Town plans to apply for a WRDG, NC LWF grant, or disaster mitigation grant, due dates range from December to March.

### **3. Beach Nourishment Master Plan Completion (Action 1.3)**

- **Objective(s):** #1, #2, #4, Action #3.3

The Multi-Decadal Beach Nourishment Master Plan to establish a long-term strategy to plan, schedule, and permit ongoing beach nourishment efforts was adopted at the July 2024 Board of Commissioners meeting. The framework allows for proactive planning and sustainable beach management over a 50-year planning horizon. The key aspects of this plan include the evaluation of long-term sediment sources, Levels of Protection (LoP), nourishment triggers, regulatory pathways, project timelines, and estimated future years project costs. A section of the Master Plan is dedicated to vegetative sprigging and dune management for incorporation into future plans to enhance sustainability. Staff will request that the Board approve planning/engineering for its next project at the Board's November meeting. The earliest target for beginning a project would be Summer of 2026.

### **4. Stormwater Management Plan Development (Action 1.4)**

- **Objective(s):** #1, #2, #4

The Stormwater Management Plan update was reviewed by the Board of Commissioners at its October 2, 2024 meeting to initiate the planning process. Funding is provided via an NCDEQ Division of Water Infrastructure (DWI) Stormwater Planning Grant in the amount of \$400,000. The scope of work will be segmented into two separate phases. The initial phase of work will consist of initial data collection, stakeholder and public meetings, problem area identification, conceptual design, asset inventory and assessment, geodatabase management and dashboard creation. Future phases will consist of preparation of a stormwater master plan report, watershed restoration plans, and final plan presentation. Public participation and engagement will be conducted via several open workshops to target a broader audience to receive citizen and stakeholder feedback related to local stormwater issues.

## 5. Water System Master Plan Completion (Action 1.5)

- **Objective(s):** #1, #2, #4

The Water System Master Plan is progressing with a focus on water distribution and infrastructure improvements. The plan will also provide a comprehensive implementation schedule for the CIP. The water system CIP will be presented as part of the FY 2025/26 budget.

## 6. Implementation of the Decentralized Wastewater Management Plan (Action 1.6)

- **Objective(s):** #1, #2, #4

Guided by the Septic Health Advisory Committee, efforts to implement the Decentralized Wastewater Management Plan are underway. This initiative will enhance wastewater treatment solutions in areas not served by centralized systems, safeguarding water quality. The Town has applied for an NC DEQ grant to provide up to \$500,000 of 0% interest septic replacement/repair loans, with possible principal forgiveness. The Town has increased the loan payback period to 5 years. Four additional water quality loggers have been received and the staff is currently determining the most appropriate locations for these new loggers. Staff are now utilizing a combination of GPS unit RTK technology, ESRI's Field Maps Application, and ArcGIS Online to map point and polygon data. Additional data such as the age of the septic tank, type, size, and maintenance records are being gathered to develop an interactive map to inform future educational initiatives and improve long-term management of the town's septic infrastructure.

## 7. Increasing Participation in the Septic Health Initiative (Action 1.7)

- **Objective(s):** #3, #4

New strategies are being developed to increase community participation in the Septic Health Initiative. These strategies focus on awareness campaigns that encourage septic system maintenance for environmental protection. Letters have been sent to various neighborhoods identified as high-risk (older tanks, elevated ground water) to help inform property owners about the septic health initiative and encourage routine inspections. An article was recently included in the Townwide newsletter encouraging participation in the program. If the Town receives the grant mentioned in item #6, we anticipate working to identify areas where there are malfunctioning systems sitting in groundwater (i.e., SNH west of 1243) and encouraging participation in the loan program.

## 8. Educational Program on Water Quality Threats (Action 1.8)

- **Objective(s):** #3

An educational short-form video series (like the Reels format), is being developed to

inform residents about threats to water quality, particularly from stormwater and wastewater. Based upon the high level of engagement from the social media campaign that was used during the 2024 SepticSmart Week, we decided to use a short-form video format. Those on the team for this objective met and we discussed several threats to water quality that can be included in this video series. Funds have been budgeted for this and a videographer has been hired.

**9. Consideration of Sea Level Rise and Climate Change in Policy Development (Action 1.9)**

- **Objective(s): #1, #2, #3**  
Policies and planning studies are being updated to consider the long-term impacts of sea level rise and climate change. This approach will ensure the town is prepared for environmental challenges in future development efforts. Sea level rise and climate change has been incorporated into the Beach Nourishment Master Plan and will be incorporated into the Stormwater Master Plan update.

**Progress Overview for Goal #2: Development**

To achieve responsible, adaptive development that aligns with our community vision.

Objective #1: Proactively balance appropriate types of land uses	Objective #2: Ensure resilient development and infrastructure	Objective #3: Ensure public spaces are preserved and maintained equitably	Objective #4: Ensure efficient traffic movement and pedestrian safety
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**1. Grant Application for Conservation Easements (Action 2.1)**

- **Objective(s): #3**  
The town is applying for grants to place conservation easements on town-owned properties. This effort aims to protect valuable natural spaces while ensuring equitable public access to these areas. The Town received a \$4 million grant from the North Carolina Land and Water Fund to place three tracts of land in Nags Head Woods under a conservation easement. The Town will work with TNC/NC LWF on the next steps.

**2. Addressing Land Use Incompatibilities (Action 2.2)**

- **Objective(s): #1**  
A review is underway to identify and correct land use incompatibilities between the Comprehensive Plan and the Unified Development Ordinance. The Planning Board is scheduled to discuss the appropriateness of the Hotel Overlay District at their upcoming meeting on Tuesday, October 15<sup>th</sup>, 2024. Planning staff are currently in

the process of examining Beach Road vs. US 158 land uses, and other potential areas of land use incompatibility.

### **3. Review of Comprehensive Plan Character Areas (Action 2.3)**

- **Objective(s): #1, #2**

The town is reviewing the character areas defined in the Comprehensive Plan and working to develop strategies for their effective implementation. This review will align future development with the town's long-term goals for sustainable growth. Planning staff has prioritized this objective for completion prior to December 2024.

### **4. Accessory Dwelling Unit (ADU) Ordinance Development (Action 2.4)**

- **Objective(s): #1, #2**

Planning staff have been working towards the development of an accessory dwelling unit (ADU) ordinance. In early July, staff provided the Board of Commissioners and Planning Board with a presentation highlighting the similarities and interconnectedness between ADU's, partial-home short-term rentals, and duplexes. At their August meeting, the Planning Board emphasized the importance of community awareness and engagement on this issue and as a result two public input sessions were held. Themes from the workshop were: the majority of respondents felt ADU's should be allowed in Nags Head and that they would prefer them to be long-term rentals, people have concerns about ADU's changing the character of Nags Head, and people were more supportive of attached ADU's than detached ADU's. The Planning Board will continue discussions on ADU's at its October 15, 2024 meeting.

### **5. Minimizing Residential Lighting Impacts (Action 2.5)**

- **Objective(s): #1**

To minimize the impact of residential lighting, non-regulatory approaches are being developed by staff. These include education on dark sky benefits, and campaigns promoting turtle-friendly lighting and neighborly lighting practices. Core elements include: Keep it Low: fixtures should be mounted as low as possible to achieve required light levels and bulbs should produce the lowest wattage/lumens necessary for the needed purpose; Keep in Shielded: fixtures must be completely downward-directed and shield the bulb, lamp, or glowing lens; Keep in Long: Lamp/bulb should produce only long wavelength light (560 nm or greater, which is amber, orange or red). Consideration may be given to purchasing a Sky Quality Meter, to assess dark sky quality. An article was included in the recent Town newsletter on Dark Sky Lighting. This will be converted to a central repository on the Town's website for information on Dark Sky Lighting. We will continue to message this in various ways.

## 6. Model for CIP Projects (Action 2.6)

- **Objective(s): #2**

The current model for Capital Improvement Plan (CIP) projects related to streets, water, and stormwater has been operational for the past several years. It is a holistic approach to planning, design, and construction of combined streets, stormwater, and watermain project work. The approach synthesizes utility and infrastructure plans and prioritization into a single combined project plan. For FY 25, stormwater replacements are scheduled at seven locations along S Memorial Ave in conjunction with a storm pipe extension from Wrightsville Ave., along Gallery Row and through to S Memorial Ave. Street resurfacing is scheduled for S Memorial Ave., between Bittern St and E Eighth St, Abalone St., Gallery Row, Driftwood Dr., Atlas St., Ario St., Lark Ave, Pond Ave, and Gannett St. Asbestos Cement (AC) watermain replacements are planned for along S Memorial Ave. between Ario and Atlas St, Ario St, Atlas St and Albatross St. These projects are currently in the design phase. Planning for AC watermain replacements from Juncos St to the southern corporate limits along S. Old Oregon Inlet Rd. is also underway.

## 7. Exploring Grant Opportunities for Infrastructure (Action 2.7)

- **Objective(s): #2**

The town is actively pursuing grant opportunities to support infrastructure planning, maintenance, and enhancements. These efforts aim to leverage external funding to improve the town's infrastructure resources. Since the last strategic planning workshop, notable grants the Town has received include a conservation easement for \$4 million, two stormwater infrastructure grants totaling over \$2.6 million, two living shoreline grants for all three ESMP Pilot Sites-\$1 million, beach access grants at Juncos, Governor, and June Streets -totaling \$370,000, and engineering for the next beach nourishment project-\$301,000. Grants we are awaiting decisions on include 0% interest loans for septic replacements and sidewalk/multi-use path engineering and construction grants. In the next year we will be looking at grants for beach nourishment (we would like to be the first to get a BRIC grant for this) and the estuarine shoreline at the causeway in addition to building in capacity for "pop-up" grants aligning with the Board's initiatives as we keep open communication with our consultants. Through the IRS, we have applied for rebates for the solar panels at Public Services and we would like to continue our partnership with the ETIPP program to look at solar panel grants for other Town buildings. Additionally, staff is seeking Board guidance in hiring a government relations firm that can assist in receiving direct appropriations for projects to include Public Safety buildings, water lines and other infrastructure, drainage improvements, and beach nourishment.

## 8. Traffic Calming Process (Action 2.8)

- **Objective(s): #4**

A formal process to manage traffic calming requests was approved by the Board at its August 2024 meeting. The policy's goal is to prioritize and implement police enforcement, traffic calming, and pedestrian measures based upon safety, applicability, budget, efficacy, and partnerships. In addition to the policy adoption an expansion of the radar speed limit sign network has been implemented with new installations in the North Ridge and Nags Head Acres subdivisions. Staff will bring forward recommendations for expansion of these signs as part of the FY 2025/25 budget process.

## 9. Pedestrian Plan Priorities (Action 2.9)

- **Objective(s): #4**

Discussions regarding the town's Pedestrian Plan priorities are ongoing with the Board of Commissioners. These discussions aim to enhance pedestrian safety and accessibility in key areas. The Town has applied for two sidewalk construction grants that align with the Pedestrian Plan along W. Baymeadow Dr. and W. Windjammer Dr. The second phase of planning for repaving/rehabilitation of the S. Virginia Dare Trail multi-use path is currently in progress and tentatively scheduled for construction around the first of the year. This length is expected to span from Jennette's Pier to Lakeside St and from Epstein St to approximately Dune St. The FY 2025/26 CIP includes adding a multi-use path in front of Jockey's Ridge from Carolista Drive to W. Soundside Road. Staff is communicating with JRSP staff to coordinate a sand relocation project which would allow for the placement of the path. Staff wrote JRSP a letter of support for this project. The Board approved a grant application to design three major segments of the west side multi-use path. If awarded, we would receive this grant in FY 24/25. This will allow us to be shovel-ready for the FY 25/26 phase of the pedestrian plan aligning with the Town's adopted CIP.

## 10. Advocacy for US 158 Corridor Study (Action 2.10)

- **Objective(s): #4**

The town is advocating to NCDOT for a corridor study of US 158 to improve safety while balancing access, functionality, and traffic flow efficiency. Staff have had initial discussions with NCDOT on where this stands as well as communications with the other northern Outer Banks towns on methods to advance this project.

## 11. Initiative to Improve Pedestrian Safety (Action 2.11)

- **Objective(s): #4**

An initiative is being developed to enhance pedestrian safety at crosswalks and reduce conflicts along multi-use paths. This will include strategies to make crosswalks more visible and encourage responsible use of shared spaces. The Town has applied for a grant for a HAWK pedestrian light at the Event Site (November notification). Staff would like Board guidance if they would like the Town to fully pay for the light if the Town does not receive the grant.

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### Progress Overview for Goal #3: Economy

To promote a sustainable economy that supports residents and visitors.

Objective #1: Provide workforce housing for the Town	Objective #2: Support and encourage small businesses	Objective #3: Maintain a free, family-friendly, non-commercial, well-maintained beach
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## 1. Participation in Dare County's Housing Taskforce (Action 3.1)

- **Objective(s): #1**

The town is actively participating in Dare County's Housing Taskforce, which has been meeting since the 1<sup>st</sup> of the year. Commissioner Siers has been placed on a housing subcommittee focused on developing a plan for housing to present back to the larger Taskforce. The housing subcommittee would like Dare County to participate in the Our State, Our Homes program, launched by Carolina Across 100. More information on this can be found here -> [Our State, Our Homes - Carolina Across 100 \(unc.edu\)](#). Town Manager Garman and Southern Shores Councilor Matt Neal will participate in this. Donna Creef, the Taskforce Chairperson, is completing the application for the Our State, Our Homes program.

## 2. Housing for Town Staff (Action 3.2)

- **Objective(s): #1**

The Town has included funding for Ocean Rescue housing in the FY 24/25 adopted budget. At its September 4<sup>th</sup> meeting, the Nags Head Board of Commissioners adopted a text amendment to allow the dormitory use within the SED-80, Special Environmental District via the Special Use Process. The Planning Board voted unanimously to recommend approval of the Special Use Permit/Site Plan Review for construction of a two-story, eight-bedroom dormitory (duplex) at 425 W. Health Center Drive at its September 17<sup>th</sup>, 2024 meeting. The Board of Commissioners will

consider this SUP/Site Plan request at their November 6<sup>th</sup>, 2024, meeting. We are currently working to receive bids and permits for this project.

### **3. Creation of a Merchants Association (Action 3.3)**

- **Objective(s): #2**

Efforts are underway to facilitate the creation of a Merchants Association or similar organization. This will enable more proactive engagement with local businesses, fostering a collaborative environment for economic growth. Paige Griffin and Linda Bittner are collaborating to create a list of brick-and-mortar businesses within the town with contact information. Once completed, Paige and planning staff will create an initial communication to all businesses about the creation of the association and next steps for engagement, including quarterly newsletters. Anticipate having this completed by the end of December 2024.

### **4. Educational Efforts on Over-Occupancy Issues (Action 3.4)**

- **Objective(s): #2**

The town continues to monitor and provide educational opportunities on issues such as wastewater, traffic, sanitation, and noise related to over-occupancy. Local real estate agencies, the Outer Banks Association of Realtors, and event planners are key partners in these educational efforts. This effort is on-going.

### **5. Prohibiting Beach Commercialization (Action 3.5)**

- **Objective(s): #3**

Updates to portions of the Town Code are being made to clarify that commercialization of the beach is prohibited within the town limits. This update will preserve the natural character of the beach and prevent commercial activity that could detract from its recreational use. Planning staff will have this completed prior to December 2024.

**Progress Overview for Goal #4: Community Services**

To maintain an efficient government that provides high quality and cost-effective services.

Objective #1: Maintain a work environment where people feel valued, appreciated, and respected	Objective #2: Provide friendly, accommodating, and responsive customer service	Objective #3: Provide the highest quality services possible and review the needs of the community to ensure that resources are available to meet those needs	Objective #4: Enhance internal and external communication that reflects the town's the goals, values, and heritage	Objective #5: Collaborate with other local and state agencies to align or expand services
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**1. Recognize & Highlight High-Performing Employees (Action 4.1)**

- **Objective(s):** #1, #2  
The Town is currently implementing NEOGOV Perform, a performance evaluation management system, to replace the current paper evaluation forms. Perform is configured with multiple attributes that recognize and drive high-performance:
  - Competencies: Incorporates position specific competencies; targeting the attributes that are required for success.
  - Check-Ins: Prompts check-ins between staff and leadership to provide performance feedback half-way through the performance period; reinforcing high-performance behaviors and accomplishments and provide feedback for areas of improvement.
  - Journal-Entries: Staff can highlight accomplishments and high performance for their peers and themselves and share it with managers by creating journal entries throughout the year. Likewise, managers are also able to create and send kudos about staff achievements in the form of a journal entry that can be incorporated in the evaluation.

**2. Performance-Based Merit Structure (Action 4.2)**

- **Objective(s):** #1, #2  
In the most recent staff engagement survey, pay was identified as the #1 type of recognition staff preferred. Providing merit-based pay is an opportunity to recognize and reward an individual's exceptional contributions that are consistently above and beyond expectations. This reinforces the behaviors and high caliber performance that better serves our community. As such, a performance-based merit structure will be provided for those individuals who have an overall rating of

“Exceeds Expectations” or “Exceptional” on their most recent performance evaluation. Merit pay has been included in the FY 25 budget at 1% of total payroll. This is in addition to the within grade increases for those individuals that are meeting expectations and successful in their roles.

### **3. Evaluation of Total Rewards Framework (Action 4.3)**

○ **Objective(s): #1**

The Total Rewards Framework incorporates programming and elements intended to motivate, recognize, and reward a committed workforce that provides exceptional services to our community. The framework includes a creative and comprehensive offering in four key areas: Compensation, Benefits, Recognition and Development. The components included in total rewards are constantly evolving to meet the needs of our workforce. The Town has completed or is working to complete the following:

- Contributed more to staff dependent benefit premiums, reducing the cost-share for employees with dependents.
- Updated the Employee of the Year program, providing a more consistent approach to this prestigious award across departments and incorporating peer nominations.
- Switched medical carriers from MedCost, a regional based carrier, to Aetna, a national carrier. This has resulted in a wider network of health care providers, greater efficiency with claims processing, and more tools and resources to promote individual health management.
- Implementing a new performance evaluation program that leverages technology to provide streamlined and automated processes, while incorporating qualitative components to provide more meaningful feedback to drive a higher level of performance. This is currently in progress.
- Implementing a performance-based merit structure to reward our Town’s top contributors. This is currently in progress.

### **4. Establishing KPIs for Departments (Action 4.4)**

○ **Objective(s): #2, #3**

Draft key performance indicators (KPIs) have been established for all town departments. These performance measures will track progress toward departmental goals and ensure alignment with the town’s overall strategic objectives. The Town would like to evaluate this as part of streamlining the monthly reporting process to the Board, which would make reporting more efficient and concise. Ideally the KPI’s will replace some of the current monthly reporting. The KPI’s will be used to assist staff and the Board in making timely, informed decisions. Staff has identified KPI software which could cost at least \$250 a month. This would both automate the

current reporting system and provide relevant performance indicators to the Board. Additionally, KPI software would allow sharing of KPI's with the public, if desired.

#### **5. Town Campus Master Plan (Action 4.5)**

- **Objective(s): #3**

A "Town Campus" Master Plan is being developed to present to the Board. This plan will provide a comprehensive vision for the development and utilization of town-owned facilities to meet future needs. The Town approved a fitness facility in the FY 24/25 budget. The Town is under contract to purchase a piece of land, which could be used for a new fire station. Staff will seek input from the Board at the retreat on finalizing the master plan.

#### **6. Public Service Announcement Videos and Events (Action 4.6)**

- **Objective(s): #3**

Public service announcement (PSA) videos and events, similar to the successful Ash Wednesday storm event, are being planned to engage the community and highlight important issues. These efforts will increase public awareness and involvement in town initiatives. A new mini documentary highlighting Nags Head's ocean rescue history and including critical beach and safety information in an entertaining way, is nearly complete. Discussions are underway to hold a premier this summer upstairs at Jennette's Pier, just ahead of the United States Lifesaving Association's regional championship, which will also take place at the pier. In addition to the premier, we are discussing other events at which we can show the video, such as at Dowdy Park or the Bonnett or Epstein bathhouses, so we can reach more viewers.

#### **7. Interagency Collaboration Mechanisms (Action 4.7)**

- **Objective(s): #5**

Formal mechanisms are being created to work more effectively with local and state agencies. These partnerships will align initiatives and create a more cohesive approach to regional and statewide challenges. Here is the current state of things:

- Staff engages with NCDOT staff at least twice a year to discuss a variety of issues including traffic lights, maintenance projects, right-of-way maintenance, and planned improvements.
- The Town participates in the Dare Housing Task Force.
- Dare County and the Towns coordinate on issues of mutual concern. An example would be the recent legislative efforts to revise the on-site wastewater rules.
- The Mayor and Town Manager recently attended a legislative listening session to convey issues of concern for Nags Head and Dare County. These include

regulations/mechanisms to deal with houses on the beach, on-site wastewater regulations, legislative efforts to assist with providing workforce housing, revisions to general contracting laws to make it easier for local contractors to bid on town projects, and funding for infrastructure including water, drainage, wastewater, and streets.

- Nags Head was a participant in the Interagency Working Group sponsored by the National Park Service and the NC Division of Coastal Management related to Threatened Oceanfront Structures.
- A formal mechanism needs to be created to discuss coordinated shoreline management efforts. Several years ago, there were quarterly meetings to include the county and the towns, however this no longer occurs.