



**AN ORDINANCE AMENDING THE TOWN CODE AND UNIFIED DEVELOPMENT ORDINANCE OF THE TOWN OF NAGS HEAD, NORTH CAROLINA AS IT PERTAINS TO THE CONVERSION OF EXISTING HOTEL UNITS TO LONG TERM RENTAL UNITS**

**ARTICLE I. Purpose(s) and Authority.**

**WHEREAS**, pursuant to N.C.G.S. § 160D-701, the Town of Nags Head (the "Town") may enact and amend ordinances regulating the zoning and development of land within its jurisdiction and specifically the location and use of buildings, structures and land; pursuant to this authority and the additional authority granted by N.C.G.S. Chap. 160D-702, the Town has adopted comprehensive zoning regulations and has codified the same within the Unified Development Ordinance, Part II of the Town Code, adopted pursuant to N.C.G.S. § 160D-103, which allows the Town to combine certain land development ordinances into a unified ordinance;

**WHEREAS**, Section 2.4.4.3 of the Unified Development Ordinance provides that the powers and duties of the Planning Board include developing and recommending policies, ordinances, development regulations, administrative procedures, and other means for carrying out plans in a coordinated and efficient manner;

**WHEREAS**, Section 3.5.1. of the Town Code makes clear that a zoning ordinance text amendment may be initiated by motion of the Board of Commissioners, by motion of the Planning Board, or by application by any person within the zoning jurisdiction of the Town;

**WHEREAS**, a text amendment application has been submitted requesting consideration be given to allowing the conversion of existing hotel units to long-term rental units.

**ARTICLE II. Construction.**

For purposes of this ordinance amendment, underlined words (underline) shall be considered as additions to existing Town Code language and strikethrough words (~~strikethrough~~) shall be considered deletions to existing language. Any portions of the adopted Town Code which are not repeated herein but are instead replaced by an ellipsis ("...") shall remain as they currently exist within the Town Code.

**ARTICLE III. Amendment of the Unified Development Ordinance.**

PART I. That **Appendix A – Definitions**, be amended to add the following terms:

**Long-term Occupancy/Tenancy** means the occupancy of a single-family dwelling/dwelling unit by an owner, tenant, or other lawful occupant for a period of ninety (90) consecutive calendar days or more.

**Principal Place of Residence** means the home or place in which one's habitation is fixed, and to which one has present intention of returning after a departure or absence therefrom.

**Qualified Person** means a person working/employed in Dare County, NC. A qualified person includes but is not limited to any person who has an internship with an employer if the employer's place of business is physically located in Dare County, NC, or a person who works remotely for an employer if the person's

principal place of residence and the employer's place of business are both physically located in Dare County, NC.

**Workforce Housing or workforce housing unit** means the following:

- a. A dwelling unit which is occupied by at least one qualified person under a long-term occupancy/tenancy, and
- b. A dwelling unit which is the principal place of residence for at least one qualified person.

PART II. That **Section 7.12, Supplemental Regulations, Hotels** be amended as follows:

**7.12.3. Long-Term Rental of Hotel Units**

A hotel operator may choose to seek a Change of Use/Special Use Permit for the conversion of existing hotel units into long term rental units when the following criteria have been met:

7.12.3.1 The hotel or motel was constructed prior to November 10, 1972, and is located within the C-2, General Commercial Zoning District.

7.12.3.2 All the units within the hotel development must be converted to long-term rental occupancy. Occupancy within the structure shall not be split among short- and long-term occupancies.

7.12.3.3 For the purpose of this Section, long term lease/rental shall mean occupancy for a period of 90 consecutive days or more.

7.12.3.4 A minimum of 50% of all the long-term rental units within the development shall be subject to a lease restriction requiring that the unit be used exclusively for workforce housing. Lease or rental agreements must be submitted to the Planning Department at a minimum annually, and whenever requested, to ensure compliance with the conditions of the use, including long-term occupancy and workforce housing requirements.

7.12.3.5 A minimum of 50% of all the long-term rental units within the development shall be subject to a lease restriction requiring that the unit be used exclusively for workforce housing. This restriction shall be included in all lease/rental agreements and shall be provided annually to the Planning and Development Department for compliance review.

7.12.3.6 Consistent with the NC Building Code, Interior Space Dimensions, each unit shall conform to the following requirements:

7.12.3.6.1 The unit shall have a living room of not less than 220 square feet of floor area. An additional 100 square feet of floor area shall be provided for each occupant of such unit, in excess of two.

7.12.3.6.2 The unit shall be provided with a separate closet.

7.12.3.6.3 The unit shall be provided with a kitchen sink, cooking appliances and refrigeration facilities, each having a clear

working space of not less than 30 inches in front. Portable electric cooking equipment shall not fulfill the requirement for cooking appliances. In addition, portable cooking equipment employing flame shall be prohibited from the kitchen area.

7.12.3.5.4 The unit shall be provided with a separate bathroom containing a water closet, lavatory and bathtub or shower.

7.12.3.6 Every unit shall be supplied with facilities providing heat. Portable kerosene heaters are not acceptable as a permanent source of heat.

7.12.3.7 As part of the Special Use Permit approval process for the conversion of transient hotel units into long-term rental units, all current North Carolina Fire Prevention Codes must be met.

7.12.3.8 The minimum parking requirements as noted in Section 10, Part II, Off-Street Parking and Loading Requirements shall be met.

7.12.3.9 Utility meters of any type for individual units are prohibited.

7.12.3.10 The long-term rental of hotel units must operate under a single, unified rental management operation.

7.12.3.11 All goods, materials, and equipment must be stored indoors, or in an approved location, in a manner that is not visible from public rights-of-way or neighboring properties.

7.12.3.12 If after having received approval for the conversion of transient hotel units to long-term rental units, the operator wants to transition the long-term rental units back to transient hotel units, this may be done through the Change of Use process. If no changes or alterations have been made to the structure and/or the site that would increase the degree of nonconformity with zoning regulations, this Change of Use shall be reviewed and approved administratively.

**PART III. That Section 6.6, Table of Permitted Uses and Activities be amended as follows:**

Use Category/Class	Use Type	Residential Districts			Commercial Districts						Special Districts					Overlay Districts			Supp Regulation	
		R-1	R-2	R-3	CR	C-1*	C-2	C-3	C-4	C-5	SPD-20	SPD-80	SPD-C*	O&S	CO	HO	SRO			
1.1 Residential-Group	Family Foster Home	P	P	P	P	P														
1.1 Residential-Group	Long-Term Rental Hotel Units									SR										Section 7.12.3
1.1 Residential – Group	Hotel									SR										Section 7.12

**PART IV. That Section 10.16, Table 10-2, Required Parking by Use be amended as follows:**

Use Category/Class	Use Type	Required Parking
Residential – Group	Long-Term Rental Hotel Units	Two parking spaces per unit
Residential – Group	Hotels	One parking space for each hotel unit without kitchen facilities; 1.2 parking spaces for each unit with kitchen facilities; plus, one parking space for every 100 square feet of conference or assembly area. For other accessory uses such as restaurants or retail, parking requirements shall be calculated at 75% of the standard for each permitted accessory use.

PART V. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed. This ordinance shall be in full force and effect from and after the 3<sup>rd</sup> day of April 2024.

  
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Benjamin Cahoon, Mayor

ATTEST:

  
\_\_\_\_\_  
Carolyn F. Morris, Town Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
John Leidy, Town Attorney

Date adopted: **April 3, 2024**

Motion to adopt by Commissioner \_\_\_\_\_

Motion seconded by Commissioner \_\_\_\_\_

Vote: \_\_\_\_\_ AYES \_\_\_\_\_ NAYS

