



Agenda Item Summary Sheet

Item No: **F-1**
Meeting Date: **April 3, 2024**

Item Title: Public Hearing to consider text amendments submitted by Albemarle & Associates, Ltd on behalf of Golasa Holdings, LLC to allow the long-term rental of units within existing hotels and motels.

Item Summary:

John Delucia of Albemarle & Associates, Ltd. has submitted a text amendment request on behalf of Golasa Holdings, LLC, which if adopted, would amend the Unified Development Ordinance, to allow the long-term rental of units within existing hotel and motel units. The Planning Board discussed the requested amendments with the applicant and planning staff at their December 19, 2023, January 16, 2024, and February 20, 2024 meetings. As a result of these meetings an ordinance has been drafted which would allow the conversion of existing hotel units intended for transient occupancy, to be converted to long-term rental occupancy units with the following supplemental regulations:

- Hotels/motels within the C-2, General Commercial zoning designation and constructed prior to November 10, 1972. When applying these parameters, eligible properties include Seahorse Inn, Owens Motor Court, Tarheel Motel, First Colony, and Nags Head Beach Inn.
- The conversion of hotel units to long-term rental would be approved via the Special Use Permit process. Reverting to hotel units may be done administratively if there has been no site or structural improvements resulting in an increase in the degree of nonconformity.
- All units within the hotel development shall be converted to long-term occupancy, a hotel structure could not have both long and short-term occupancies co-mingled.
- Long-term occupancy shall mean occupancy for a period of 90 consecutive days or more.
- A percentage of the units shall be dedicated to workforce housing.
- Interior space dimensions of each unit shall meet the minimum requirements of the NC Building Code.
- The hotel development shall meet current NC Fire Prevention code requirements.
- A minimum of two (2) parking spaces shall be required for each unit.
- Utility meters for individual units are prohibited and the hotel must operate under a single-unified management operation.
- All goods, material, equipment, etc. shall be stored in an approved location, not visible from public rights-of-way or neighboring properties.

Planning Staff and Planning Board Recommendation

While staff does have concerns that this transition of transient hotel units to long-term stay units is effectively allowing a form of multi-family development while we do not currently allow multi-family developments within the town code, staff believes that with the recommended conditions in place, this type of transition in hotel units is consistent with the land use plan would recommend adoption of the proposed amendment.

At their March 19, 2024 meeting the Planning Board voted 5-1 to recommend adoption of the proposed text amendment as presented. While the majority of Planning Board members are supportive of the proposed text amendment noting that it has potential to provide for workforce housing opportunities, they are also concerned about the inconsistencies with the proposed multi-family dwelling development ordinance currently under consideration.

Specific Action Requested:

Conduct the Public Hearing.

Submitted By: Planning and Development

Date: March 26, 2024

Finance Officer Comment:

Insufficient information to determine fiscal impact.

Signature: Amy Miller

Date: March 26, 2024

Town Attorney Comment:

I will participate in the discussion.

Signature: John Leidy

Date: March 26, 2024

Town Manager Comment and/or Recommendation:

I will participate in the discussion.

Signature: Andy Garman

Date: March 26, 2024