



Town of Nags Head

Multi-Family Ordinance

Nags Head Board of Commissioners

Wednesday, September 4th, 2024

Background

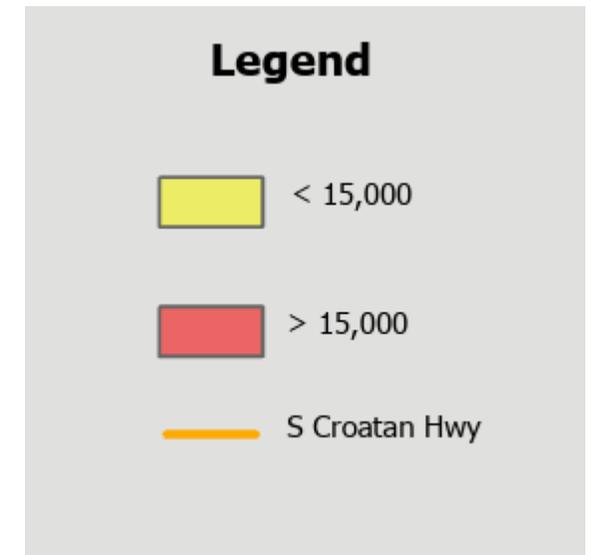
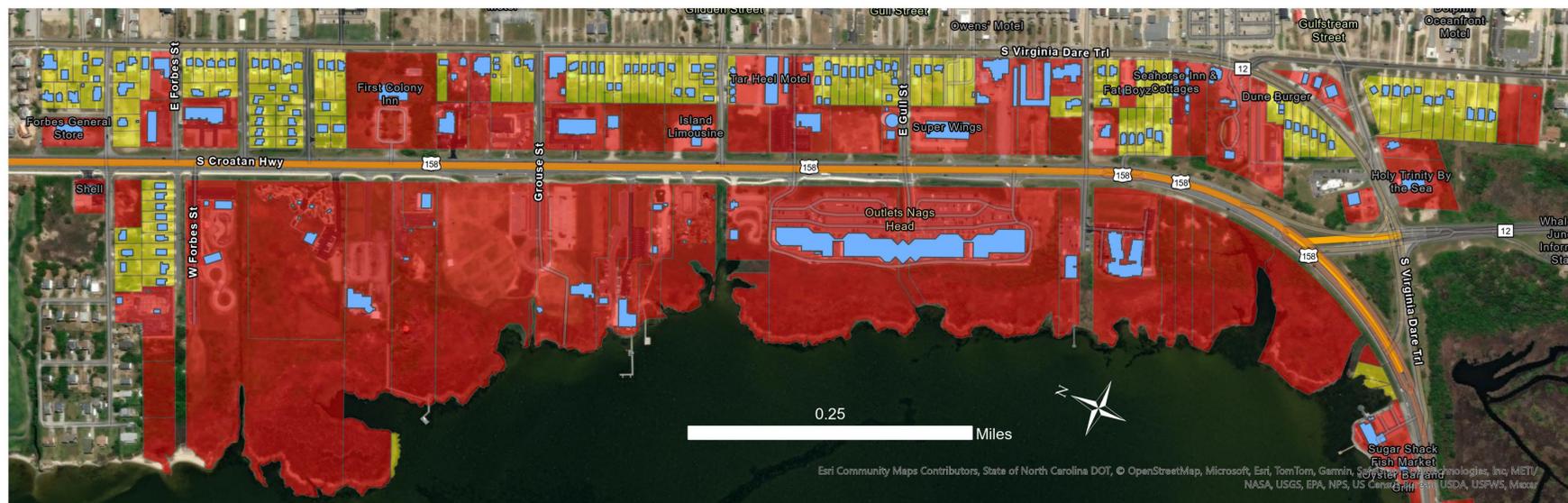
- Late 2022 – the Town adopted a moratorium and subsequently eliminated Multi-Family (MF)
- Goal was to review if and where MF should be allowed and under what standards
- MF no longer allowed in the new C-5 district near Jockey's Ridge and Cottage Row
- BOC and PB held a joint workshop to provide guidance on a new ordinance
- Consensus was to consider MF in C-2 (possibly limited to high activity areas) and not for more short-term rentals. Focus on workforce housing. Possible use of deed restrictions.

Background

- The Planning Board worked on the ordinance in 2023; a public hearing was held in February 2024
- BOC wanted further review and established a working group
- Working group's ordinance was presented to the BOC in June of 2024
- Planning Board reviewed the Working Group ordinance and has now submitted a recommendation

Prior Multi-Family Ordinance

- Parcels Zoned C2
- 840 Unique Parcels
- 207 Parcels greater than 15,000 sq. ft.



Prior Multi-Family Ordinance

- MF is three or more units on lot
- Allowed Multi-Family in the C-2 District Townwide
- No limitations related to long-term or workforce housing (i.e. could be used for short-term rentals)
- No maximum size for units; minimum unit size of 800 sq. ft.
- 20,000 sq. ft. building size limitation; could have multiple buildings
- Density controlled through units per acre (roughly 10-11 units per acre)
- Other standards apply (height, setbacks, lot coverage, lot width)
- No limit on bedrooms per acre (i.e. all units could have four bedrooms)
- Minimum lot size 26,000 sq. ft.
- Last MF project was the Sugar Creek Condos

New Multi-Family Ordinance Goals

- Multi-Family would be used to enhance opportunities for workforce/long-term housing but not for short-term or vacation rentals
- More units per acre to reduce land cost per unit
- Smaller units to reduce construction cost per unit
- Maintain controls over density to preserve town values
- Carefully consider where large and small projects can occur to increase compatibility with other uses
- Consider other standards to enhance design and appearance and reduce scale while increasing flexibility

Working Group Ordinance Summary

Two Categories – Large and Small

Large MF

- Deed restrictions – 60% workforce, all have to be long-term rentals (no short-term rentals)
- Use Floor Area Ratio for large projects instead of units per acre
- *Floor Area Ratio (FAR) means the quotient resulting from division of the gross floor area of all buildings on a lot by the area of the lot*
- FAR of 0.32 is proposed. This is the effective FAR we currently use for large residential dwellings.
- Reduce Unit Size:
 - ✓ Minimum Unit Sizes/Size Categories: Studio/One Bedroom 500 sq. ft.; Two Bedroom 700 sq. ft.; Three Bedroom 1,000 sq. ft.
 - ✓ Maximum unit size 1,750 sq. ft.
 - ✓ No more than 60% of the units shall be from any unit size category.
- Individual building size would be limited to 10,000 sq. ft.
- Apartments and Townhouses
- Only fronting US 158; Special Use Permit required
- Must have 26,000 sq. ft. lot

Working Group Summary

Small MF

- All units deed restricted to workforce only
- Continue to use units per acre (1 per 4,000 sq. ft. of land area)
- Max six units in small category
- Max building size is 5,000 sq. ft. (similar to large residential dwelling)
- Allowed everywhere in C-2 (not just on US 158)
- Must have 15,000 sq. ft. lot
- Approved administratively by staff
- Same architectural requirements as large residential
- Reduced setbacks; design requirements similar to large residential dwellings

Planning Board Recommendation

- Preference for the Small MF Category – best reflects desired development patterns for Nags Head
- Increase parking to 2.5 spaces per unit + one space for every four units
- For Large MF – only allow townhouse style units
- Add in bedroom per acre limitation of 25 bedrooms per acre (this is consistent with the town's large residential dwelling ordinance)
- Recommendation included no changes to other provisions of the Working Group Ordinance
- Would like to see a townwide cap on the number of large multi-family projects that can be approved

Discussion

Draft Planning Board Ordinance – Design

- From Joint Workshop consensus that townhouse style development was preferred.
 - Townhouses generally have fewer shared walls and offer more privacy than apartments, more home-like environment.
 - Townhouse developments can offer more diverse architectural designs, maintaining the character of the surrounding areas.
 - Townhouse development is generally not as dense as apartment style development.
 - Townhouse development fosters a sense of community, residents have their own entrances, outdoor spaces, etc.
- Ordinance precludes apartment style development for the Large Multi-Family.
- Either is acceptable for Small Multi-Family category as both a principal and accessory use.