

MINUTES OF THE DARE COUNTY PLANNING BOARD MEETING

The Dare County Planning Board held their regularly scheduled meeting on Monday, June 10, 2019. This meeting was held in the Dare County Board of Commissioners meeting room located at the Dare County Administrative Building, 954 Marshall C. Collins Drive, Manteo, NC. There was also an interactive video link at the Fessenden Center Annex in Buxton.

CALL TO ORDER 6:00 pm

MEMBERS PRESENT John Finelli, Chairman
Michael Barr Beth Midgett
Terry Gore II Buddy Shelton
David Hines

MEMBERS ABSENT David Overton

AGENDA AMENDED

Chairman Finelli proposed to change the agenda so the Public Comment portion of the meeting takes place after the Public Hearing and the Planning Board discussion regarding zoning amendments for year-round housing takes place as New Business, Item b. Chairman Finelli made a motion to amend the agenda as proposed. Beth Midgett seconded the motion.

Vote: Ayes – Unanimous

APPROVAL OF MINUTES

There being no corrections or additions to the minutes of the May 13, 2019 meeting of the Dare County Planning Board, Terry Gore made a motion to approve the minutes as submitted. Buddy Shelton seconded the motion.

Vote: Ayes – Unanimous

PUBLIC HEARING

Consideration of Zoning Amendments to Better Facilitate Year-round Housing

No one spoke and the Public Hearing was declared closed at 6:02 p.m.

PUBLIC COMMENT

Those who participated in the public comment portion of the meeting spoke regarding the agenda item under new business: Request to Amend C-2H General Commercial Zoning District.

Cassie Gray of Hatteras Village supports the requested text amendment. Her family operated a traditional beach motel and visitors want bigger hotels with more amenities. Hatteras Island adapts to change and is missing out on a large portion of the market.

Dennis Robinson of Hatteras Village works in tourism and supports the C-2H amendments. It affects only a few parcels in Hatteras Village. This will provide more year-round jobs and increase sales, occupancy and property tax revenue. The benefits are endless.

Brett Barley of Buxton is concerned about the increase in lot coverage, increase in building size, and reduction in parking. He is concerned it will set a precedent for amendment requests in other villages and asks SAGA to proceed with the project using current zoning regulations.

Kathryn Fagan is a Manteo resident and believes the request is not paying enough attention to population density. The village, infrastructure, and roads may not be able to support this.

Eddie Goodrich owns property in Avon and recently built a hotel in Kill Devil Hills. If this amendment is more good than bad we should allow it. This is a conditional use and hasn't been approved yet.

Kelly Kenny is a Kill Devil Hills resident. She believes a hotel is a good idea but not this size. It should be kept within reason.

Jim Barley of Buxton said he supports the hotel but without the zoning amendment. The property owners knew what the zoning regulations were when they purchased the property. This sets a bad precedent.

Mary Edwards of Hatteras Village built her house in 2011. She complied with all zoning and building regulations. SAGA needs to do the same. She asked that light pollution, noise pollution, and evacuation procedures be considered in this decision.

Rosa Mayo is concerned about water runoff, tax rates, insurance rates, and the lack of medical care during nights and weekends. The same things can be requested at other properties. Construction workers hired for the project will not be local. Amenities exist now and the village is coming back.

Linda Browning is a Frisco resident. She supports economic development but not a seven story hotel. This will be an eyesore. Shops and an entertainment venue can be located elsewhere. This could be done without the text amendment.

Tim Hagerich owns property across from the site. Zoning prevents highrises. The road and homes across the street all flood from rain. Hatteras Village is a nightmare when it rains. If C-2H is amended, existing structures could be removed to allow more building. This is a small village, not a resort.

Katherine Stowe is in favor of the text amendment. It will have a positive economic impact. SAGA is qualified to do the project and has a proven track record in Dare County.

Spurgeon Stowe said charter fishermen need a nice hotel to stay at. They don't need a rental house for a week to go on a charter fishing trip.

Jeff Oden said he is under contract to sell property to SAGA but is not attending on their behalf. Since Isabel, the community has been subject to erosion, derelict buildings, and loss of business. He is struggling to keep 15 rooms occupied. He wants the community to come together on a solution.

William Coyle moved to Hatteras from New Jersey in 1979. There is a master plan in place and the Planning Board is obligated to follow it. SAGA understood what they were buying and their goal is to benefit SAGA. Development should follow the plan that is in effect.

Jason Collier has a showroom across from the proposed development. SAGA is his landlord. This project sounds like it will be seven stories or nothing. He believes there is a project that can be done using current regulations and still be good for Hatteras Village.

Joseph Nicholls is a Pennsylvania resident and visited Hatteras Island since 1979. He purchased a cabana adjacent to this property. There are strict building regulations regarding what is allowed at his property. SAGA should follow the same rules and use their money to hire great architects to build something beautiful.

Jane Oden is a resident of Hatteras Village and said there are hotel rooms available to visitors. The Breakwater Inn is a 35 room hotel in Hatteras Village operated by Ms. Oden and her son. It is open all year.

Kim Powell owns a cabana adjacent to this property and building regulations are restrictive. She and her husband are the only year-round residents at the cabanas. Durant Station is the adjacent property on the other side. Hatteras needs tourism but most people are opposed to this amendment. SAGA can build something fantastic and comply with current regulations.

The public comment portion of the meeting closed at 7:03 p.m.

OLD BUSINESS

-None-

NEW BUSINESS

Request to Amend C-2H General Commercial Zoning District to Add Mixed Use Development as a Conditional Use, Sumit Gupta, SAGA Construction

Sumit Gupta was present at the meeting.

Donna Creef said she received 65 emails opposed to this amendment and 9 in favor as of 5 p.m. this evening. A text amendment is requested before a site plan is submitted because it applies to the entire C-2H zoning district. It does not add any new uses but is asking to change the mixed use regulations regarding height, parking, lot coverage, and habitable space. This is a very substantial range of changes. It is possible that this would open the door for other communities to ask that it be done for them also.

Sumit Gupta said he is open to revisions on the requested text amendments. The property was purchased a few years back to build vacation rental homes but residents of Hatteras encouraged him to do something else. Mr. Gupta believes a hotel is needed but current zoning regulations are not conducive to building a hotel. This is why none are being built. Since 2000, tourism has increased but 757 hotel rooms have been lost in Dare County. 373 of those rooms were on Hatteras Island and 189 rooms were lost in Hatteras Village. The Seagull Motel in Hatteras is not sustainable. This trend will continue.

Mr. Gupta said most hotel guests prefer oceanfront rooms at a hotel with over 100 rooms. SAGA's plan has 100 rooms as the minimum needed economically. Current regulations allow a four-story house but only a three-story hotel. He respects the concerns and realizes the project has to have scale. It also needs ocean views. He will do his best to keep this at the minimum to be feasible but can't move forward with something that does not make sense. The scale of the project also determines what

amenities could be supported, such as a pier. Condominiums are an important element to this development. The hotel may come first or maybe the condominiums. Hotels are a long term investment. Hotels are challenging to build or to get a return on the investment. Retail shops and food sales help create a return on the investment. The project also requires building a sewer plant at an estimated cost of 1 to 1.5 million dollars.

Mr. Gupta said this is not an arbitrary decision and does not come from greed. Building more vacation homes would be more profitable but would not be good for Hatteras Island. This amendment wouldn't necessarily work in other areas. There are no properties meeting this criteria that Mr. Gupta is aware of. There is a review process that is in place. Affordable workforce housing has been needed for years and there is no clear path regarding that. He is looking for community support for the project. Mr. Gupta appreciates the comments that have been made and is available to discuss this with anyone.

Donna Creef's memorandum to the planning board included staff responses to the nine conditions requested in the SAGA draft. Their proposed draft accompanied the text amendment request. Chairman Finelli began a review of the conditions.

Donna Creef directed attention to the last sentence under (6) *Mixed Use Development: The total combined conditioned area of all building shall be no less than 35% commercial*. This statement was added by the applicant at Ms. Creef's request. Typically 50% commercial use is the threshold when combining commercial and residential uses. Mr. Gupta indicated the first buildings could be multi-family so the hotel could be developed years later. SAGA is asking that commercial lot coverage be applied to a site that may not be developed commercially to start with. Mr. Gupta replied that the pillar of this development would be the hotel. He said condominiums are not defined as commercial but there is no difference from the perspective of infrastructure. Condominiums will be a substantial component of the development. Workforce housing is also considered a residential use. This is why he proposed 35% commercial.

Chairman Finelli said the actual building height under consideration is approximately 88'-90'. Michael Barr said oceanfront hotels need height. Beth Midgett said no one is against building a hotel but the height is a problem. This is a request to build a hotel as high as the bottom of the bowl of the water tower. Mr. Gupta said he would consider five stories but it would make other things, like a pier, not possible. The mathematic calculations must take into account the first story height, height of the rooms, and height

between floors. Donna Creef said there is currently 45' building height allowed for commercial structures, measured from grade to the high point of the structure. The 500' ocean overlay district measures from base flood which is now referred to as the regulatory flood protection level. The property in question is in a VE-10 flood zone and Dare County adds one foot of freeboard. SAGA is asking to measure from the regulatory flood protection level. The building will appear different than if it was measured from grade. We need to remember that Dare County is being asked to change the way we measure the height of the building. We measure the building height from different points of reference throughout unincorporated Dare County. SAGA is asking Dare County to change how we measure the height of the building for both hotel and multi-family structures. They are asking that the height be measured from the regulatory flood level and not from grade in both cases.

Other topics discussed in relation to the proposed text amendment included:

- Lot coverage proposed at 70% (versus 60% currently allowed)
- Open decks are included in lot coverage
- Permeable surfaces
- Stormwater
- Parking
- Workforce housing: seasonal and year-round requirements

Chairman Finelli said the amendment addresses height, lot coverage, density, and the definitions of all of these things. The Planning Board has the option to schedule a public hearing, make a recommendation to the Board of Commissioners, or discuss this again at the next meeting. Chairman Finelli said there has been a lot of public input already, including emails and public comment this evening. Michael Barr said there are too many issues under consideration at the same time.

The applicant, Planning Board members, and Planning staff discussed how to best move forward with this request. After discussion, Mr. Gupta asked to withdraw the text amendment presented to the Planning Board this evening. He plans to submit a revised text amendment request in the future.

The applicant voluntarily withdrew the request. No action was taken.

Consideration of Zoning Amendments to Better Facilitate Year-round Housing

This item will be discussed at the July 8 Planning Board meeting.

OTHER BUSINESS

None

ADJOURNMENT

There being no further business before the Dare County Planning Board, a motion to adjourn was made by Terry Gore and seconded by Buddy Shelton.

Vote: Ayes – Unanimous

The meeting adjourned at 8:40 p.m.

Respectfully Submitted,



Sharon L. Flatt
Planning Board Clerk

APPROVED: July 8, 2019



John Finelli
Chairman, Dare County Planning Board