
**Town of Nags Head
Planning Board
March 18, 2025**

The Planning Board of the Town of Nags Head met on Tuesday, March 18, 2025, in the Board Room at the Nags Head Municipal Complex.

Planning Chair Megan Vaughan called the meeting to order at 9:07 a.m. as a quorum was present. Chair Vaughan took a moment to introduce and welcome new Planning Board Member Basil Belsches.

Members Present

Megan Vaughan, Meade Gwinn, Molly Harrison, David Thompson, Basil Belsches, David Elder

Members Absent

Kristi Wright

Others Present

Kelly Wyatt, Joe Costello, Lily Nieberding

Approval of Agenda

David Elder moved to approve the agenda as presented, Meade Gwinn seconded, and the motion passed by unanimous vote.

Public Comment/Audience Response

None

Approval of Minutes

Chair Vaughan asked for a motion to approve the minutes of the February 18, 2025, meeting. David Elder moved to approve the minutes as presented; David Thompson seconded and the motion passed unanimously.

Action Items

Consideration of a Site Plan Amendment submitted by The Keith Corporation and Timmons Group for the construction of Starbucks Restaurant at 7100 S. Croatan Highway.

Planning Director Kelly Wyatt presented a Site Plan and explained that the Keith Corporation and Timmons Group had applied for a Site Plan Amendment Review on behalf of Outlets Nags Head for the purpose of constructing of a 2,220-square-foot Starbucks Restaurant/Café with outdoor patio located within the Southside of the existing parking lot at Outlets Nags Head. The property is located at 7100 S. Croatan Highway and the existing Land Use is Shopping Center. The property is zoned C-2 and is also part of the Commercial Outdoor Recreation Overlay District and Hotel Overlay District.

Ms. Wyatt noted that the property is located within the Shaded X and X Flood Zones. Per the Town of Nags Head local ordinance, the property is subject to a Regulatory Flood Protection Elevation (RFPE)/Lowest Enclosed Space (LES) requirement of 9 feet. The proposed first floor of habitable space is at 7.30 feet MSL, which is below the RFPE. As a result, the applicant has indicated that the structure will be floodproofed. A floodproofing design that meets compliance standards must be provided and approved before a building permit can be issued.

Ms. Wyatt then proceeded to review the applicable Zoning Regulations:

Section 6.6, Table of Uses and Activities, designates "Shopping Center" as a Special Use within the C-2 General Commercial District, subject to the supplemental regulations outlined in Section 7.32. Section 7.32 specifies the allowable uses within Commercial Mixed-Use designations, including Sit-Down Restaurants. Notably, previous versions of this site plan included a drive-through, which is no longer proposed.

The total allowable lot coverage for this site is 55%. The existing lot coverage is nonconforming at 70.2%. The proposed work will slightly reduce coverage to 69.4%, thereby improving, rather than increasing, the site's nonconformity. As a result, the proposal remains compliant.

The maximum allowable building height within the Town is 35 feet; the applicant has proposed a structure with an overall height of 24 feet to the top of the parapet wall. Therefore, height is compliant.

Section 10.82 of the Unified Development Ordinance, Applicability, states that Commercial Design Standards shall apply to all building construction or remodeling projects requiring a conditional use permit or site plan review. This project must adhere to the Commercial Design Standards set forth within Part VI of the UDO. The applicant has elected to provide architectural design compliance through the standards specified in Division II – Building Design. While the proposal meets many of the fundamental requirements, including those for Building Scale, Building Size and Dimensions, and Building Height, several architectural design elements have been designed to meet only the bare minimum requirements. In these instances, the proposal does not fully align with the intent of the Town's architectural guidelines.

Section 10.88.4.1.1 and Section 10.88.4.1.2 emphasize the importance of windows and doors being visually compatible with local architectural styles. Windows should reflect a residential style, including the appearance of double-hung or multi-paned windows. Section 10.88.4.1.4 limits individual windows to a maximum area of 30 square feet. The proposed windows, at 29.75 square feet, technically comply with this requirement. However, their overall appearance raises concerns about whether they align with the residential and local architectural character intended by the ordinance.

Section 10.88.4.1.5 states that, "Doors shall be no wider than six (6) feet and not taller than eight (8) feet without having at least a 12-inch separation between windows and doors. Section 10.88.4.1.4 notes that too little window area creates an unwelcoming presence, while the use of too much glass can be jarring from the context of traditional Nags Head style. While the west and south-facing entrances technically meet the 12-inch trim separation requirement, the resulting design does not appear to align with the intent of these standards.

Section 10.88.4.1.7 states that, "The entrance shall be identified through the use of architectural details that may include porches or roofs for shelter, recessing, decorative lighting, trim or railings, in addition to pedestrian walkways connecting to parking and public sidewalks". While the west-facing entrance (facing the shopping center) incorporates a roof area and outdoor patio, the south-facing

entrance (facing the parking lot) features only a small roof directly above the entry. Although the roof covering technically meets the ordinance's language, the proposed design lacks architectural depth and visual interest, likely falling short of the intent of these standards.

Section 10.88.6.1 states that "Traditional Nags Head Buildings utilize detailing to provide visual interest and character to the design". This section goes on to say that applications should incorporate one or more of the following detailing elements in the building design: exposed rafter tails, gable brackets, workable shutters, and column trim. The applicant has included rafter tails, but no other detailing elements, again meeting the minimum requirement without contributing to the overall architectural character.

In addition, Section 10.88.4.1.3 states that, "On the front and each side of the building, windows shall comprise not less than 10% and not more than 40% of each building's vertical wall area". Regardless of how the rear elevation is defined, the eastern elevation (facing US Highway 158) lacks any architectural elements. While staff recognizes that this side of the building contains the "back of the house" functions, there is a history of other projects within the Town successfully incorporating faux windows, shutters, or other design features to mitigate the visual impacts. If the Planning Board is inclined to recommend approval of this request, Staff recommend conditioning the approval on the inclusion of a design element, such as a faux window with shutters or another form of architectural relief to maintain consistency with the Town's design expectations for buildings visible from major thoroughfares.

Ms. Wyatt then reviewed parking noting that each use must be calculated separately.

General retail should be parked at one parking space per 250 square feet of gross floor area, plus one parking space for each employee, but no less than two employee parking for each retail unit or establishment. The Outlets contain 78,486 sf of retail space so 314 parking spaces required. There are 22 retail units at two employee spaces per unit which equals 44 parking spaces required.

Restaurants shall be parked at one space for each 55 square feet of customer service area.

- Bros Brothers Restaurant has 440 sf of CSA = 8 spaces required.
- New tenant, Village Pizza, proposes 440 sf of CSA = 8 spaces required.

The existing development requires 374 parking spaces. The proposed Starbucks Restaurant contains 825 square feet of customer service area, requiring 15 parking spaces, and 6 employee parking spaces. The total required parking for the outlets would be 395 spaces. There are currently 488 parking spaces onsite. With the proposed development of the Starbucks Restaurant/Café, the applicant has demonstrated that there will be 460 parking spaces remaining. Note that while this technically meets the minimum parking requirements outlined in Section 10.16 of the UDO, staff are concerned that the reduced parking would not meet the needs of the site as the shopping center parking during peak periods is at or near 100% occupancy. This is not only evidenced on holidays but more commonly during the peak tourist season on overcast foul weather days.

Recognizing that the previously proposed drive-through was a significant concern for traffic circulation, Staff acknowledge that its removal has helped mitigate some conflicts and reduced the overall parking loss. However, as noted in the Town Engineer's Technical Review Committee (TRC) commentary, this proposal will still generate additional parking demand, resulting in a net reduction of 28 parking spaces within the outlet mall complex. This reduction raises concerns about internal traffic circulation, as fewer available spaces will likely lead to increased vehicle movement within the

site and potential congestion at key entry and exit points. Additionally, the main entrance's vehicle stacking capacity may be exceeded more frequently, increasing the likelihood of traffic conflicts and vehicular accidents, a concern previously expressed by both the police and fire departments. While the elimination of the drive-through has alleviated some traffic concerns, the overall parking deficit remains an issue that warrants further consideration.

Ms. Wyatt noted that the applicant did request a reduced loading berth. Supplemental information has been provided by the applicant to justify the reduced loading berth dimensions. In those cases where a larger style truck will deliver to the proposed business, the applicant has agreed for the deliveries to take place outside of normal shopping mall business operation hours to minimize interference with vehicular traffic. This approach was reviewed and approved by the Town Engineer. Section 10.92.14.4 of the UDO, Surface Materials, requires a minimum of twenty (20) percent of the surface area of the parking area and drive aisles to be constructed of permeable surface material. The applicant has demonstrated compliance by proposing all nine (9) parking stalls with permeable surface material, meeting the minimum requirement.

Section 10.93.3.7 of the UDO, Interior Parking Lot Landscaping, requires parking lot landscaping to be provided at a minimum rate equal to ten percent of the total area of the parking spaces. The minimum area necessary for compliance with this proposed scope of work is approximately 180 square feet of vegetation. Sheet L-1.0 by Timmons Group dated 3/10/25 shows upwards of 650 square feet of interior parking lot landscaping.

Sheets PH-1.0 and 1.1 of the Site Plan drawings, which include photometric analysis, schedules and specifications for site lighting, are compliant with the requirements of Article 10, Part IV of the Unified Development Ordinance. Permits will be required prior to installation and a light audit will be required prior to issuance of occupancy permits.

No signage is being proposed or approved at this time as part of this application request. Any proposed signage must be reviewed and approved prior to installation.

The applicant must provide documentation from a licensed professional engineer that there is available capacity for the Starbucks Restaurant use to tie into the wastewater treatment plan. The applicant has stated this information has been requested. This documentation will be required prior to consideration by the Board of Commissioners.

Vehicle pathing exhibits have been provided describing the internal movement of the types of large vehicles that are expected to access the site. It should also be noted that passenger vehicles should be able to circulate through the site with direct access to the proposed parking stalls. This type of vehicle circulation is consistent with standard engineering practices.

Ms. Wyatt confirmed for Ms. Harrison that the applicants noted that most of their deliveries will just be in a standard box truck that will fit in any of the parking spaces, but should a larger truck be needed, they would have to coordinate to have that truck come in off hours where there's no one in the parking lot.

With regards to Stormwater, this proposal reduces the impervious coverage through reduced coverage area and utilization of pervious pavement. In accordance with UDO Section 11.4.1.2 and 11.4.1.3 a stormwater plan does not require submission if the redevelopment does not result in a net gain in the built-upon area and redevelopment does not include the importation of fill material. The Town Engineer has reviewed and approved the stormwater management as submitted.

The project will be required to comply with all applicable NC Fire Prevention Code requirements as part of the building permit application review and issuance.

The Public Works Director has reviewed and approved the proposed site plan, noting that the applicant will need to coordinate with Public Services when establishing the water service tap.

Staff find that this Site Plan Amendment request is generally consistent with the applicable use and development standards. However, staff encourages further refinement of the architectural design to better align with the Nags Head architectural style. Additionally, if the Planning Board is inclined to recommend approval, staff suggest including a condition requiring the incorporation of a design element (such as a faux window with shutters or another form of architectural relief) on the eastern elevation. This would help maintain consistency with the Town's design expectations for buildings visible from major thoroughfares.

Ms. Wyatt stated that she as well as the applicant, including representatives from Keith Corporation, Timmons and Ionic were available to answer questions for the Board.

Beth Godfrey, representing The Keith Corporation from Charlotte, NC, addressed the Board and introduced the project. She stated that the Keith Corporation acquired the property in January from Singerman, a Chicago-based company. She expressed enthusiasm for the project and introduced key team members, including Joanna Tucker, the on-site manager based in Nags Head, as well as Taran Stetson. Additionally, she mentioned Chris and Eugene, the project's civil engineer and architect, respectively.

Ms. Godfrey noted that the anticipated operating hours for Starbucks would likely be 7 AM to 7 PM, though final hours would depend on market demand. She welcomed any questions from the board and offered to provide further information as needed.

Mr. Elder raised concerns about potential early-morning deliveries, given the nature of coffee shops catering to early customers. He questioned whether delivery trucks, especially larger vehicles, might create parking or accessibility issues for the building.

Ms. Godfrey responded that she would follow up with Starbucks to confirm their delivery schedule. She noted that, typically, deliveries occur either very early in the morning (around 4 AM) or later at night to avoid congestion near the store entrance and within the outlet mall.

David Thompson added insight from the distribution side, stating that food and supply distributors generally prefer delivering between 10 PM and 6 AM. He noted that chain businesses like Starbucks usually schedule deliveries during off-business hours to ensure quick and efficient unloading. He did not anticipate this to be a significant issue.

Mr. Elder then raised concerns about the potential impact of outdoor seating on parking requirements. He noted that while indoor seating factors into parking calculations, outdoor seating could encourage lingering, which might affect parking availability.

Ms. Godfrey responded, referencing the Town parking code, which requires one parking space per 55 square feet of indoor customer service area for sit-down restaurants. Ms. Wyatt confirmed this but clarified that outdoor seating is considered a waiting area rather than a service space since no transactions or orders occur there. She noted that this is consistent with other restaurants in town.

Mr. Elder then inquired about the possibility of Wi-Fi availability at the Starbucks location, emphasizing that coffee shops often serve as remote workspaces, particularly in a vacation community where visitors may seek a quiet spot to work. Ms. Godfrey was unsure about the Wi-Fi plans but stated she would look into it.

Regarding outdoor seating capacity, Ms. Godfrey initially stated there would be eight seats, but upon further clarification, it was determined that the patio would accommodate eight tables rather than just eight individual seats.

Molly Harrison noted that this seating arrangement is similar to other local coffee shops, such as Front Porch Café and Morning View Coffee, both of which have parking challenges.

Mr. Belsches revisited the question of Starbucks' proposed 7 AM to 7 PM operating hours, asking whether any other shops at the outlet mall open before 10 AM.

Chair Vaughan directed the question to Joanna Tucker, the on-site manager, who confirmed that all existing stores open at 10 AM; this means Starbucks would have a three-hour window in the morning where it would be the only open business.

Chair Vaughan also noted that Starbucks would close earlier than some other stores, depending on the season. Ms. Tucker clarified that mall closing times vary seasonally.

Ms. Wyatt addressed the topic of restaurant parking and outdoor use, noting that while the Town has discussed evolving regulations, they have not yet proposed an amendment. However, in their Board packet Staff recommended evaluating parking demand over the first year—a process previously used for other developments in town. If any parking issues arise, the Board and Staff would revisit the situation and discuss potential solutions. As an example, Ms. Wyatt referenced the local cancer center that was evaluated under two different parking standards. After six months and a year, their parking needs turned out to be significantly lower than the required capacity, demonstrating that the flexible approach worked well.

Mr. Elder then asked about past non-conformity issues related to loading areas and whether any of those concerns were being addressed by the current Starbucks proposal.

Ms. Wyatt responded that while she could not speak directly for the fire department, she noted that the Outlet Mall management had coordinated with the Deputy Fire Chief to address some concerns along the back of the property. While she could not confirm if all issues had been resolved, there had been an effort to collaborate with town staff on improving the area.

Mr. Elder then inquired whether any borderline-compliant areas had been incorporated into parking. Ms. Wyatt confirmed that no new parking is being proposed in the rear of the Outlet Mall. A previous proposal included rear parking that conflicted with fire lanes, dumpsters, trailers, and fire equipment, but those conflicts have been avoided in the current plan.

Ms. Harrison asked about the location of the dumpster, and it was confirmed that it would be in the southwest corner of the property. Ms. Wyatt added that the Town is transitioning to front-load dumpsters, which aligns well with this proposal. This setup will allow the town's waste collection services to access and empty the dumpster efficiently. Typically, trash collection occurs before businesses open, minimizing any disruption in the parking lot. However, if vehicles block the dumpster area, collection may be skipped until access is cleared.

Mr. Belsches then returned to the topic of lot coverage, noting that the site is currently non-conforming and asking how adding a new building could actually decrease the lot coverage.

Ms. Wyatt explained that the reduction comes from added vegetation and permeable pavers. Right now, the entire lot is asphalt, but the new plan introduces permeable concrete, which improves drainage and stormwater management. Additionally, the project includes new landscape islands that further contribute to compliance.

The Board discussed pedestrian safety and revisited the parking issue. Ms. Godfrey confirmed that they feel that the Outlet Mall is amply parked, and they don't want to add more impervious coverage.

The Board then moved on to the concerns regarding the building's architectural elements with Ms. Godfrey confirming for Chair Vaughan that they would be amenable to making some changes that would make the Board more comfortable in approving the project.

The Board and the Applicant then discussed some options in further detail including moving the sign and adding faux windows. The Board and the Applicant then discussed the interior layout of the restaurant as well as the patio area.

Mr. Elder suggested that while the parking issue should be closely monitored, it's also important to consider parking options across the entire site. He emphasized that if the project moves forward, the parking challenges will not be exclusive to Starbucks but will affect everyone visiting the Outlet Mall.

Ms. Harrison indicated that she was ready to approve the project, provided it met the town's conditions, including the inclusion of more "Nags Head style" features and enhancements to the east side of the property.

Chair Vaughan acknowledged that the proposal was compliant but felt a bit basic, even though some elements made sense for the project.

After some more discussion and clarifications, David Thompson moved to approve the project with the Staff's conditions with regards to architectural enhancements and parking. Meade Gwinn seconded, and the motion passed unanimously.

Request for initiation of zoning map and text amendments as it relates to the Nags Head Municipal Complex property and the SPD-C, Village at Nags Head Institutional Zoning Designation.

Ms. Wyatt presented a visual document of the area and explained that Staff and the Board of Commissioners have been working on a Town Hall Campus Master Plan (Facility Assessment Study), which was approved by the Board of Commissioners in December 2024. The plan evaluates both current and future space needs for town facilities, including the Board of Commissioners meeting room, Police Station, Fire Station, Public Services Garage/Storage, and a new Employee Fitness Facility.

Ms. Wyatt explained that several years ago they discovered that the existing fitness facility had mold issues. After evaluating the situation, it was determined that the building was not worth saving. The fitness equipment was temporarily relocated to another building (the former Village Realty/BB&T building) which is the future site of the recently approved Dare County EMS building. There is now a time constraint, because the fitness center needs to be rebuilt, before the County begins their demolition work on the site.

While staff was aware of the split-zoning on the property, a recent survey conducted for the new fitness center and parking area revealed that improvements on the southern side of the property, located within the R-3 District, would exceed the maximum allowable lot coverage of 33% for that district. In contrast, the northern portion of the property is zoned SPD-C, Village Institutional, which allows up to 70% impervious lot coverage.

Ms. Wyatt then proceeded to show the Board an excerpt of the master plan as it pertained to the new, larger fitness facility with possible living space built above.

The intent of the Village Institutional District, as stated in UDO Section 9.23, is: "...to provide for the proper grouping and development of uses designed to serve the entire community as well as the Village at Nags Head. The institutional district shall be that area designated on the official land use plan map for the Village at Nags Head as "Proposed Municipal Complex-Wastewater Treatment Facility/Golf Course Maintenance."

Given that the Municipal Complex serves the entire town, staff believe the property should not be split-zoned between institutional and residential districts. Instead, it should be entirely designated as Village Institutional, ensuring consistency with existing municipal uses and allowing for necessary site improvements in alignment with the Town Hall Campus Master Plan.

Ms. Wyatt stated that at this time, staff is requesting that the Planning Board consider initiation of a zoning map amendment to rezone the southernmost portion of the Nags Head Municipal Complex property from R-3, High Density Residential to SPD-C, Village Institutional, to resolve the existing split zoning of the property. Additionally, staff is requesting that the Planning Board initiate consideration of any necessary text amendments resulting from the rezoning. Currently, Section 9.36 lists "Municipal building, including fire station, police station, administrative office, and EMS Station" as a permitted use in the Village Institutional District. Staff will need to propose adjustments to ensure detached accessory structures, such as employee fitness facilities, telecommunication tower, board room/meeting room are also recognized as permissible uses associated with a municipal complex.

Chair Vaughan stated that she thought the proposal made perfect sense, having the property be Village Institutional would benefit everyone.

Meade Gwinn agreed and moved to initiate the re-zoning. David Elder seconded, and the motion passed unanimously.

Report on Board of Commissioners Actions – March 5, 2025

Ms. Wyatt gave an update on the Board of Commissioner Actions, of note: Ms. Wyatt presented an update on behalf of the Arts & Culture committee and thanked all the groups that make Nags Head events successful. Included in the approved Consent Agenda was a Request for Public Hearing for the Text Amendment Request to increase the number of fueling dispensers allowed at fueling stations and to increase the allowable floor area of any convenience store associated with a fueling station within the C-2, General Commercial Zoning District. The Board unanimously approved the Resolution to Adopt Outer Banks Regional Hazard Mitigation Plan and the Board unanimously appointed Basil Belsches to the Planning Board.

Town Updates

None

Discussion Items

Discussion of Strategic Plan Action Item 2.2 as it relates to the examination of the allowable uses within the Commercial Outdoor Recreation Overlay District.

The 2024 Town of Nags Head Strategic Plan serves as a guiding framework for the community, directing the prioritization of initiatives, allocation of resources, establishment of goals, and implementation of departmental operations and projects. The plan is organized around four key focus areas: Environment, Development, Economy, and Community Services. Within the Development goal, several objectives and action items are outlined to promote thoughtful and sustainable growth. One such action item, Strategic Plan Action Item 2.2, calls for the identification and resolution of land use incompatibility throughout the town, ensuring alignment between the Comprehensive Plan and the Unified Development Ordinance (UDO). Specifically, Item D under Action Item 2.2 directs the Town to "examine the allowable uses within the Commercial Outdoor Recreation District".

Mr. Costello explained that Staff is preparing an Existing Conditions Report for the Commercial Outdoor Recreation Overlay District (CORD) which will provide a comprehensive overview of the district's location, its background and creation, and relevant guidance from the Comprehensive Land Use Plan, particularly regarding the Whalebone Character Area and the Soundside Activity Node. The report will also consider insights from key planning documents, including the Beach Road Plan, 2023 Pedestrian Plan, and US 158 Access Management Plan. Additionally, the report will outline existing regulatory requirements within the Unified Development Ordinance (UDO), along with an analysis and preliminary staff recommendations for potential revisions.

Prior to distributing the report, Mr. Costello wanted to give an overview to the Board of the Commercial Outdoor Recreation Overlay District (CORD). Mr. Costello then proceeded to give a PowerPoint presentation to review existing conditions, key findings, and preliminary recommendations which will serve as a foundation for further discussion on the future of the CORD. Some of the recommendations include pedestrian connectivity, removing incompatible uses to preserve district continuity long term and allowing small multifamily development as an accessory use. In addition, the Soundside Event Center expansion will help bring events and traffic to the CORD; a central destination that could be expanded to help retain existing CORD businesses. Finally, increased connection to sound and natural landscape via boardwalk, boat parking, maintaining visual connection to the sound, public art and installing living shorelines in the area to reduce erosion and support natural habitat.

Mr. Costello and the Board discussed the Town's plan to eventually have a Soundside boardwalk that might connect these areas. The Board was receptive to the ideas discussed. Mr. Costello will be putting together a summary report and will email it to the members when it's done.

Planning & Development Director's Report – March 5th, 2025

There were no questions or comments with regard to the Director's Report.

Planning Board Members' Agenda

None

Planning Board Chairman's Agenda

None

Adjournment

A motion to adjourn was made by David Elder. The time was 11:12 AM.

Respectfully submitted,
Lily Campos Nieberding