

HIGHLANDS COMMUNITY PLAN

2021 UPDATE

Blumberg No. 6208

EXHIBIT

A



ACKNOWLEDGMENTS

Mayor

Patrick Taylor

Town Board

Donnie Calloway

John Dotson

Marc Hehn

Amy E. Patterson

Brian Stiehler

Town Manager

Josh Ward

Town Staff

Michael Mathis, Asst. Planning & Development Director

Andrea Holland, Police Chief

Lamar Nix, Public Works Director

Lester Norris, Recreation Director

Gibby Shaheen, Town Clerk

Rebecca Shuler, Finance Director

Matt Shuler, MIS/GIS Director

Carleton Wheatley, GIS Specialist

Planning Board

Brad Armstrong

Darren Whatley

Rick Trevathan

Dennis Dewolf

Chris Wilkes

Helene Siegel

Nick McCall

Steering Committee

Brad Armstrong

Harry Bears

John Lupoli

Kaye McHan

Jerry Moore

Terry Potts

Bill Reeves

Hank Ross

Michael Thompson

Jim Ward

Darren Whatley

Hilary Wilkes



EXECUTIVE SUMMARY

INTRODUCTION

The Highlands Community Plan is more than just an update to the 2005 Land Use Plan. It captures a community's goals at the time it was written and distills their thoughts and feelings about their town into a set of policies that will guide decision making for the next 10-20 years. It serves as a guide for policy changes, land use and transportation planning, economic development, housing strategy, capital improvement planning, and more. The Highlands that is cherished today is due to decisions made decades ago, and will continue to be cherished thanks to all of those who participated in the creation of this plan and to those who will use it for future decision makings in the years to come.

PROCESS

A plan of this magnitude would not be possible without extensive input from across the community. Input from a wide variety of community members and stakeholders was essential to crafting a plan that accurately reflected residents' visions, concerns, and hopes for Highlands' future. The public engagement process included a diverse set of engagement opportunities in an effort to engage different people through the many formats. These included:

- » **Steering Committee** - The town board appointed ten representatives who met regularly during the process to provide feedback and guidance.
- » **Stakeholder Interviews** -A series of hour-long interviews were conducted with stakeholder groups in Phase One of the project.
- » **Survey** - The project team carried out two surveys, one community-wide and one for business operators, during the engagement process. The first was a broad survey of respondents concerns and preferences across all plan-related topics such as recreation and housing. The second was an open-ended comment form once the public reviewed the draft plan.
- » **Public Meetings** - Two public meetings were held at the Highlands Community Building. The first, the Visioning Workshop, collected general feedback early in the analysis phase of the project. The second was held in conjunction with the release of the draft plan and allowed attendees to give feedback.

PLAN GOALS

While the vision statement encapsulates the overarching image of Highlands in the future, the goals represent more discrete targets for the town. These six goals rose from public and stakeholder input, and together will help achieve the vision.



TOWN CHARACTER

Maintain and enhance the town center's village character that is surround by mostly low-density housing that blends with the natural environment.



PEDESTRIAN FOCUS

Create a downtown and commercial areas that emphasize pedestrian comfort and safety.



ENVIRONMENTAL PRESERVATION

Preserve and enhance the natural environment and the scenic beauty of Highlands.



PARTNERSHIPS

Cultivate ongoing community partnerships with area organizations and governments to plan for and protect the plateau.



CULTURE AND HISTORY

Preserve and promote the rich cultural and historic resources of Highlands.



LOCAL ECONOMY

Support and sustain the local economy, including downtown businesses, tourism, the arts, and outdoor recreation.

RECOMMENDATIONS TOPICS

The recommendations section outlines the policies and strategies that the Town will use to achieve the vision and goals. These policies are statements that will guide decision-making in Highlands. The recommendations section is divided into the following topics.

- » Future land use map
- » Land use and Housing
- » Downtown and Tourism
- » Recreation and Natural Resources
- » Transportation
- » Infrastructure and public services

RECOMMENDATIONS & POLICIES

POLICIES

GOALS ADDRESSED

LAND USE AND HOUSING

LU 1: Regularly evaluate and update the Community Plan and Unified Development Ordinance.

TC EP CH PF P LE

LU 2: Reinforce the existing town character through the design of new development and land use decisions.

TC EP CH PF P LE

LU 3: Manage growth along major entry corridors and edges.

TC EP CH

LU 4: Encourage a limited mix of housing types in defined areas.

TC EP P

LU 5: Encourage lodging and tourism related rentals while limiting negative impact on existing residents and businesses.

TC PF LE

TC CH

DOWNTOWN AND TOURISM

DT 1: Maintain and enhance Highlands' small-town feel and village character.

TC EP CH PF LE

DT 2: Improve pedestrian facilities and increase wayfinding.

TC PF LE

DT 3: Monitor and manage existing parking.

PF LE

DT 4: Further study potential improvements to Downtown streetscapes.

TC PF LE

DT 5: Continue marketing and events that encourage visitation.

CH P LE

DT 6: Preserve and enhance the Town's parks and green infrastructure.

TC EP PF

RECREATION AND NATURAL RESOURCES

RNR 1: Support recreation options and outdoor tourism.

EP CH P LE

RNR 2: Discourage intense development on steep slopes and mountain ridges.

TC EP

RNR 3: Protect views and natural resources in Town and on the greater Highlands plateau.

TC EP P

RNR 4: Encourage open space preservation and tree protection in new development.

TC EP CH

RNR 5: Protect the Plateau's water quality.

EP P LE

TRANSPORTATION

T 1: Maintain a resilient transportation system that caters to a variety of users.

TC EP CH PF P LE

● ● ● PF P LE

T 2: Encourage context-sensitive design of roadways.

TC EP CH PF ● ●

T 3: Prioritize pedestrian safety, connectivity, accessibility, and comfort.

● ● CH PF ● ●

T 4: Fill sidewalk gaps and improve accessibility.

TC ● ● PF ● ●

T 5: Continue to improve Highlands' Greenway System.

● EP ● PF P ●

T 6: Balance needs for parking with aesthetics and environmental impacts.

TC ● CH ● ● LE

T 7: Partner with Macon County Transit.

● ● PF P LE

T 8: Plan for electric vehicles in Highlands.

● EP ● ● P ●

INFRASTRUCTURE AND PUBLIC SERVICES

PS 1: Ensure adequate waste disposal and sanitation services.

● EP ● ● P ●

PS 2: Maintain and enhance the electric grid.

● ● ● ● ● LE

PS 3: Encourage energy efficiency and alternative fuel vehicles.

● EP ● ● ● ●

PS 4: Improve access to high-speed internet and expand cell coverage.

● ● ● ● P LE

PS 5: Focus water and sewer service improvements on existing Town limits.

TC EP ● ● ● LE

PS 6: Allow for limited extension of water and sewer to areas near town limit boundaries if conditions are met.

TC ● ● ● ● LE

PS 7: Encourage an efficient, financially sound water and sewer system.

● EP ● ● ● LE

PS 8: Protect water quality in Lake Sequoyah.

● EP ● ● ● ●

Goals Key

<p>TC Town Character</p>	<p>PF Pedestrian Focus</p>
<p>EP Environmental Preservation</p>	<p>P Partnerships</p>
<p>CH Culture and History</p>	<p>LE Local Economy</p>

MAKING IT HAPPEN

Writing a plan is only the first step in crafting Highlands' future. These action items transform the policies into actionable steps that the Town can take to make improvements. This list captures the primary action items from the Plan. To view the full detail see Chapter 5.

LAND USE AND HOUSING ACTION ITEMS

1. Evaluate and update the Unified Development Ordinance and the Community Plan
2. Evaluate rezoning requests for conformity with the Community Plan
3. Maintain the scale and character of Highlands
4. Manage growth along major entry corridors
5. Allow a mix of housing in appropriate areas in order to address the housing shortage
6. Refine criteria for allowing accessory dwelling units
7. Monitor and mitigate the impact of short-term rentals (STRs) on the Highlands community

DOWNTOWN AND TOURISM ACTION ITEMS

8. Study of town owned properties to determine future uses
9. Wayfinding and streetscape plan and improvements
10. Continue marketing events that encourage visitors
11. Develop a Downtown pocket park south of Main Street

RECREATION AND NATURAL RESOURCES ACTION ITEMS

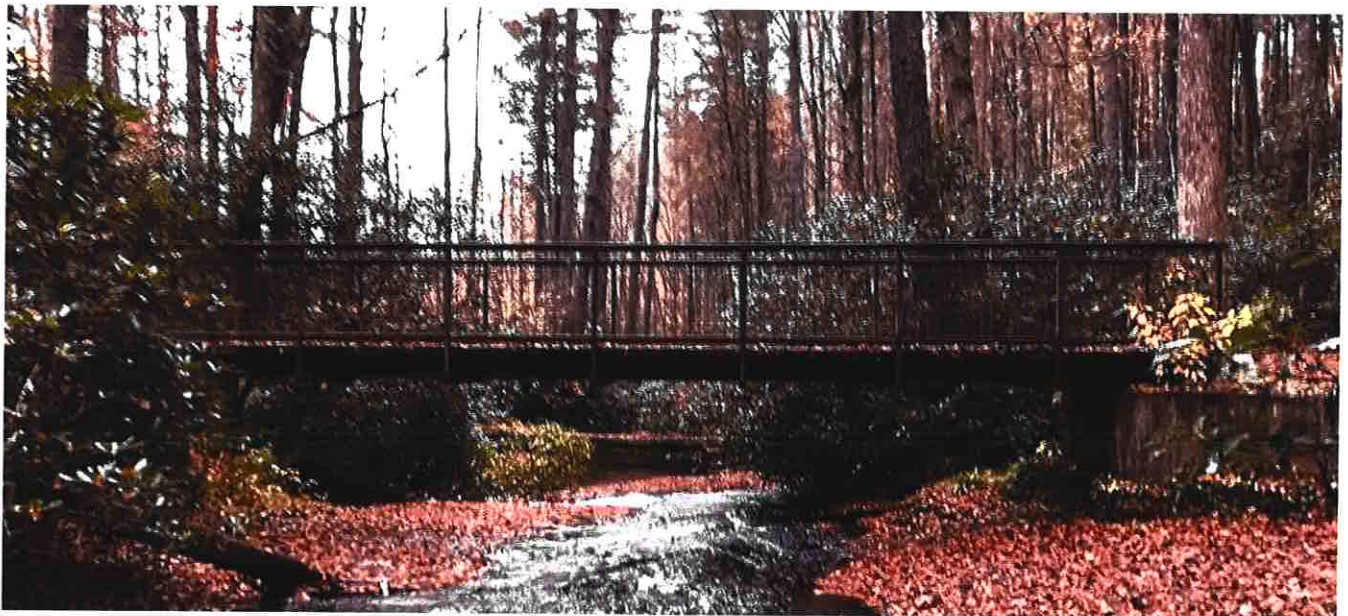
12. Pursue improvements at Recreation Park
13. Work with partners to improve access to parks and nearby public lands and nature preserves
14. Consider updates to the Unified Development Ordinance to protect natural resources, heritage tree, and water quality
15. Protect the Plateau's water quality by proactively managing stormwater runoff from development

TRANSPORTATION ACTION ITEMS

16. Prioritize the implementation of the Master Sidewalk Plan in Downtown and adjoining residential areas
17. Coordinate and support the Highlands Plateau Greenway in their efforts to improve Highlands' Greenway System
18. Develop an ADA Self-Assessment and Transition Plan
19. Manage and expand vehicular parking.
20. Encourage walking, biking and use of electric vehicles

INFRASTRUCTURE AND PUBLIC SERVICES ACTION ITEMS

21. Sanitation services improvements
22. Evaluate ways to improve electric system customer service, including outage reporting options
23. Pay off fiber project and improve public WiFi
24. Public safety improvements
25. Pursue grants to connect homes with septic systems in close proximity to Lake Sequoyah to the town sewer system





1 INTRODUCTION

The Highlands Community Plan will function as the Town of Highlands' comprehensive plan.

Just as Highlands in 2021 is the product of generations of stewardship of the built and natural environments, Highlands in 20 years will reflect the decision, visions, and values of today. The Highlands Community Plan builds on previous efforts, plans, and hopes, and will shape Highlands in 2025, 2030, and beyond. This plan provides policy guidance for land use, transportation, housing, open space preservation, and other aspects to provide for the quality of life for Town residents. It builds on, updates, and replaces the **2005 Land Use Plan** as the principal long-range planning document for the Town.

COMMUNITY PLAN OVERVIEW

Purpose

The Highlands Community Plan establishes a framework for growth and development while maintaining the character and the livability of the town that Highlands residents hold so dear. The Plan is a policy document that will guide zoning and development decisions. It will also affect future updates to the Unified Development Ordinance, development design, infrastructure investments, and staff work plans. State law (NC General Statute Chapter 160D) now requires that towns have a comprehensive plan to retain authority to enforce zoning and development regulations.



Process

In July of 2020, the Town of Highlands undertook a yearlong process to draft the Community Plan. Staff was tasked with creating a new comprehensive plan that would serve as an update to the 2005 Land Use Plan and address other issues in addition to land use, including infrastructure, parks and other topics important to the quality of life in Highlands.

With assistance from an appointed Steering Committee and consultants, Town Staff facilitated a four-phase planning process. The first phase included an assessment of existing plans and an analysis of demographics, environmental issues, infrastructure, and land use trends.

The second phase of the process included public engagement and review and refinement of the vision for the Town. The project team solicited public input from stakeholders, steering committee members, town leadership, and the general public to evaluate what residents would like to see, protect, and enhance in Highlands. A full description of the public engagement process is available on page 38 of this document.

After the analysis and visioning phase, the project team utilized the input and research results to create recommendations and the plan. To ensure the draft plan accurately reflected the community's vision, it was then reviewed by the Steering Committee and presented for review and feedback at a public meeting upon its release. Following further refinements, it was adopted in MONTH 2021.

Project Process



STUDY AREA

The Town of Highlands is located in Western North Carolina, about 50 miles Southwest of Asheville. The town is mostly within Macon County with a small portion within Jackson County. Highlands sits on a plateau in the southern Appalachian Mountains just miles away from the Georgia and South Carolina borders. US 64, NC 106, and NC 28 are the main roads connecting Highlands to the surrounding area. The 2019 American Community Survey states that the permanent population within the corporate limits was about 1,164. Other data sources estimate the population of the entire study area as being 1,495. During the summer months it is estimated that the population swells to three to four times its permanent population.

Boundaries

The study area for this plan encompasses the town limits of Highlands and significant areas of unincorporated land directly adjacent to Town on the plateau. The Town currently does not have a defined extraterritorial jurisdiction, but land adjacent to the town limits could be part of voluntary annexation requests in the future. The land in the study area that outside the current corporate limits includes much of the residential areas north of the Highlands corporate limits, as well as the Highlands-Cashiers Hospital. Recommendations will address issues experienced over the entire study area, but the Town currently can only enforce land use policies and regulations on the land within its jurisdiction.

Character

Highlands is a small, village-style resort town with a rich history. Its location and natural environment are unique and have shaped the town physically and culturally. The plateau was an important hunting ground for the Cherokee for thousands of years. It was also a place that held great importance in Cherokee mythology. Cherokee heritage is alive today in many of the area's features'

names. Satulah, for example, is a corruption of Sudalidihi, meaning Six-Killer.

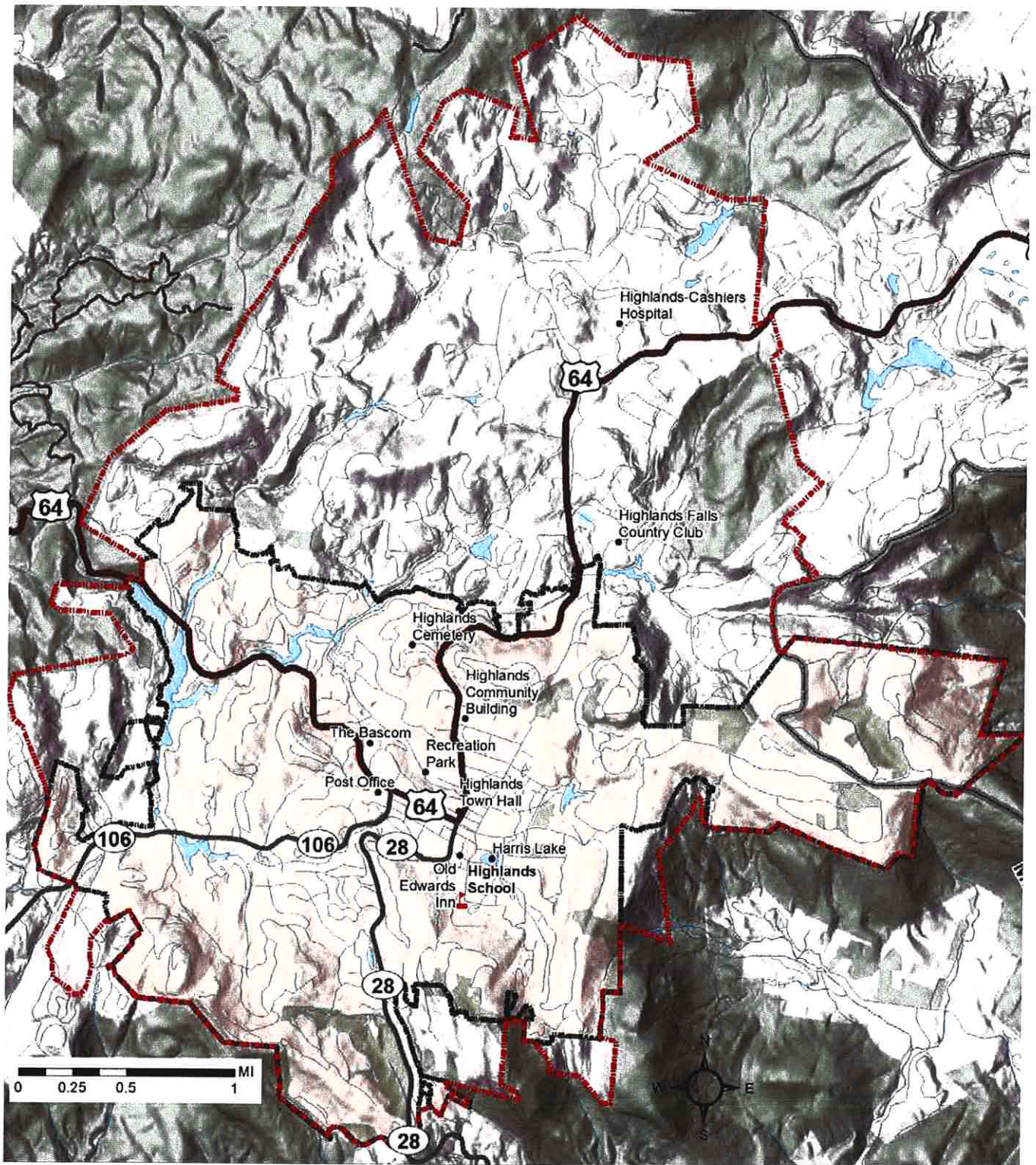
More recently the town has been a mixing ground of sorts and home to pioneers, tradesman, Scotch-Irish laborers and wealthy southern aristocrats. It has served as a cultural center for well-known artists, musicians, actors, authors, scholars and scientists who have thrived in its natural setting. The result, as the Highlands Historical Society describes, is "a town too cosmopolitan to be provincial, too broadly based to be singular in attitude and perspective, too enamored of its natural surroundings to be totally indifferent to them, and just isolated and small enough to be anxious about the benefits and setbacks of growth and development."

The town sits on a plateau nestled between protected ridges within the Nantahala National Forest. Steep slopes and protected lands on the perimeter of the plateau mean that the Town has natural boundaries, and cannot grow outward like most municipalities.

The town has an average elevation of 4,118 feet and is the second highest incorporated town east of the Mississippi River. Its elevation contributes to cool summers and abundant rainfall. Highlands sees about 100 inches of rain per year and is within one of two temperate rainforests in North America.

Highlands is known for its quaint downtown, located in the geographic center of town and radiating outward from the area around the Main Street and Fourth Street intersection. The original street pattern was laid out by the Kelsey Map created by Samuel Kelsey in 1881. Downtown is where most of the commercial land uses are found, though there are some outlying commercial uses and clubs along the primary roads that lead out of Town.

STUDY AREA MAP



The study area, shown in red in the map above, includes all of the municipal limits, includes area adjacent to the town that could petition for voluntary annexation and extends north to the Highlands-Cashiers Hospital.

HISTORY

Establishment

Highlands was founded by two developers from Kansas who drew two lines on a map, one from New York to New Orleans, and one from Chicago to Savannah. These men, Samuel Truman Kelsey and Clinton Carter Hutchinson, predicted that the intersection of these major trades routes would someday become a great commercial crossroads. They arrived in Highlands in 1875 with the intent on founding a town. They delighted to find cooler weather and unique fauna on the elevated plateau in the Blue Ridge Mountains and founded a community.

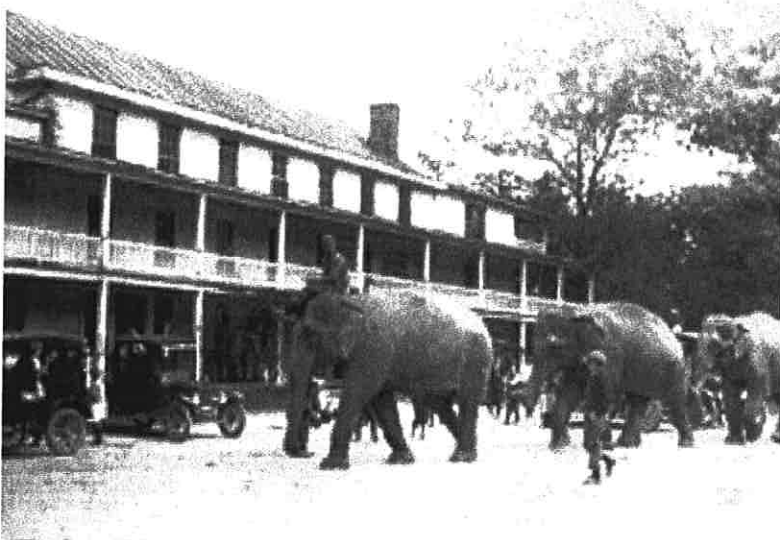
A Resort Destination Emerges

Highlands evolved as a thriving resort community. The area became known for its clean mountain air and water, and temperatures that provided respite from the hot southern summers. The town incorporated in 1879. The Highlands Inn, built in 1880, is on the National Register of Historic Places and was the first hotel in Highlands. It was soon joined by others such as the Old Edwards Inn. The Town's proximity to Atlanta meant that it was a convenient getaway for the well-to-do who needed to

escape and relax. Around the turn of the 19th century, Highlands became a noted location for tuberculosis treatments, with the fresh mountain air believed to work wonders on the disease. The Town found its niche after the opening of the Highlands Country Club in 1928, which helped it become a noted golfing and resort destination. By 1931 the Town's population had increased to 500 with 2,500 to 3,000 summer guests.

The Highlands Biological Station has existed in some form since 1927 due to the rich natural environment on the plateau.

Starting around the 1950s, lovers of the Town began buying second homes there. Many residents share a similar story of visiting Highlands and then deciding to make it their primary or secondary residence. Today seasonal residents and tourists are keystones of Highlands' economy, with the population swelling by many thousands in the high season. The Biological Station also is a part of the University of North Carolina systems ensuring a constant presence of biologists and students studying the biodiversity on the plateau. Thanks to the unique geography of the town, Highlands has remained a relatively exclusive, close-knit community made up of people from diverse backgrounds. Highlands now faces the challenge of protecting this delicate environment and character that have made it a destination for almost 150 years.



The Highlands Inn when the circus came to Town, date unknown.

References

- www.highlandschamber.org/about/history/
- www.highlandinfo.com/activities/history.htm
- www.landmarkvacations.com/blog/history-of-highlands-nc/



Bug Hill, Dr. Mary Lapham's tuberculosis clinic 1908-1918 Source: *The Laurel Magazine*



The Kelsey Map, 1881. Source: highlandshistory.com

PREVIOUS PLANNING

2005 Land Use Plan

The 2005 Land Use Plan has functioned as Highlands' Comprehensive Plan since its adoption. Overall recommendations included:

- » Adopted mission statement to include protection of community character, and cultural and historic heritage.
- » Included strategies that are abstract and visionary.
- » Contained few suggestions for implementation.
- » Mentioned overbuilding relative to lot size, allowing limited multifamily developments, and clustering of open space for residential development.
- » Suggested adding a mini-park on Main Street and improving streetscape and aesthetic standards.
- » Included significant green space goals.

2018 Community Design Standards

- » Introduced urban design principles and regulations for new development.
- » Included a checklist of requirements for structural placement and scaling, façade design, roof structure, and exterior lighting.
- » Recommended Planning Board review all final elevations and plans for commercial and multifamily projects.

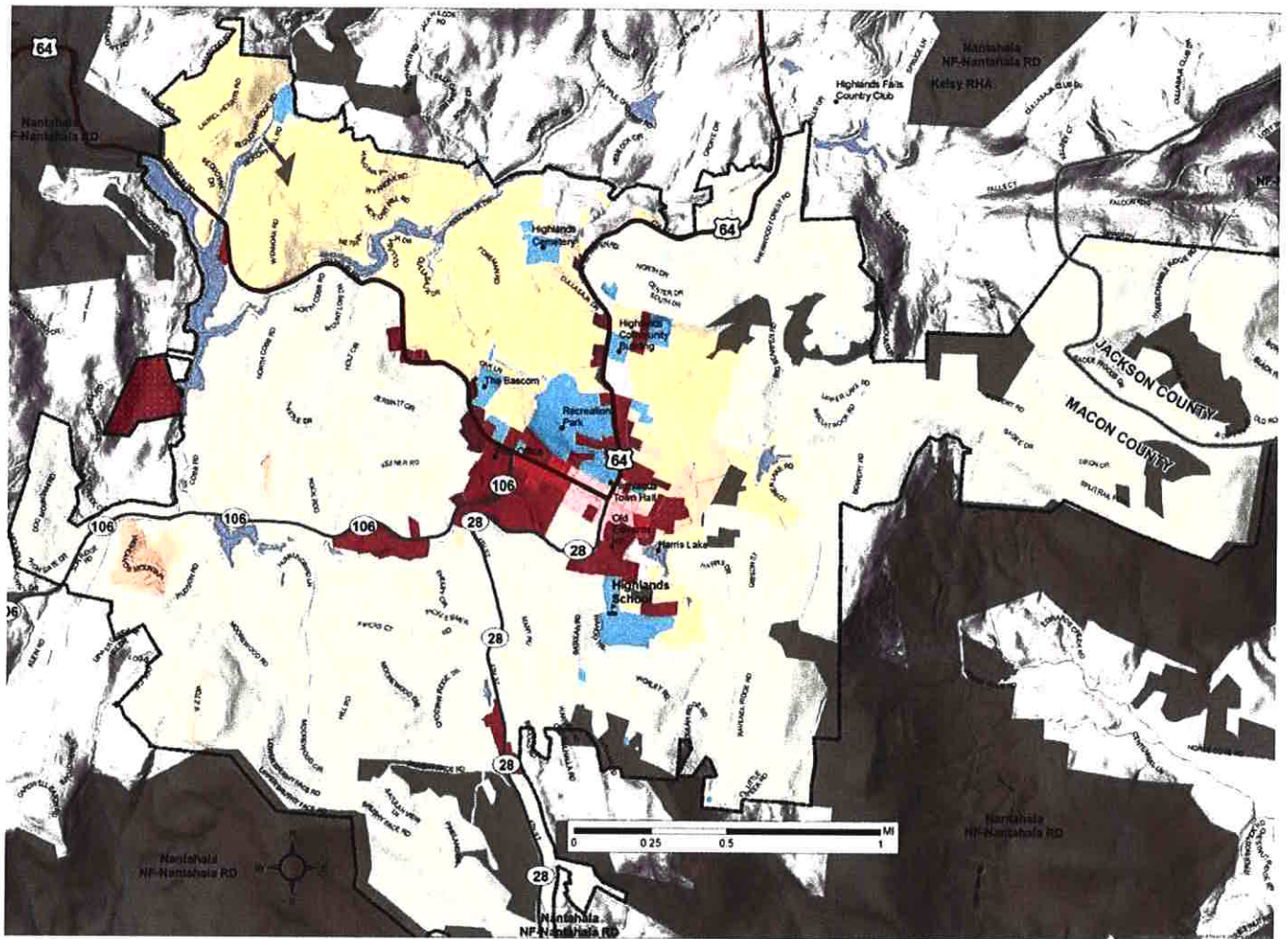
Unified Development Ordinance

The Town of Highlands has a Unified Development Ordinance (UDO) that includes application, review and approval processes, zoning district regulations, infrastructure, parking and landscaping standards, and natural resource and environmental protection standards. The UDO is accessible at: https://library.municode.com/nc/highlands/codes/unified_development_ordinance. The UDO includes three residential zoning districts (R-1, R-2,

and R-3) and four commercial or mixed-use districts (B-1, B-2, B-3, and B-4). There is also a Government/Institutional (GI) District, an allowance for conditional zoning, and watershed overlay districts. A review of the UDO shows the requirements that currently shape development in Highlands:

- » Residential Development
 - Single Family dwellings are allowed in all districts except for the GI District.
 - Residential developments must meet relatively high minimum lot size standards unless they are part of a Planned Cluster Development which allows for smaller lots in exchange for larger amounts of open space.
 - Multi-family dwellings are only allowed in the R-3 district, are restricted in density, have larger buffer requirements, and require a special use permit.
- » Building height is generally limited to 35 ft with a maximum 3 habitable stories. Allowed for some exceptions for attic and basement space.
- » Commercial Districts
 - Incidental apartments are allowed in commercial zoning districts, but are regulated based on minimum square feet per unit.
 - Hotels and motels are allowed in the B-2 and B-3 districts, and a special use permit is required.
 - Commercial buildings must meet exterior materials and color standards.
- » Natural Resources
 - Established limits of disturbance based on slope and disturbance size thresholds.
 - Limited built-upon area in watersheds (12% built-upon area in critical watersheds, 24% in balance of watershed).

ZONING MAP



ZONING DISTRICT

- | | | |
|---|---|---|
| R-1 - Residential District | R3CUD - Res District w/Conditional Uses | B3CUD - Bus Distrct w/Conditional Uses |
| R-2 - Residential District | B-1 - Business District | B3CZ - Business District Conditional Zoning |
| R2CUD - Res District w/Conditional Uses | B1CZ - Business District Conditional Zoning | B-4 - Business District |
| R-3 Residential District | B-2 - Business District | GI - Governmental / Institutional District |
| | B2CZ - Business District Conditional Zoning | GICZ - Governmental / Institutional District Conditional Zoning |
| | B-3 - Business District | |

The current zoning districts in the Town of Highlands are shown in the above map. There are three residential districts, four business districts, areas with conditional zoning, and a Government/Institutional district.

Downtown Highlands Parking & Circulation Study (2009)

The study was designed to be a dynamic tool to help influence infrastructure improvement decision-making – with goals to increase parking supply where needed while ensuring mobility and the safety of motorists and pedestrians. Recommendations were developed to address the parking supply and demand, traffic circulation, and pedestrian safety concerns. Recommendations focused on:

- » Increasing the parking supply within the Central Business District.
- » Enhancing traffic circulation.
- » Enhancing pedestrian safety.

Specific recommendations focused on making the intersection of 3rd Street and Main Street safer, reducing truck traffic along Main Street, and ensuring that sidewalk connectivity and crossings enabled safe walking throughout the downtown core.

2009 Parking & Circulation Study

This plan included recommendations for a number of issues:

- **Unified sign system to direct tourists to off-street parking and public destinations** Branding and signage improvements were made based on this recommendation, additional signage is still needed.
- **Consider making N. Third Street and Maple Street a truck route to get trucks off of Main Street** Town Board felt more analysis was needed on this topic.
- **Add landscaping to Main Street** Board did not support a center median but supported bump-outs or nodes at intersections to improve pedestrian safety.
- **Construct parking along north side of Main Street between 1st and 3rd Street** .Board recommended installation of sidewalk in the near-term and discussed a potential future project in this area for parking.
- **Traffic signal at Main Street and Third Street** Board supported a traffic signal, the intersection was later reconfigured to prevent northbound left-turns and southbound left turns, which has helped the traffic situation.
- **Convert Spring Street to one-way east bound and construct a sidewalk along the north side.** This has not been implemented, and there are still sidewalk gaps along Spring Street.
- **Install a traffic circle at Fourth Street and South Street** Town Board endorsed the idea of improving the design of the intersection, this has recently been done.
- **Midblock crossing on Main Street** Board was divided on this topic.

Wayfinding Master Plan (2012)

As this plan states, the Town of Highlands prides itself on its magnificent mountain scenery, pure watersheds, and a bustling historic downtown. These resources create immense tourist traffic between June and December. To better direct these visitors and promote their natural and cultural attractions, the Town of Highlands contracted with Frazier Associates and Arnett Muldrow and Associates to create a branding program along with a system of directional and informational wayfinding. The result was an image and signage plan that conveys the Town's natural mountain beauty and promotes its many attractions. These signs are located at gateway locations to welcome visitors to town and residents to their home.

Sidewalk Master Plan (2008)

The Town maintains a sidewalk master plan that outlines the location of existing and needed future sidewalks.



DOWNTOWN MARKETPLACE STUDY

HISTORIC DOWNTOWN HIGHLANDS, NORTH CAROLINA
MARCH 2011



The Downtown Marketplace Study included market, physical environment, financial, and organizational recommendations.

2011 Downtown Marketplace Study

This study was conducted by the Small Town Main Street program administered by the North Carolina Department of Commerce and focused on the central business district. The study found that empty-nesters and seniors were the principal demographic segments who live and own property in the area. The study included a customer survey and retail market observations. The study found that Downtown Highlands' commercial space was 97% occupied and that the seasonality of market activity was due to second homes. Recommendations included

- » Studying the preferences of baby boomers and needs of an aging community;
- » Developing eco-tourism opportunities;
- » Targeted marketing, event planning and promotion;
- » Addressing workforce housing;
- » Establishing a brand identity;
- » Supporting local business community and employees;
- » Creating wayfinding initiatives and improving the pedestrian experience;
- » Enhancing parking management strategies.

County Plans

2005 Macon County Recreation Master Plan

- » Comprehensive inventory of park facilities, schools, and private amenities
- » Recommended coordination between Macon County and Town of Highlands
- » Near term needs: land acquisition and budgeting for greenway project
- » Long term needs: pilot greenway project from Greenway Master Plan
- » Identified funding sources and grant programs

2012 Macon County Comprehensive Transportation Plan

- » U.S. 64 from NC 106 to NC 28 recommended for expansion and addition of bike lanes (Town did not accept recommendations because of existing central business district storefront patterns)
- » Buck Creek Rd. (SR 1538) improvements recommended from US 64 to NC 28 to US 64
- » Recommended bus connection
- » Sidewalk improvements in Town

2015 Clay-Macon Hazard Mitigation Plan

- » Evaluated natural hazard risks across Clay and Macon Counties
- » Provided historical data on damages and occurrences
- » Examined vulnerability of community facilities including the Highlands-Cashiers Hospital, Highlands Library, Town Hall, etc.
- » Prescribed actions to prevent damage; protect property, natural resources, and infrastructure; and improve emergency services, and public awareness.

POPULATION AND DEMOGRAPHICS

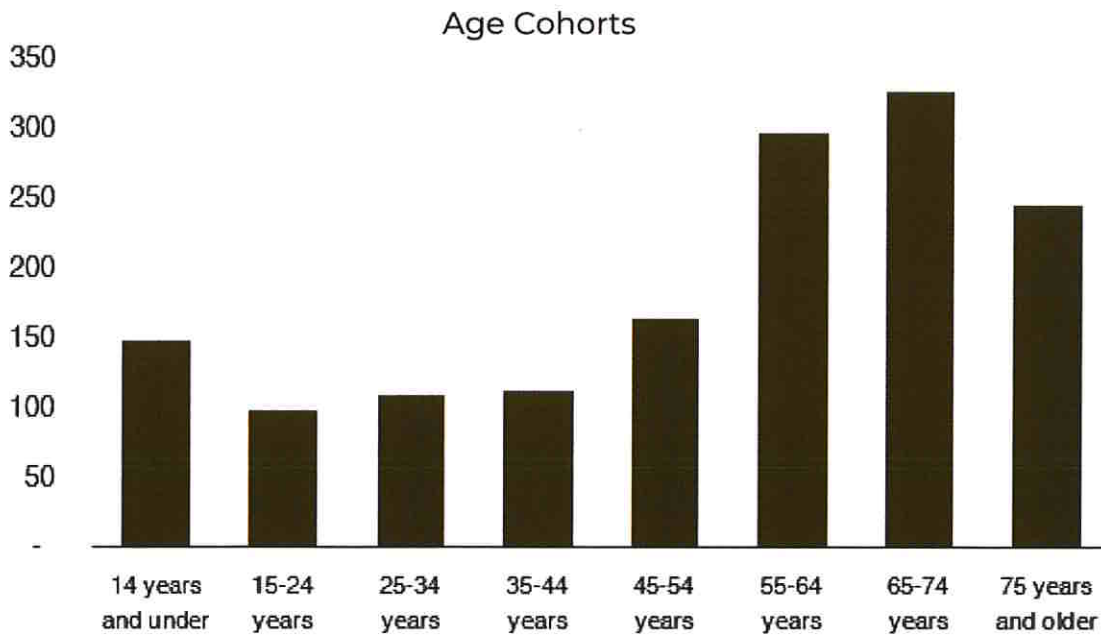
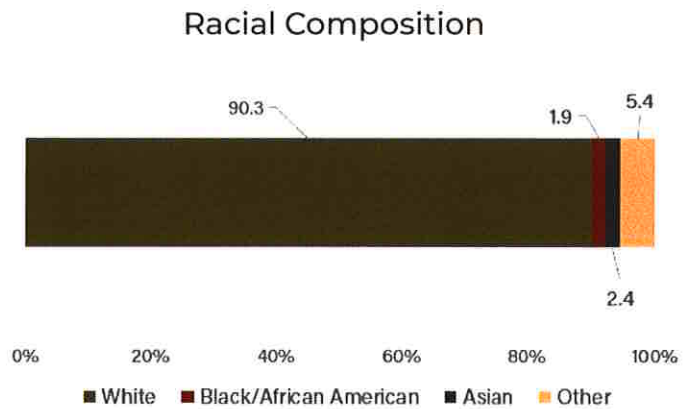
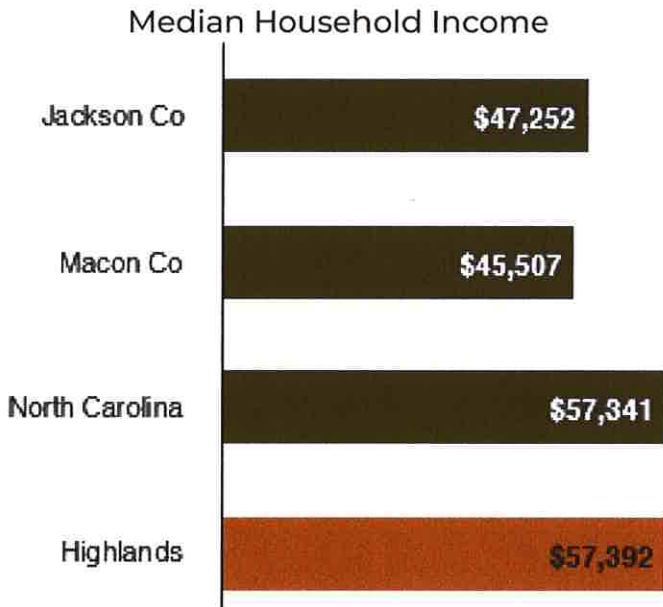
Population Characteristics

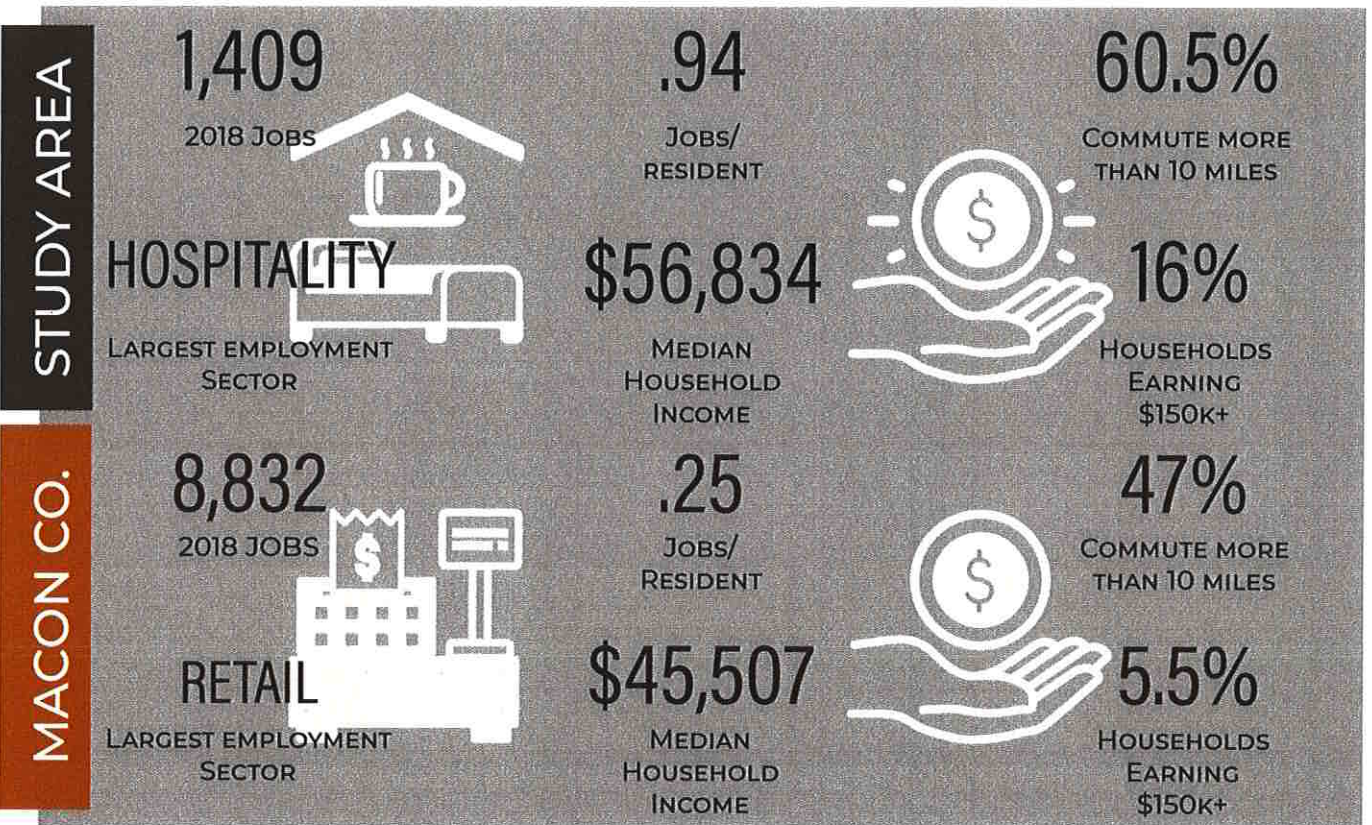
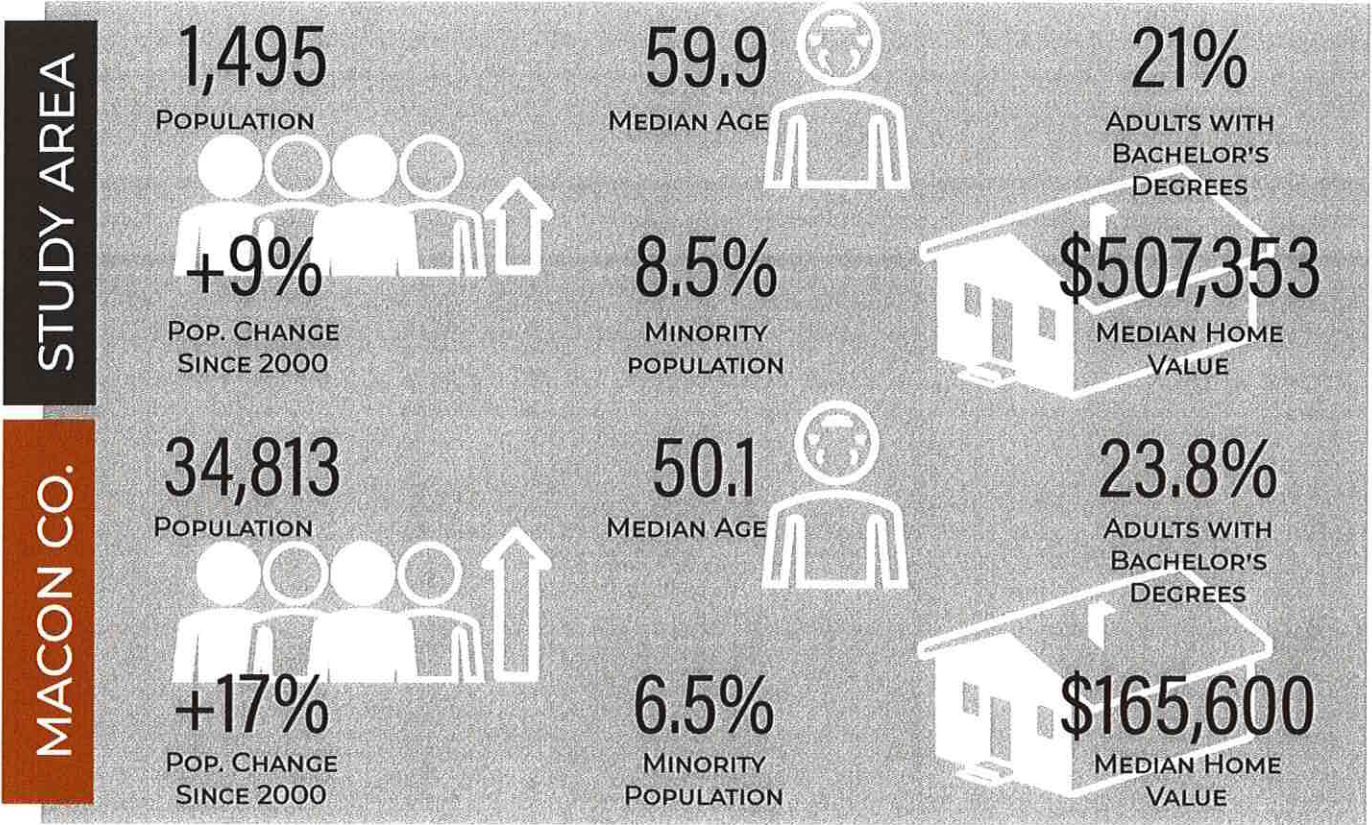
The U.S. Census estimates Highlands has a year-round municipal population of 1,164, and the study area has a population of 1,495. The population has a higher median age than Macon County, with its largest age bracket being those between 65 and 74 years and 58% ages 55 years or older.

18,000

The Highlands Chamber estimates that the seasonal population for the “plateau” rises from 3,200 to 18,000 in peak season.

Seasonal Population
 It is estimated that 1,473 homes are used as seasonal residences or rentals in the town. Seasonal population in the town and study area is likely 3 to 4 times the year-round population.





Sources: ACS 5-year estimates 2019, ESRI

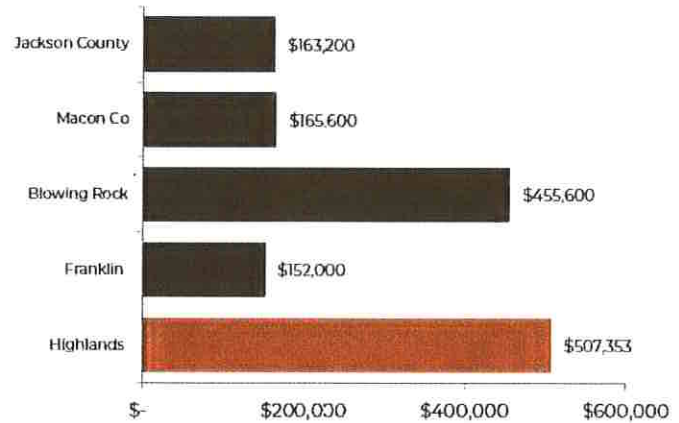
HOUSING

Housing in Highlands is dominated by single-family homes, which represent 85% of housing units in town. As of 2019, there are 3,344 housing units within the project study area, 2,223 of which are within the town's corporate limits. Of those homes within the town's corporate limits, 639 are primary residences with the other 1,584 units being another type of residence. These homes are likely seasonally used homes and vacation rentals but could also be unoccupied whilst for sale or for other reasons.

Likely due to its popularity as a tourist destination and limited land available for building, homes prices in Highlands are much higher than average for the County or State. The median home value in 2019 was \$507,000, about three times the average home value for Macon County.

Most of the homes in town were built after 1970 which is consistent with when Highlands became a very popular location for second homes.

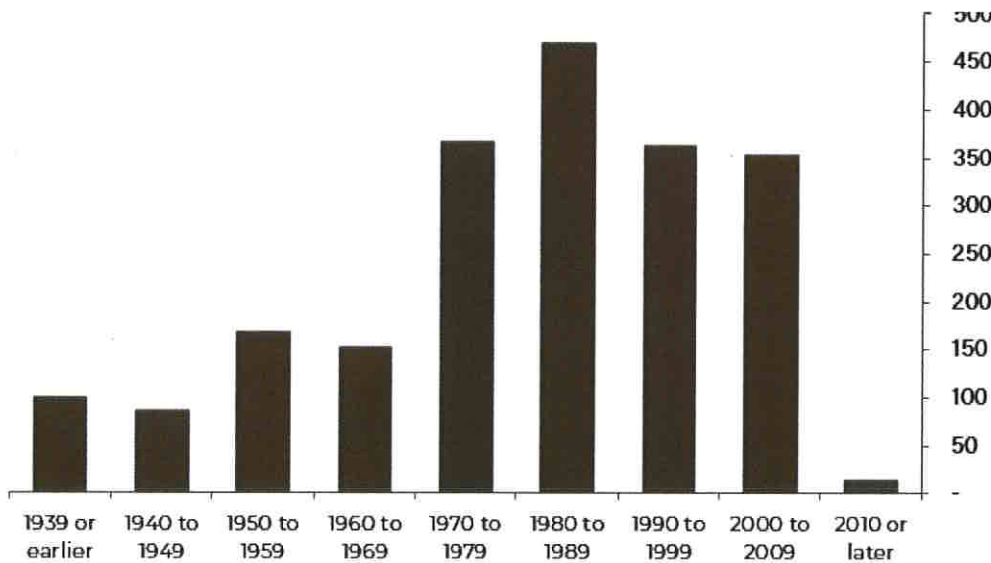
Median Home Value 2019



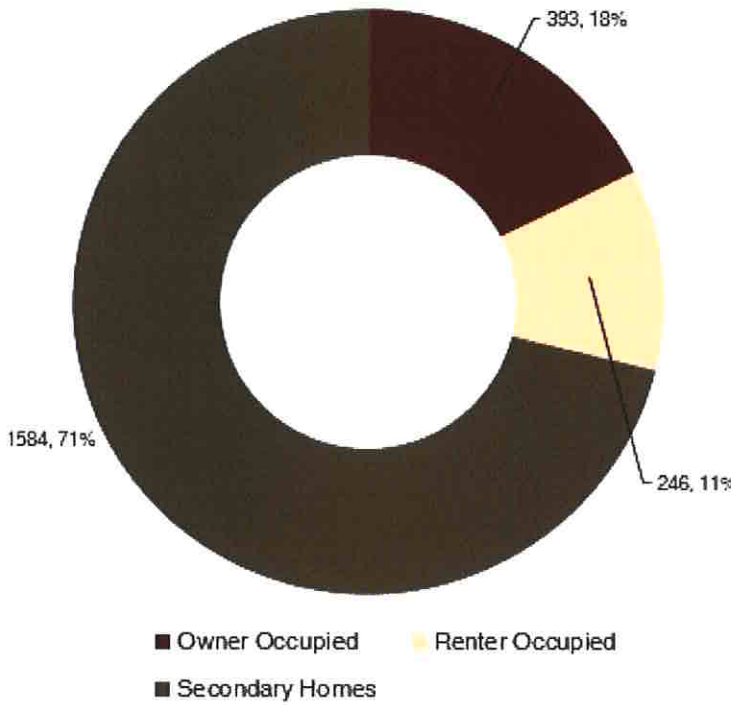
The median home value in Highlands is **3X** the median home value in Macon County.

Home value has increased **20%** in the past 10 years.

Housing by Year Built



Housing Tenure



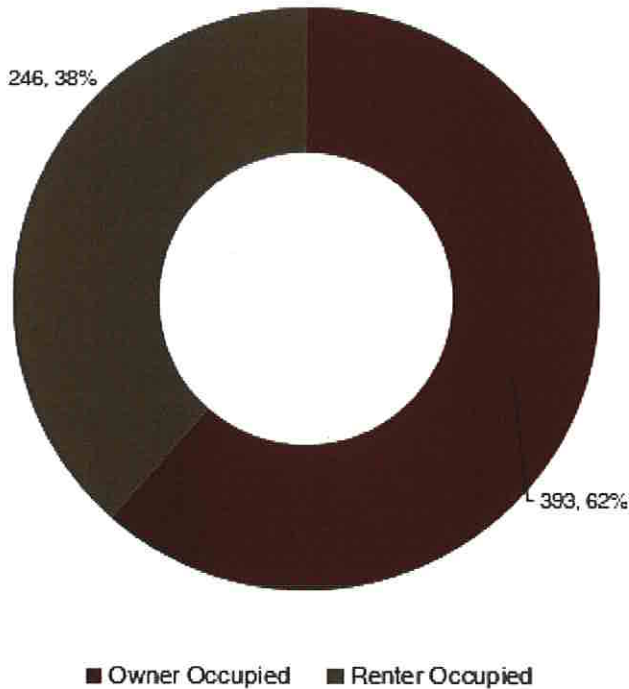
Defining Primary and Secondary Residences

How do we know who lives in Highlands full-time? Using the US Census data definitions of “occupied” and “vacant” housing units, we can determine how many homes are primary residences and extrapolate secondary residences.

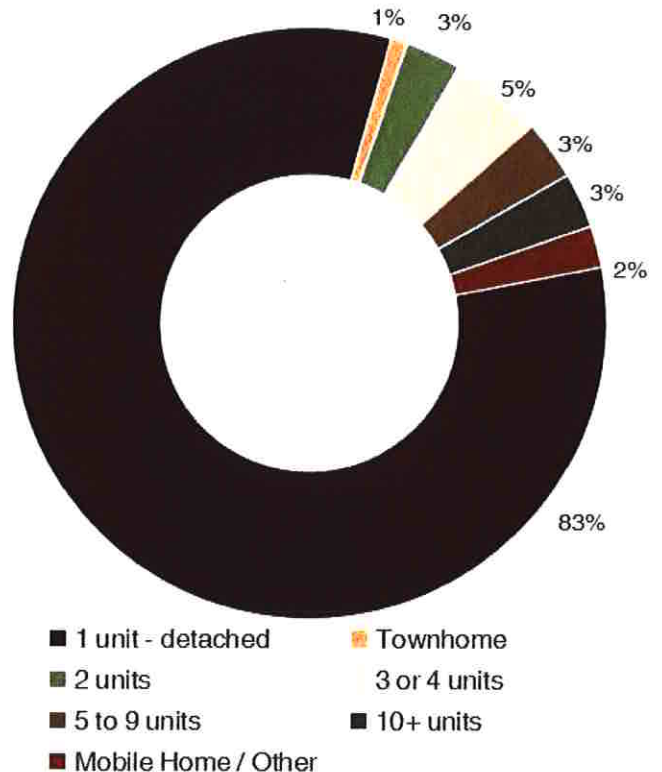
“**Occupied**” housing units are defined as those that are the “usual place of residence” for persons or a family.

“**Vacant**” housing units are defined as units where no one is living, or units owned by people whose “usual place of residence” is elsewhere. In popular tourist locations, “vacant” units are generally second homes or vacation rentals.

Housing Tenure for Primary Homes



Housing Type Distribution



Sources: American Community Survey, 5 year estimates, 2010, 2019

NATURAL RESOURCES

Highlands is located in one of the most biologically diverse areas in the world. The topography, climate, and natural history of the area has led to a unique mix of northern species and southern species. The majority of areas within the study area are ranked as being high value for biodiversity and wildlife habitat by the N.C. Natural Heritage Program. There are 36 designated Natural Heritage Natural Areas located near Highlands. The Highlands Biological Station is a facility located in Highlands where researchers study the natural heritage of the area. The facility contains the Highlands Nature Center and Highlands Botanical Gardens.

A number of streams in the area are designated trout streams and serve as headwaters to public water supplies. Stakeholder interviews and the survey indicated that environmental protection is a priority. Citizens voiced concerns about increased pressure on resources, development impacts, and water quality.



Mill Creek parallels Main Street just north of downtown and eventually drains into Lake Sequoyah which is the water source for Highlands and the Cullusaja River a scenic river that is also a designated trout stream.

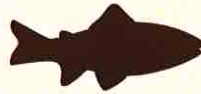
Near Highlands, there are



42,736 ACRES

OF PUBLIC LAND AND CONSERVATION AREAS*

*INCLUDES NANTAHALA NATIONAL FOREST WITHIN 5 MILES OF TOWN



107

MILES OF TROUT WATERS WITHIN 5 MILES



36

ECOLOGICALLY SIGNIFICANT NATURAL AREAS (DESIGNATED NATURAL HERITAGE NATURAL AREAS)

GREENWAYS, SIDEWALKS, HIKING TRAIL, AND MULTI-USE PATHS

54 MILES OF

TRAILS ON FOREST SERVICE PROPERTY

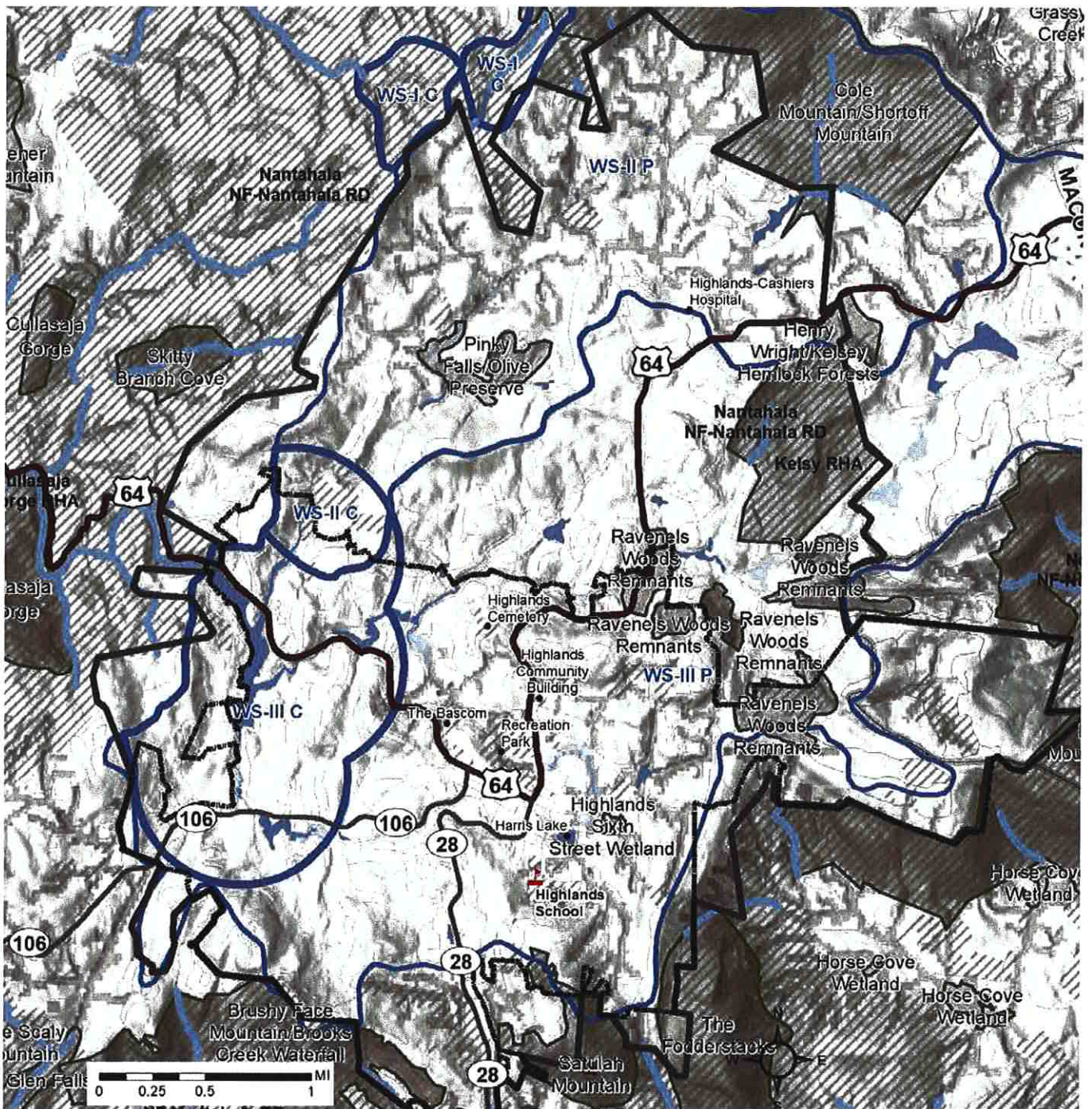


7 MILES OF

EXISTING AND PROPOSED TRAILS PART OF THE HIGHLANDS PLATEAU GREENWAY



NATURAL RESOURCES MAP



Legend

Parks and Natural Resources

- Parks and Conservation Areas
- Natural Heritage Natural Areas
- Lakes
- Streams
- Trout Streams
- Floodplain

Water Supply Watersheds

- Critical Areas
- Protected Areas

Biodiversity and Wildlife Habitat Value

- Very High
- High
- Low-Medium

PARKS AND TRAILS

Highlands is nestled on a plateau between large tracts of public land in the Nantahala National Forest that provide outdoor recreation opportunities. The Town works with Macon County to maintain a number of parks and recreation opportunities. Highlands Recreation Park is a hub for local recreation that offers a gym, year-round pool, skatepark, playground, tennis, pickleball, programming, and a network of trails. Kelsey-Hutchinson Founders Park is located downtown and serves as a public gathering place with concerts and ice skating in the winter. The Town coordinates with the nonprofit group Highlands Plateau Greenway that develops and maintains a system of trails for walkers and hikers in town. A number of other publicly accessible greenspaces are located in the area and are owned by the Highlands Cashiers Land Trust (HCLC).



Parks and Recreation Facilities

KELSEY-HUTCHINSON FOUNDERS PARK

FOUNDERS PARK IS AN ASSET TO DOWNTOWN HIGHLANDS, OFFERING RESIDENTS AND VISITORS A PUBLIC GATHERING SPACE IN THE HEART OF DOWNTOWN. PROGRAMMING INCLUDES PUBLIC EVENTS SUCH AS CONCERTS AND ICE SKATING.

HIGHLANDS RECREATION PARK

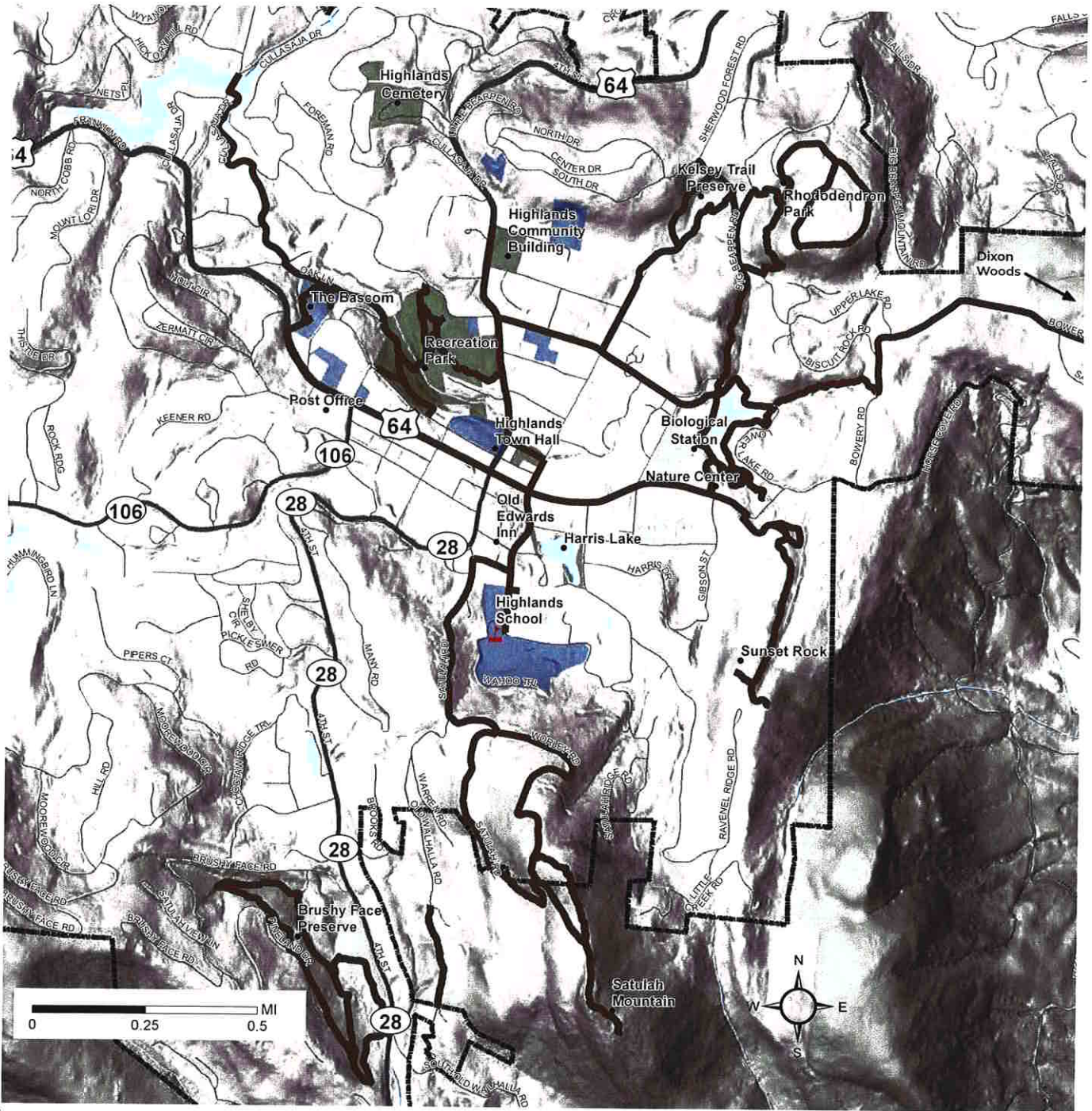
THE RECREATION PARK IS LOCATED ON A 30 ACRE PROPERTY JUST NORTH OF MAIN STREET. IT INCLUDES A GYM, CIVIC CENTER, POOL, SKATEPARK, PLAYGROUND, AND DOG PARK.

OTHER RECREATIONAL FACILITIES








- COMMUNITY BUILDING AND BASEBALL FIELD
- HARRIS LAKE PARK
- HIGHLANDS GREENWAY
- ZACHARY PARK (COUNTY-OWNED AND JOINTLY MAINTAINED)



PARKS AND TRAILS MAP



Legend

-  Trails
-  Civic
-  Municipal Boundary
-  Lakes
-  Parks and Open Space
-  Managed Areas
-  Streams

HISTORIC RESOURCES

Historic Districts

The Highlands has three National Register Historic Districts within its municipal limits: the Highlands North Historic District, the Playmore-Bowery Road Historic District, and the Satulah Mountain Historic District. These districts recognize remnants of Highlands' history as a mountain outpost and as an early vacation and recreation destination. Land use policies can ensure that new development within and near historic districts helps to preserve the character of town.

Visitors who wish to take in Highlands' historic offerings can visit the Highlands Historical Society or walk along the Highlands Heritage Walking Trail, which features sites and buildings near Downtown.

Satulah Mountain Historic District

The Satulah Mountain Historic District is an well-preserved neighborhood of resort houses built between 1890 and 1940, set within the rich natural environment of the area surrounding Satulah Mountain. The District contains 46 contributing resources including the Henry M. Bascom House, The Rankin House, and the Calhoun House.

Other Districts

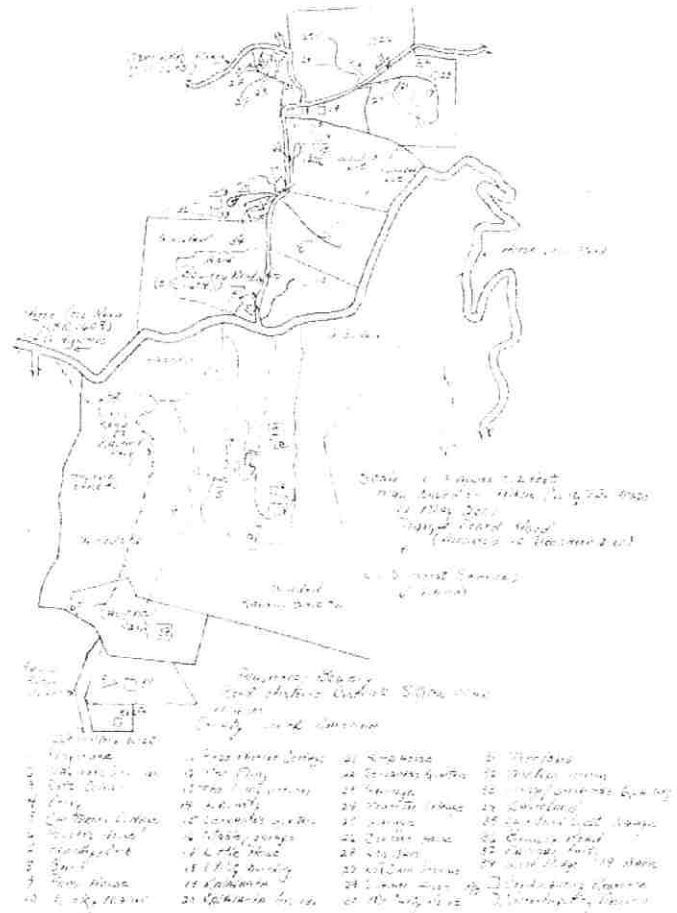
There are other areas in Town that are either on the study list to become a National Register Historic District or have been deemed eligible for the list: US 64 Highway, Mirror Lake Historic District, and the Webbmont Historic District.

Historic Structures

There are over 49 structures on the National Register List or located in a National Register Historic District in Highlands. These structures are located inside and outside the three official Historic Districts. Notable structures include the Highlands Inn (1880), the Edwards Hotel (constructed in 1880, with additions in 1930), the Elizabeth Wright Prince House (1877, with additions in 1935), and the Episcopal Church of the Incarnation (1896).

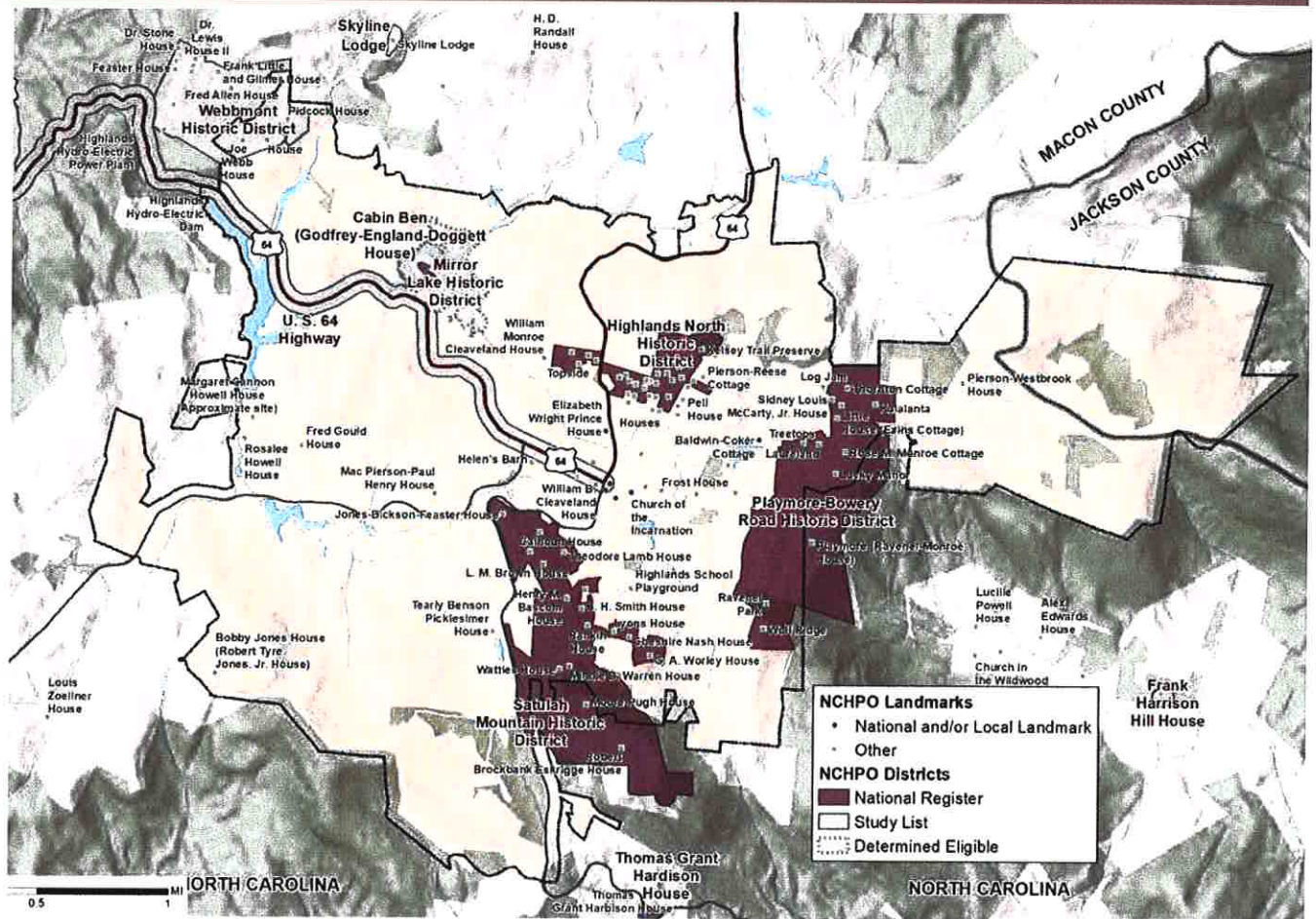


Elizabeth Wright Prince House, Fourth Street



Map of the Playmore-Bowery Road Historic District

HISTORIC RESOURCES



Highlands has three designated historic districts: the Highlands North Historic District, the Playmore-Bowery Road Historic District and the Satulah Mountain Historic District

There are significant historic structures located outside of the defined National Register Historic Districts and other areas in and near Town that are being studied for potential listing including the Mirror Lake neighborhood, the US 64 corridor to and through the Cullusaja River Gorge and the Webbmont area just west of Town.

DOWNTOWN & ECONOMY

Economy

Highlands' economy is unique, and its health is nearly inextricable from the prosperity of its downtown. Most businesses in Town are small and depend on the Town's status as a thriving tourist destination. Highlands is also the commercial hub of the Plateau, drawing customers from a wide area. There are an estimated 300 different businesses within the project study area (2020, NAICS).

Downtown

Downtown Highlands is the heart of activity on the Plateau. Spanning the blocks of the original Kelsey Plan, it resembles a quintessential mountain town that draws in locals and tourists alike. Its small-town feel is enhanced by a mix of businesses, alpine architecture, active facades and pedestrian friendly environment. It is also the commercial heart of Highlands. The business survey results on page 41 and in the Appendix provide more insight on the relationship between the downtown environment and the business community.

Employment

A common sentiment during stakeholder engagement was that Highlands' workers cannot afford to live in the town. Data shows that about 90% of employees in Highlands commute to work. Most of those who commute come from more than 10 miles away, from more affordable areas such as Franklin. The business operator survey found that over half of those who run businesses are concerned about availability of housing for their employees.

Economic Shifts

Many of the businesses in Town primarily serve and are dependent on tourism. This also means most of their business occurs between May and October, with the winter season presenting a challenge. However, local stakeholders indicated that tourist season is becoming longer over time.

93.5%

or **\$309, 174, 350**, of the value of commercially-zoned properties in Highlands is located downtown.

Source: Macon County Tax Data 2018

A change in the duration of tourist season is not the only transition Highlands' economy is experiencing. Business owner feedback indicated that customer demographics are changing. Business owners and operators are seeing younger customers, including families, more often.

A big driver of this shift is the Highlands' Chamber of Commerce and its efforts to promote Highlands' tourism in the off-season through promotion and events. These events draw out-of-town visitors to downtown and include:

- » Highlands Food and Wine Festival
- » Highlands Motoring Festival
- » Bear Shadow Music Festival
- » Meander in May Downtown
- » Holiday events in December
- » Weekly live music events



Main Street during the summer tourist season

Data demonstrates that Highlands' economy is becoming increasingly tourism-focused. The project team examined data that showed the number of employees per industry sector for jobs within the Town from 2010 and 2018. Figures showed :

 **83% growth** in hospitality-related jobs (arts, entertainment, accommodation, and food) (40% of total jobs)

 **43% growth** in retail jobs (24% of total jobs)

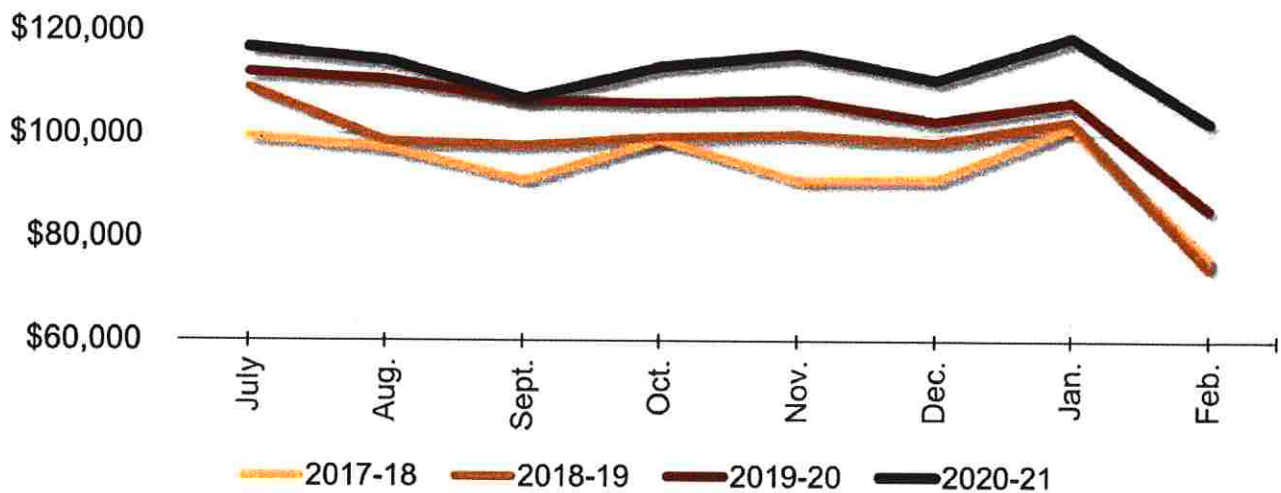
Source: US Census



Events like the Highlands Motoring Festival help people discover the Town every year.

Photo source: Plateau Daily News

Sales Tax by Month 2017-2021



The graph above show how 2020 was a record year for visitation and sales tax revenue despite and perhaps because of the coronavirus pandemic.

TRANSPORTATION

Roadways

Many of Highlands' roads are in good condition, and the Town is appropriately connected via US-64, SR-106, and SR-28 whose crossings form the heart of Highlands. US-64 is a scenic highway that serves as a significant facility for tourist traffic but is also used extensively by trucks. A review of NCDOT's average daily traffic along these corridors indicated that traffic volumes have not increased over the past several years, though the Town has some congestion during peak rush hours. This congestion is attributed to the interface between motorists, truck traffic, pedestrians, and those attempting to park or leave their parking space. It is not attributed to high traffic volumes.

Downtown

Highlands' downtown still shows the original grid from the Kelsey Plan, making the area well suited for walking. Stakeholder conversations and responses from community members indicated a strong desire to be able to walk to downtown from residences. Sidewalks exist along many of the primary Town streets. Main Street has wide sidewalks constructed of a combination of brick pavers and traditional concrete with amenities like shade trees, benches, and other landscaping elements. However, sidewalks on other streets are often narrow by current construction standards and many do not meet current ADA standards (frequently due to steep grades). A complete pedestrian network is necessary to provide connections for those who choose to leave their automobiles at home. This includes travelers for work, school, shopping, and recreational trips.

Parking

Parking in downtown was a common theme amongst stakeholder and community feedback. With the influx of tourists in peak seasons, parking along Main Street in Highlands is in demand, and motorists have expressed having difficulty finding parking spaces near their destinations. In addition, with numerous pedestrians crossing town streets and intersections, the conflicts between motorists and pedestrians creates some safety and operational concerns.

On-street parking is available with very few established restrictions to encourage turnover and maximize utilization. While employees are technically restricted from parking on Main Street, this practice does not consistently work due to enforcement challenges. There are currently no parking meters installed to regulate on-street parking, though this strategy has been previously considered and was mentioned during the public input period for this Plan.

Highlands' on-street parking on Main Street between Third Street and Fifth Street is often full or near capacity (with peak hours between 1pm and 2pm), leading to a perception that there are not enough parking spaces. While the most convenient and accessible parking spaces along Main Street were typically full during the peak times, spaces were available along Oak Street, Spring Street, and Church Street, only a short walk from Main Street. The Parking and Circulation Study (from 2009) indicated that almost a third of total parking spaces were found to be unoccupied during the peak 1 to 2pm period.

There are **962** free parking spaces within the downtown core.





The intersection of Fourth and Main Streets is the busiest intersection in Town but lacks sufficient space for pedestrians to wait on corners. It could benefit from additional safety upgrades.

Sidewalks in Highlands are prevalent in the downtown core and currently provide a suitable level of accessibility and connectivity. However, there are many roads that would benefit from new sidewalk construction or widening of existing sidewalk. Narrow roads are common due to the topography of Highlands, and it is understandable to only have sidewalks on one side, especially outside of the major corridors and downtown area.

From Third Street to Fifth Street, Main Street is a two-lane roadway with angled parking along both sides and a center angled parking area which is accessible in both the eastbound and westbound directions. Often motorists, instead of backing out of the center parking area, pull through and make a U-turn to travel in the opposite direction. This type of movement causes confusion,

congestion, and safety concerns. However, it is clear from discussions with various stakeholders that this parking is valuable and changes to Main Street's configuration would be met with resistance.

Recent Improvements

No major NCDOT roadway projects are slated for the near term to change alignments, widen segments, manage access, or add new signals at intersections. Recent improvements along Main Street (US-64) in Highlands include repaving and restriping all parking areas (including updates to handicapped parking pavement markings) and incorporating changes to pedestrian crossing infrastructure.

Transit

Regular bus service is not available in Highlands, and passenger rail service is not used in Western North Carolina. While NCDOT studies have indicated a long-term goal of linking major municipalities along an east-west rail corridor, this is not relevant to transportation in the Highlands area. Macon County Transit has been operating on-demand bus service for two decades, with a mission to "provide transportation services in an efficient, coordinated, cost effective manner that is responsive to the current needs of the residents of Macon County." There has been a focus on the Town of Franklin, with the agency located there and most trips scheduled in that area. If Highlands seeks growth in transit service, it will require a concerted effort to advocate for those needs and possibly a commitment to supporting the budget of Macon County Transit.

EXISTING INFRASTRUCTURE & SERVICES

Sanitation

Garbage is picked up twice a week in residential areas in Highlands, and commercial trash is picked up seven days a week. All garbage must be placed in heavy plastic or metal containers with handles and tight-fitting lids no larger than 100 gallons in capacity. Voluntary recycling is available at the Macon County convenience centers outside the town limits.

New bear-proof garbage cans have been installed throughout the downtown area in an effort to be a "BearWise Community." The new cans are bolted to the ground and have smaller openings to discourage bears digging through the can. These small openings also discourage residential and commercial trash from being disposed in them.

As the Town struggles to find the right balance to the sanitation department budget, there will arise a need to either raise rates or cut services. The Town could consider going out of the trash collection business altogether, but public input indicates general resistance to this option due to a perceived change in overall level of service.

Electricity and Internet

Depending on location, electricity is provided through the Town of Highlands, Haywood Electric Co-Op in Waynesville, or Duke Power in Franklin. The Highlands Electric Utility serves over 3,000 accounts, operating a municipal electric utility that owns more than 2,600 utility poles and 110 miles of line, most of which is aerial based. Interestingly, some of the customers reside in the areas of north Georgia.

Reliable electric provision and high-speed fiber optic Internet connectivity will benefit residents by providing telecommuting options and the capacity to operate businesses remotely. As the COVID-19 pandemic has shown, this capability is



Bear Resistant Toters required by August 1st, 2020. Toters can be purchased locally at Reeves Ace Hardware, at Home Depot and online.

For more information, please feel free to call Town Hall at (828)526-2118 or look at the ordinance online at: <https://highlandsonc.org/notices/803-new-sanitation-rules-and-regulations/file>



Bear-proof trash can campaign

essential and can mean the difference between success and failure for many small businesses, freelance workers, and others. It also has made clear that the digital divide is widening the disparity of students, as those with reliable Internet at home are more able to attend remote classes and complete assignments, while some struggled to make it through the year.

Depending on location, Highlands residents may choose from a total of 4 broadband providers; Frontier, Vyve (formerly Northland Cable), Highlands Cable, or Hotwire (assuming the town signs the contract with Hotwire in August) which utilizes Highlands own dark fiber network.

The Town initiated the project in 2015, after the Federal Communication Commission (FCC) struck down a state law that prevented local governments from building broadband networks. However, the FCC ruling was later overturned by a federal court, and the Town now partners with, Hotwire Communications, a private firm to lease and operate its network. The dark fiber network is nearing completion (mostly deployed via aerial fiber using the town's electric infrastructure) and will link every business and home in the Town to a dedicated fiber optic connection with spare fiber in all likely growth areas. Once completed, the fiber network will improve local broadband access as well as enable smart city applications, like enhanced utility systems monitoring. With better Internet connectivity, more Highlands residents will

be able to work from home successfully, attend remote school (including college classes), and start businesses that rely on online platforms. Some seasonal residents might stay for extended periods of time if they consider Highlands to be more of a home than a vacation destination.

Water, Sewer, and Stormwater

Inside the town limits, water is provided to most households and sewer is provided to 35-50% of households. Outside of town limits, private wells and septic systems are common, and several of the private clubs have their own community water and/or sewer system. The Town of Highlands water supply is the Lake Sequoyah reservoir. In the 1920s when the Town's water distribution system was born, the Town got its water from Houston Lake on Buck Creek Road. At that time, the Town received a permit from the United States Forest Service (USFS) to build a small reservoir at the headwaters of Big Creek to provide the Town's public water system. The water was chlorinated and traveled by gravity from Houston Lake to the water tank on Little Bear Pen and was pumping 65 gallons per minute. By 1965 Highlands was outgrowing the flow from that lake and EPA rules had changed. People could no longer drink surface water that had only been chlorinated; it had to be filtered, too. The Town built the current water treatment plant on Lake Sequoyah/Big Creek on Hickory Hill Road at the lower end of the Highlands watershed (1,500 gallons of water per minute) and applied for a permit to install an intake valve on the north side of the US-64 bridge, a much bigger reservoir.

The USFS took out the dam at Houston Lake and restored the creek, which feeds Lake Sequoyah. In the mid-1990s, projecting new demand, the Town applied to have Lake Sequoyah classified as a Class I Public Water Supply which meant, if necessary, the Town could draw from the main body of the lake. To address silt accumulation concerns, the Town installed an intake valve at the Lake Sequoyah Dam, which was property already owned by the Town. Now the Town has three options: draw from the creek at the water

plant, draw from the first intake in Lake Sequoyah near the bridge, draw from the intake valve at the dam, or a combination as needed. This allows plant operators to adjust according to water and turbidity levels.

Since 1993, the Town of Highlands' Water Supply Watershed Protection (WSWP) ordinance has included a stringent sediment control plan to keep silt and other pollutants from contaminating Lake Sequoyah and prevent runoff degrading water quality. The Town requires low-density development to limit impacts to water quality. Valid concerns exist regarding stormwater runoff draining into Lake Sequoyah, which serves as a drinking water source. The surface drinking water sources in this area are particularly important because the well water in the area contains naturally high concentrations of sulfur and metals and is not considered potable. Second, the Highlands Plateau is home to a unique ecosystem, with a wide variety of rare and endangered plants. The steep slopes of the surrounding land cause erosion from developing lots, threatening these species.

The Town's water system includes a Water Treatment Plant that can produce up to 2 million gallons per day (MGD), 9 ground storage tanks and 8 booster pump stations. A Water System Asset Management Plan was completed in 2019. Findings include:

- Water use is projected to increase significantly in the next 20 years.
- 30% of water distribution pipes and a number of hydrants, valves meters and storage tanks are in poor condition.
- There are \$35 million in capital needs over the next 20 years.

In 2007 a Stormwater Master Plan was created to identify priority improvements to stormwater conveyance and treatment in the Town of Highlands. The plan included a description of capital projects targeted at addressing inadequate stormwater facilities through replacements and the addition of new stormwater infrastructure that would improve water quality in local creeks and Lake Sequoyah.

PUBLIC ENGAGEMENT

A plan of this magnitude would not be possible or credible without significant public engagement. Throughout the yearlong planning process, residents and stakeholders were engaged at every step. The team prioritized engaging with vulnerable populations and ensured that the demographics of participants accurately reflected the demographics of Highlands.

Steering Committee

The Town Board appointed a 10-person Steering Committee of residents, business owners, and members of appointed boards. The Steering Committee met five times throughout the project to provide their valuable perspective on the community's strengths and needs and steer the direction and content of the plan.

Stakeholder Interviews

A series of hour-long interviews were conducted with stakeholder groups in Phase One of the project. These stakeholder groups consisted of 5 to 10 people drawn from across the Highlands community. Property and business owners, real estate professionals, nonprofit and community group members, education and healthcare representatives, elected officials and Town staff were represented. The lively conversations focused on what people valued about Highlands, their goals for the Town, and what priority issues should be addressed with this Plan. The meetings provided insight into the unique challenges and opportunities facing the Town and the broader plateau.

The public engagement process received feedback from the community through

1,662 Project Website Visits

1,015 Survey Responses

62 Business Survey Responses

2 In-person Public Meetings

2 Online Meetings

1 Walking Tour

5 Steering Committee Meetings

6 Stakeholder Meetings



The project website (www.highlandscommunityplan.com/) included information on the project and was regularly updated throughout the process.

Visioning Workshops

In October 2020, Town staff and consultants conducted a series of public meetings to gather input on Town issues and the community's vision for the plan. Meetings were held October 21 to 23 at the Highlands Community Building and included the following:

- » Traditional public meeting
- » Downtown walking tour
- » Stakeholder interviews
- » Steering Committee meeting

Meetings were conducted using CDC recommended social distancing protocols to limit potential spread of the COVID-19.

The in-person visioning workshop was followed by a virtual public meeting in November 2020 for those who preferred a remote format. This online meeting reached over 50 full- and part-time residents who were able to discuss Town issues directly with project staff and each other, replicating the experience of a traditional public meeting.

Draft Plan Meetings

In June and July of 2021, two public meetings, one in person and one virtual, were held to gather feedback on the draft plan. Both meetings included a presentation that provided an overview of the plan, the process, and the recommendations, before opening up for discussion and questions with

the attendees. Attendees were provided with options for making comments on the plan, either on a written comment card or through an online comment form. Feedback received was incorporated into the final Plan.

Surveys

The project team created two surveys to gather data about the community's vision, concerns, and goals for Highlands. This included a broad 19-question survey that asked respondents about their vision and goals for the Town. The project team also conducted a business owner-focused survey to learn about the unique needs of Highlands' businesses. The survey data was used to inform subsequent parts of the plan so that it accurately represents priorities from different segments of the community.

COVID-19

The project's schedule meant that it was directly impacted by the COVID-19 pandemic. In order to stick to the project schedule and continue learning from the public while maintaining social distance, staff had to find creative solutions for the remaining engagement. Accommodations included extending survey closing dates, virtual Steering Committee Meetings, and virtual Public Meetings that were posted online afterward. Engagement numbers were either similar to or above the number of attendees of a typical in-person meeting.



The project team held meetings during October and November of 2020 to gather feedback for the Community Plan.

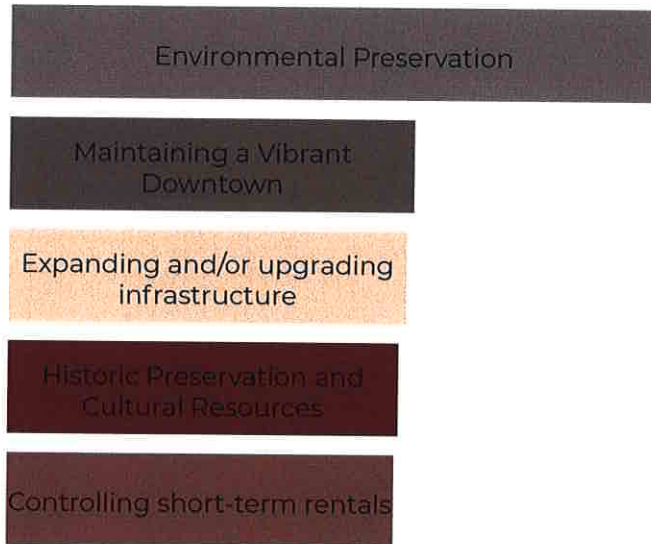
COMMUNITY SURVEY

As part of the analysis and visioning process, the team conducted a survey so that the community could communicate their concerns, preferences, and aspirations for Highlands' future. The survey opened in conjunction with the public meeting in October 2020 and ran through January 2021. It was hosted online and available in English

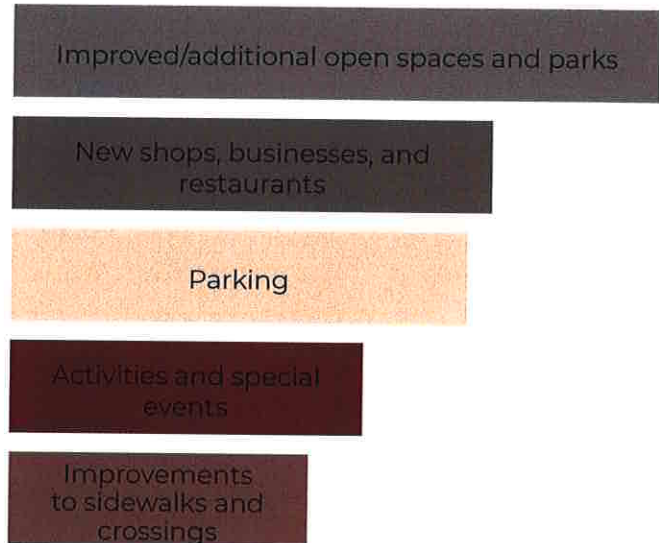
and Spanish, with paper copies available.

In total, 1,015 people took the survey. Their responses covered topics such as values, concerns, downtown development, housing, land use, and demographics. The survey format included multiple choice, visual preference, and open ended questions. Select questions have been summarized below. For the full survey results, see the Appendix.

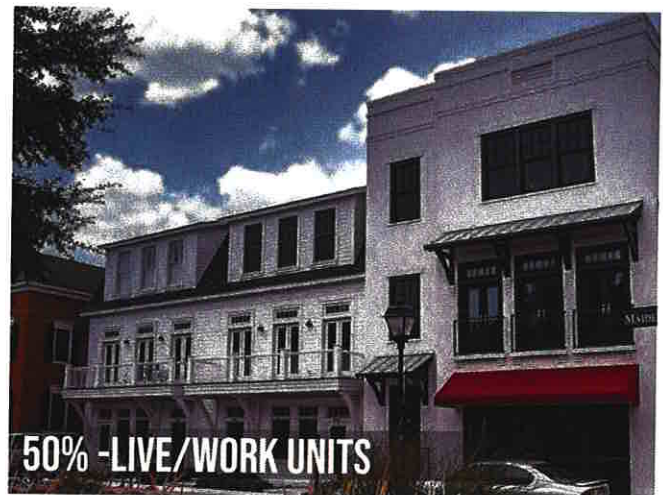
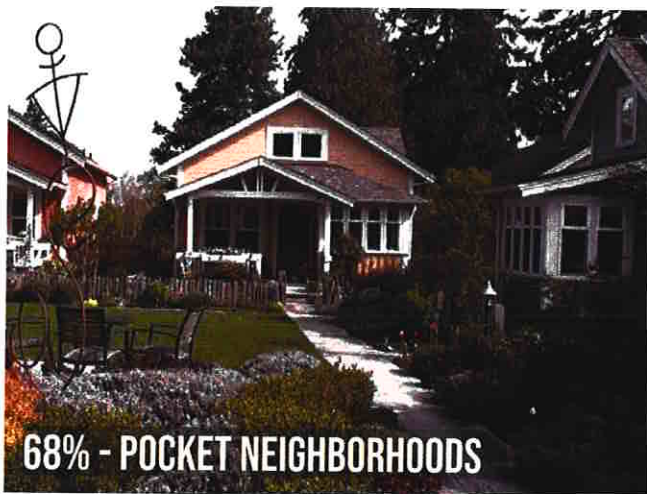
WHAT ARE YOUR BIGGEST CONCERNS FOR THE FUTURE OF HIGHLANDS?



WHICH DOWNTOWN IMPROVEMENT IS MOST APPEALING TO YOU?



IF HOUSING WERE DEVELOPED IN AREAS CLOSEST TO DOWNTOWN, WHAT TYPES OF HOMES WOULD YOU LIKE TO SEE?



BUSINESS SURVEY

Because downtown and the larger business community is so integral to life in Highlands, the team conducted a separate survey for business owners and operators. The goal of this survey was to identify how the Plan and the Town can better support the Highlands business community. It asked more in-depth questions about the relationship between Highlands' character and built environment and their businesses.

The Chamber of Commerce helped distribute the survey and was a key partner in advertising it. The survey ran from January to April 2021 and received 62 responses. These responses represented a total of 1,203 employees. Full responses can be found in the Appendix.

WHAT IMPROVEMENT DOWNTOWN OR ELSEWHERE IN HIGHLANDS COULD MOST BOOST YOUR BUSINESS?

PARKING

WIDER SIDEWALKS

DECORATIVE LIGHTING

VISITOR KIOSK

WAYFINDING SIGNS

RESULTS AT A GLANCE

- 78%** Agree that the look and feel of Downtown helps businesses
- 61%** Agree that more hotels or rentals Downtown would help their businesses
- 51%** Agree that more residential housing Downtown would help their business
- 0%** Agree that housing for employees is readily available
- 25%** Have issues with Downtown waste receptacles
- 59%** Feel increased wayfinding signage would help their business

WITH YOUR BUSINESS IN MIND, PLEASE RANK THE COMMUNITY IMPROVEMENTS YOU WOULD MOST LIKE TO SEE IN DOWNTOWN HIGHLANDS:

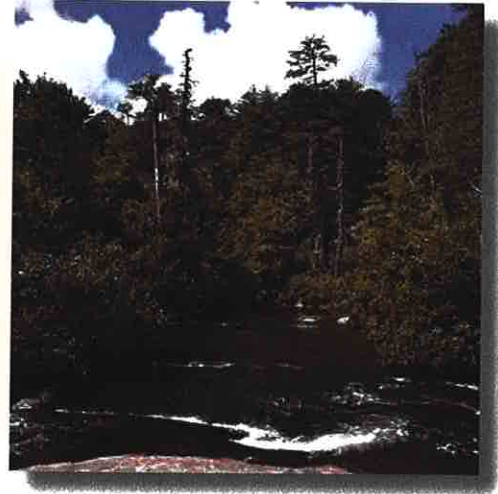
- 1** Improved open spaces, public gathering spaces, walking trails, greenways
- 2** Pedestrian infrastructure (sidewalks, crossings, lighting)
- 3** Parking infrastructure (additional street parking on side streets, public deck or lots)
- 4** Public Art: sculptures, murals, interactive art
- 5** Other

EMERGING ISSUES

Through technical analysis, background research, and community engagement, a common set of issues emerged. Residents and tourists love the Town because of its rich natural environment, welcoming downtown, culture, and community feel. However, rising popularity threatens the most-loved qualities that attract people to the community. The issues described here are often interrelated, and solutions accordingly must be innovative and sensitive. The Vision, Goals, and Policies described in the following pages can help address these issues over the coming years.

Environmental Preservation & Parks

Much of the land around Highlands is protected; however, significant natural resources exist within and surrounding the Town. Care should be taken to ensure development design that protects water quality, wildlife habitat, and significant viewsheds. Engagement indicated that the park facilities in town, although exemplary for a town of Highlands' size, do not fully meet the needs of all demographics.



Downtown Parking

The Town has over 900 parking spaces for downtown visitors, but the downtown area still experiences some shortages during special events. Competition for spaces in the most desirable blocks of downtown is high and traffic accumulates when people drive slowly to find a spot, or have to back out into traffic to exit a space.

Downtown Development

The Town will have to balance preservation of structures and local character with demand for more shops, offices, and residential uses. As developable parcels are a dwindling resource, the Town will have to decide if and how it will accommodate additional commercial and residential development to meet demands.



Sidewalks and Pedestrian Environment

While downtown has good sidewalk connectivity, the condition and accessibility of some sidewalks require updates, and there are some missing links. Sidewalks should extend from the business district to nearby neighborhoods to increase safety for pedestrians and reduce demand for parking.



Housing

Highlands has a large portion of second homes that are used seasonally or rented out, which has reduced housing that is available to full-time residents. As demand for housing rises, so have the home prices throughout town, pricing out groups like young families, business owners, and workers.

Short-term Rentals

Housing demand issues are magnified by short-term rentals. Using housing for vacation rentals takes away housing stock that is available for residents, and is particularly an issue downtown, where the few existing apartments are increasingly being turned into rentals.



Utilities and Infrastructure

Infrastructure and critical services including water and sewer, electricity, and solid waste need to keep pace with a growing year-round and seasonal population. Issues surrounding waste disposal and receptacles were discussed throughout the public involvement, from inadequately sized downtown bins and lack of recycling options to issues with trash at short-term rentals.

GOALS



TOWN CHARACTER

Maintain and enhance the town center's village character that is surrounded by mostly low-density housing that blends with the natural environment.

ENVIRONMENTAL PRESERVATION

Preserve and enhance the natural environment and the scenic beauty of Highlands.



CULTURE AND HISTORY

Preserve and promote the rich cultural and historic resources of Highlands.

PEDESTRIAN FOCUS

Create a downtown and commercial areas that emphasize pedestrian comfort and safety.



PARTNERSHIPS

Cultivate ongoing community partnerships with area organizations and governments to plan for and protect the plateau.

LOCAL ECONOMY

Support and sustain the local economy, including downtown businesses, tourism, the arts, and outdoor recreation.



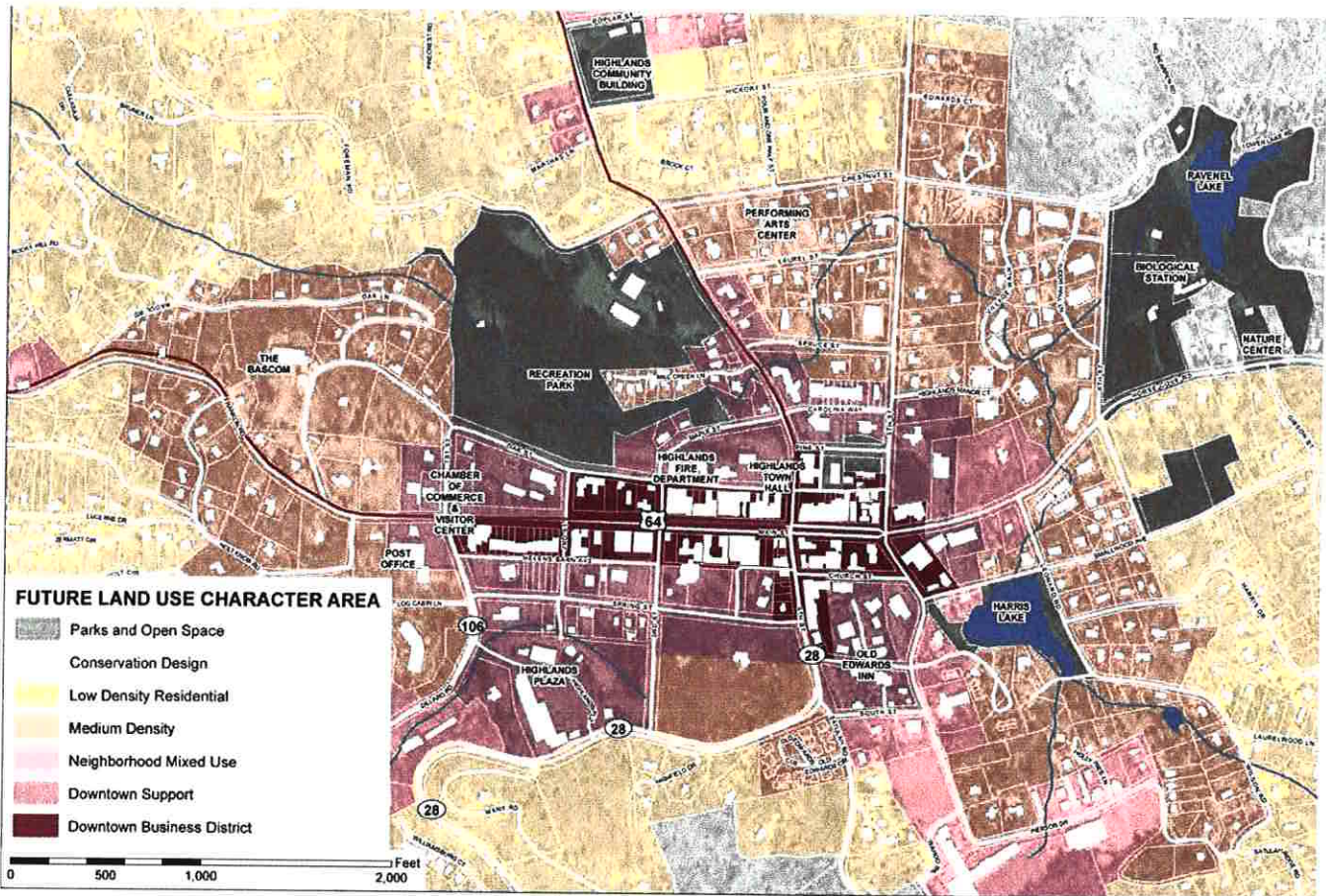
FUTURE LAND USE MAP OVERVIEW AND HIGHLIGHTS

The Future Land Use Map and associated character areas are meant to guide land use and infrastructure decisions within Highlands' corporate limits and the greater project study area.

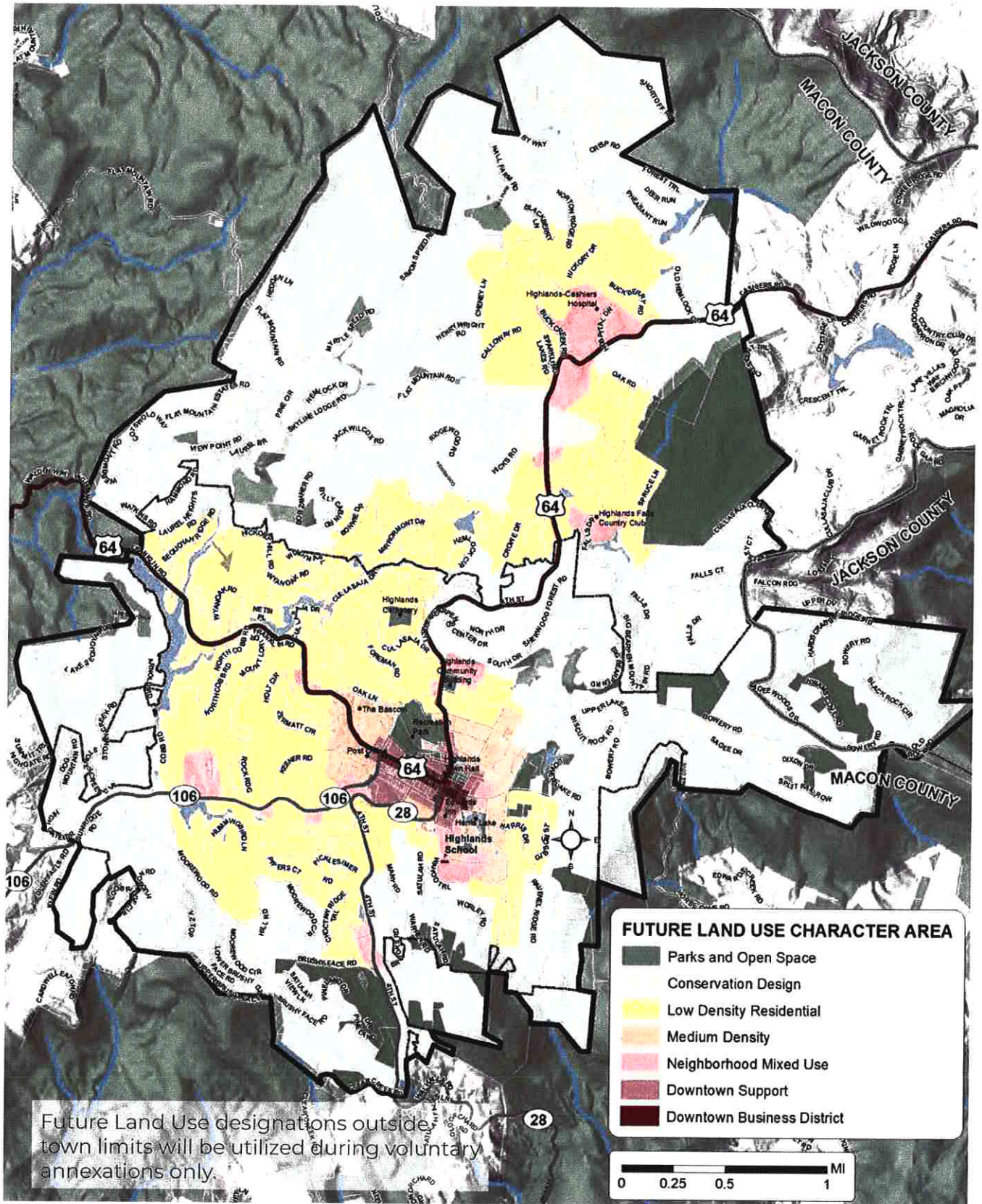
The future land use map illustrates the desired land use pattern in the Town of Highlands. It has been designed to help realize the Plan's Vision and Goals and includes:

- » Two downtown character areas that allow for different uses, character and densities
- » An area for small mixed use nodes that transition away from downtown to residential areas called Neighborhood Mixed Use
- » Small mixed-use nodes along major corridors
- » Three residential areas of varying densities
- » Areas for new housing types near downtown
- » Sensitive areas where lower density development should be integrated with the landscape to reduce impacts on natural resources

1: DOWNTOWN FUTURE LAND USE MAP



2: FUTURE LAND USE MAP



FUTURE LAND USE CHARACTER AREAS

The Future Land Use Map provides a generalized guide for land use decisions in Highlands. The character areas on the map are defined below and describe intended uses, density, scale, and design features of new development. These descriptions and the associated map should be utilized to guide regulations, private investment, infrastructure decisions, and rezoning decisions.

DOWNTOWN BUSINESS DISTRICT



The Downtown Business District covers the heart of downtown and fosters and reinforces the quintessential mountain village character of downtown Highlands. It supports a mix of uses including commercial, office, and residential. Ground floor uses are primarily active retail and services with offices and apartments found on upper stories. Hotel uses are limited to what already exists. Design in the Downtown Business District focuses on creating an attractive, pedestrian-friendly environment. Building height and bulk are limited and parking requirements are significantly reduced for new development. The streetscape caters to pedestrians with generous sidewalks and plantings where feasible, on-street parking, and safe street crossings.

DOWNTOWN SUPPORT



The Downtown Support character area provides for mixed-use development adjacent to the Downtown Business District, serving as a transition from the heart of downtown to surrounding neighborhoods. Like the Downtown Business District, Downtown Support areas cater to a mix of uses including commercial uses, hotels, office, retail, and residential. Building footprints may be slightly larger and vertical mixed-use development is encouraged. This district also allows for a wider variety of residential housing, including apartments, townhomes, and cottage courts. The form of the Downtown Support area is like the Downtown Business District in that it emphasizes careful architectural form and a safe pedestrian environment, but has more requirements for on-site parking.

NEIGHBORHOOD MIXED-USE



The Neighborhood Mixed-Use area provides a commercial area that helps transition to and works in harmony with residential areas. These areas can be found as a transition from Downtown and/or highway commercial areas to neighborhoods. They allow low-intensity commercial uses, with some larger institutional, civic, and recreation buildings. They allow a mix of housing types including townhomes and pocket neighborhoods in addition to single family residential at medium densities. It has a well-connected street network, open spaces, and pedestrian facilities. Transitions to low-density neighborhoods are typically accomplished through design techniques such as preservation or planting of vegetated buffers, location of open space, utilizing topography, etc.



MEDIUM DENSITY RESIDENTIAL

The medium density residential area is comprised predominantly of neighborhoods within walking distance to downtown. Dwelling units are mostly single-family on medium-sized lots with some other small-format housing types incorporated, provided their design and density is compatible with the context. Because these areas are intended to be within walking distance to Downtown, pedestrian facilities should be provided.



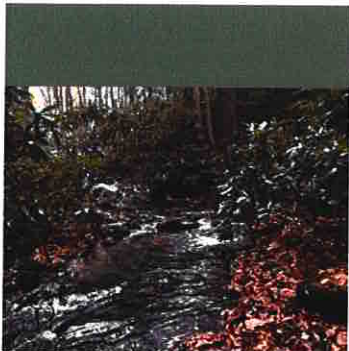
LOW DENSITY RESIDENTIAL

The Low Density Residential district consists of low-density single-family homes and neighborhoods. The areas are more mountainous in character and generally have a density of 1 to 2 dwelling units per acre. Many of these areas are located within the water supply watershed for Lake Sequoyah and have built-upon area (impervious surface) limits as well as minimum lot sizes or density restrictions. This area also includes portions of designated historic districts where low-density single-family development is encouraged to maintain the character of the district.



CONSERVATION DESIGN

Conservation design areas are comprised of very low-density residential uses near sensitive natural and/or historic resources. These areas should be limited to very-low-density developments and feature context-sensitive design. Development should be clustered away from sensitive natural resources including streams, riparian areas, Natural Heritage Natural Areas, steep slopes and mountain ridges. These areas may not have public sewer access, in which case lots should be larger. Conservation subdivisions, which feature smaller lots and more open space (>40%), are encouraged if new development is connected to sewer.



PARKS AND OPEN SPACE

The Parks and Open Space designation is intended for environmentally sensitive lands (e.g., floodplains and steep slopes), or preserved areas with the potential for some recreational use. In most instances, this land is to be preserved in its natural state unless minimally developed for a recreational use.

LAND USE & HOUSING

Overview

Land use and housing recommendations in this Section seek to continue the historical stewardship of the built and natural environments that has contributed to the unique character of Highlands. These recommendations help to protect natural resources, encourage sustainability without stagnation, enhance downtown, and address housing issues.

Primary Goals Addressed by Land Use and Housing Recommendations

GOAL #1 - Town Character:

Maintain and enhance the town center's village character that is surrounded by mostly low-density housing that blends with the natural environment.

GOAL #2 - Preservation of the Environment:

Preserve and enhance the natural environment and the scenic beauty of Highlands.

GOAL #5 - Partnerships:

Strengthen partnerships to plan for and protect the plateau.

Policy LU 1: Regularly evaluate and update the Community Plan and Unified Development Ordinance (UDO).

LU 1.1: Regularly evaluate the Unified Development Ordinance (UDO), zoning districts, and map. Consider adjustments to support implementation of the Highlands Community Plan.

LU 1.2: Evaluate rezoning requests based on adherence to the Future Land Use Map, character area descriptions and policies included in the Highlands Community Plan.

LU 1.3: Amend the Future Land Use Map as needed based on approved rezonings.

LU 1.4: Update the Community Plan every 5 years or as infrastructure changes or market conditions necessitate.

Policy LU 2: Reinforce the existing town character through the design of new development and land use decisions.

LU 2.1: Encourage a development pattern that follows the Future Land Use Map.

- » Focus commercial land uses, mixed-use development and residential options in the Downtown Business District and the Downtown Support area.
- » Encourage context-sensitive infill and redevelopment of underutilized commercial areas.
- » Encourage low-intensity non-residential uses, mixed-use development and residential land uses in Neighborhood Mixed-Use areas.
- » Limit the scale and density of new development in Low Density Residential and Conservation Design areas identified on the Future Land Use Map.

LU 2.2: Maintain policies and standards that encourage construction of new buildings and developments that are consistent with the scale of existing development and character of Highlands.

- » Continue to maintain building size limits that ensure that new development fits into the existing built and natural environment.
 - Limit buildings to 3 stories with a height limit of 35' at the front entrance.
 - › *Consider some flexibility for changes in grade, attics and/or basements and/or unique conditions such as where a new building will incorporate a publicly accessible parking deck*
 - Encourage small footprint buildings and articulation in building facades.
 - Continue to specify building material requirements and encourage architectural detail in new



commercial, mixed-use and multi-family development.

- » Maintain and revise built-upon area and/or impervious surface maximums in residential zoning districts to protect water quality and neighborhood character.
- » Encourage the use of adequate buffers and setbacks to reduce visual and noise impacts on existing development.
 - Exceptions to this include areas in and near downtown where required buffers should be reduced or eliminated between compatible uses to reinforce the existing character.
- » Encourage the use of native landscaping in new development, on town-owned land and in public projects.

BUILDING SIZE

The size of buildings in downtown Highlands has been managed to create a pedestrian scale Main Street. The design of buildings also has been regulated to encourage quality development that matches the character of existing structures. Existing regulations limit the floor-to-area ratio of new buildings in the B-1 zoning district to 1.4. There is an allowance of 0.35 for finished attic space. Building maximum is set to 3 floors (exclusive of basement).

Building size in the B-4 zoning district is also regulated to the Unified Development Ordinance (UDO). There are watershed regulations that limit impervious surface in B-2 and B-3 zoning districts, however a policy or standards specifying a maximum building size is suggested.

LU 2.3: Preserve the historic character of downtown and designated National Register Historic Districts and increase awareness of historic sites.

- » Encourage the preservation of historic buildings in commercial and residential districts.
 - Consider methods of encouraging the preservation of facades and exteriors of signature buildings downtown, including the Highlands Inn and the Old Edwards Inn.
 - Consider additional development regulations to protect the character of historic neighborhoods.

LU 2.4: Ensure new development adheres to design principles that reinforce the character of different commercial areas of Highlands.

- » Encourage new development in the Downtown Business District to adhere to the following design principles:
 - New buildings should front Main Street or 4th Street and include the main building entry facing the sidewalk and the public right-of-way.
 - Buildings should be designed at a pedestrian scale and should have frequent building entrances, architectural details and intricate facades including building offsets, awnings, covered entries, varied building materials, windows and other features noted in the Community Design Standards.
 - Maximum (not minimum) setbacks near public roads and adjacent buildings.
 - Limit required buffers, especially between compatible uses .
 - Parking in rear of buildings if provided.
 - Discourage auto-oriented uses including drive-thru restaurants.
 - Streets should have narrow turn radii, wide sidewalks, safe crossings,

plantings where feasible.

- » Downtown Support areas
 - Allow for buildings in the Downtown Support area that are slightly larger footprints than in the Downtown Business District.
 - Consider implementing a maximum building size or maximum floor-area (FAR) ratio to keep the scale of new development compatible with downtown and surrounding neighborhoods.
 - › *A maximum building footprint size of 10,000 square feet is recommended with exceptions for redevelopment sites with larger existing buildings and prominent civic/institutional buildings*
 - › *A floor-to-area ratio maximum could also be studied to limit the scale of infill and redevelopment*
 - New buildings should front public rights of way and include the main building entry facing the primary public right-of-way unless the building is screened from view.
 - Focus new commercial and residential uses on principle streets or public spaces (e.g., a plaza, courtyard, or greenspace).
 - Parking in rear or side of buildings if parking is required.
 - Include a mix of housing types where feasible, such as upper-story residential, townhomes, or small multifamily buildings.
- » Neighborhood Mixed-use areas
 - Allow for renovation and redevelopment of existing commercial areas, new small scale commercial uses, and commercial or civic centers.
 - Allow for a mix of housing types and lodging uses.
 - Screen larger buildings and parking lots from principal roadways.

DESIGN PRINCIPLES FOR COMMERCIAL AREAS

Downtown Business District (DBD)

- » Building close to the street
- » Active facades, with frequent entrances and many windows
- » Parking provided in rear, if at all
- » Smaller block size



Downtown Support

- » Buildings fronting the street or public spaces
- » Buildings slightly larger than in DBD
- » Active facades with awnings or other features
- » Mix of housing types



Neighborhood Mixed Use

- » Small-scale commercial centers
- » Mix of housing types
- » Parking lots screened from roads



Policy LU 3: Manage growth along major entry corridors and edges.

LU 3.1: Enforce and refine design standards for new commercial development along major roadways.

- » Continue to require that parking and storage areas be screened from view using structural elements, topographic features, and/or plantings.
- » Encourage that larger buildings larger (i.e. greater than 5,000 square feet)

be screened from view along major roadways, including US 64, NC 28 and NC 106.

- » Encourage Macon County to establish a zoning overlay district that requires design standards along US 64 and other main corridors outside of Highlands.

LU 3.2: Encourage the conservation of natural areas along major roadways on the edges of town. *See Natural resources recommendations for more detail.*

Policy LU 4: Encourage a limited mix of housing types in defined areas.

LU 4.1: Continue to allow for flexibility in lot size for Planned Cluster Developments that meet defined design criteria.

- » Number of lots shall not exceed total number of lots allowed in underlying zoning district or Watershed Overlay District (whichever is more restrictive.)
- » Maintain high standards including buffers, setbacks and requirement for 50% open space.

LU 4.2: Create opportunities for small, single-family homes with shared open space (pocket neighborhoods) near downtown and/or other commercial areas.

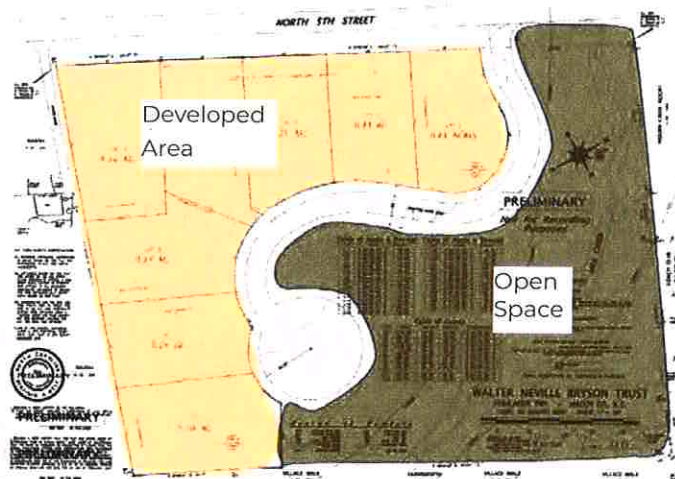
- » Consider defining pocket neighborhoods as a use in the Unified Development Ordinance and allowing them in certain areas if design criteria are met.
- » Modifications in dimensional standards and/or a modest density increase may be needed to allow for this type of housing.



The image above depicts a “pocket neighborhood” in Langley, Washington. This type of development includes small single-family homes oriented around a shared greenspace. Encouraging these types of developments near downtown and other commercial areas could be a way to allow housing variety while preserving the single-family character of some streets.

CLUSTER DEVELOPMENTS

Current regulations in Highlands allow for Planned Cluster Developments, also known as Conservation Subdivisions. This option provides flexibility in design in order to preserve environmental or historical features. It allows for lots that are smaller than the minimum lot size specified in the zoning district, in exchange for larger amounts of open space. Other criteria must also be met. The number of lots cannot exceed total number of lots allowed in an underlying district and other standards must also be met including a 40-foot Buffer, 10-foot building setbacks and at least 50% open space.



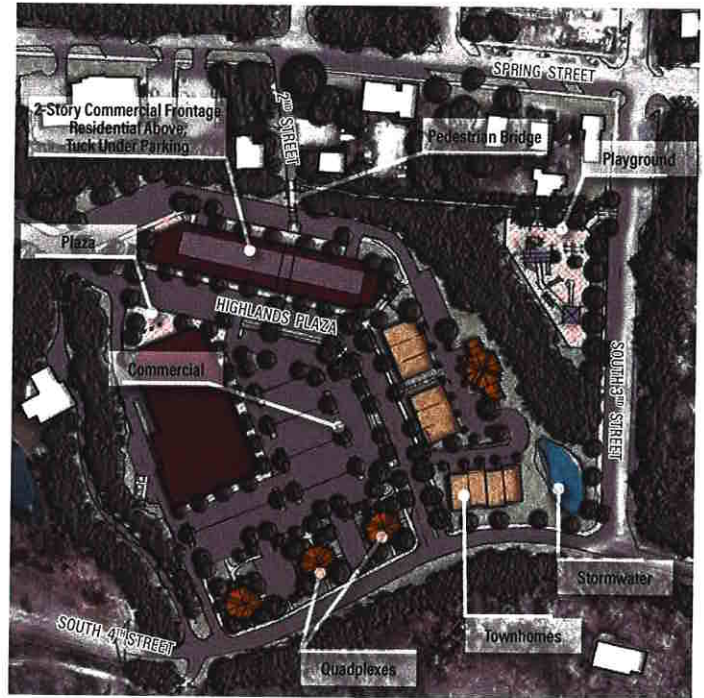
The image above shows a recent cluster development proposed on Fifth street. The cluster development option allowed smaller lots in exchange for preserved open space along Mill Creek.

LU 4.3: Continue to allow incidental apartments in B-1, B-2, and B-3 zones.

- » Clarify allowable density of incidental apartments in development code.

LU 4.4: Consider limited multi-family opportunities consistent with the village character of Highlands.

- » Consider allowances for additional residential housing types in CMU, NMU, and MDR areas based on context if design criteria are met.
 - Consider all housing options as part of redevelopment of underutilized commercial properties in the B-3 zoning district.
 - Allow for 2nd story residences, townhomes, and house-scale multi-family structures in NMU areas.
 - Allow for house-scale multi-family structures as part of new development in MDR areas via existing special use permit process.



The above conceptual rendering shows a redevelopment scenario for Highlands Plaza. This area, located in the B-3 zoning district could be a target area for allowing some multi-family housing as part of redevelopment. Design criteria could include a maximum density, screening requirements and minimum open space requirements.

WHERE AND HOW TO ALLOW HOUSING VARIETY

Existing regulations and public preferences were evaluated as part of the Community Plan. There is a strong desire to preserve the character of Highlands and a recognition that some mix of housing may be beneficial. The survey indicated a preference for pocket neighborhoods and live/work units near downtown. The business survey also recognized that it is very difficult for employees and in some cases owners of businesses to find housing in town.

Current regulations allow for some incidental apartments and multi-family housing but are very restrictive. The code limits the number of apartments based on district and regulations require a 2-acre minimum and have maximum density allowance of 4 dwelling units per acre (DUA) for all multi-family housing. Recommendations in this plan suggest ways to provide some additional flexibility on housing types while preserving the character of town.

Recommendations include:

- » Consider allowing pocket neighborhoods near downtown and other commercial areas. Establish standards for these. Potentially allow at slightly higher densities (6 DUA) if design criteria are met.
- » Consider modest increases in allowances for incidental apartments in the Downtown Support Areas.
- » Consider allowing additional residential density and/or housing types on underutilized B-2 and B-3 zoning district properties, especially in the Downtown Support area. Allowing 6-8 DUA may be appropriate.

LU 4.5: Refine criteria for allowing Accessory Dwelling Units (ADUs).

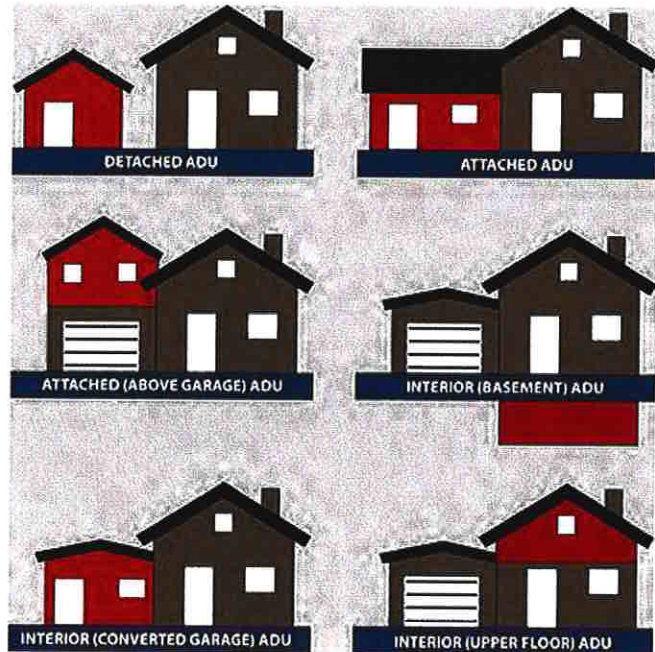
- » Consider establishing performance based criteria for permitting ADUs in order to reduce potential conflicts.
 - Current standards for accessory dwelling units require building must be attached to principle structure.
 - Performance-based criteria for permitting new Accessory Dwelling Units (with living quarters) could include a minimum parcel size, maximum building footprint and other design criteria.

LU 4.6: Look for opportunities to partner with landowners and regional partners to increase the amount of workforce housing accessible to those employed in and around Highlands.

- » Consider extension of water and sewer to workforce housing developments near city limits.
- » Coordinate with Macon County, Jackson County and nearby towns to improve availability and access to workforce housing on and off the plateau.

ADDRESSING EMPLOYEE HOUSING

While some large employers in Highlands have taken steps to provide employee housing, worker housing is still at a premium. Encouraging partnerships between homeowners and businesses with seasonal employees, in exchange for services at the business, is a model found in other remote, seasonal towns.



Accessory dwelling units can be configured in a variety of ways, with some options being nearly indistinguishable from single family homes.

Image via American Planning Association

Policy LU 5: Encourage lodging and tourism related rentals while limiting negative impacts on existing residents and businesses.

LU 5.1: Encourage lodging uses in defined areas where limited conflicts exist.

- » Encourage new lodging in the Downtown Support Area on the Future Land Use Map and in compatible zoning districts (B-2 & B-3).
- » Encourage new small-scale lodging in Neighborhood Mixed Use areas on the Future Land Use Map.
- » Encourage the renovation of properties and structures with historical lodging uses
- » Continue to require a Special Use Permit (SUP) in B-2/B-3 or a conditional zoning process in other areas.

LU 5.2: Strike a balance between the need for home ownership, long-term rentals and the increase in demand for short-term rentals.

- » *See LU 2 for recommendations related to housing types that may lead to increases in long-term rental options.*

LU 5.3: Consider establishing standards for permitting event venues.

- » *Currently there is not a formal process for approving temporary event venues such as home rentals for weddings. This could lead to conflicts, especially in residential areas. A formal permitting process for larger events is needed.*

LU 5.4: Monitor and mitigate the impact of short-term rentals (STRs) on the Highlands community.

- » Create an inventory of known short-term rentals and improve tracking of nuisance complaints.
 - Allow landlords to voluntarily register their units or use a third party service to track rentals.
 - Consider a no fee business permit.
 - Improve tracking of complaints.
- » Continue enforcement efforts (i.e. noise and trash ordinances)
- » Begin education and outreach effort to rental owners to emphasize existing trash and noise regulations.
- » Encourage HOAs to regulate STRs

LU 5.5: Consider updating land use regulations to define short-term rentals as a use and establish geographic restrictions, approval requirements and/or performance-based standards for the use.

- » Facilitate additional study and discussions related to short-term rentals, economic benefits, impacts and regulatory options.
- » Define Short-term rentals as a use in the Unified Development Ordinance.
 - Consider potentially differentiating full-time short-term rentals and occasional rentals.
- » Where short-term rentals are allowed, ensure the following requirements are met:
 - Specify no more than 1 contract on a property at a time.
 - On-site parking is available at 1 space per bedroom.
 - Landlords must provide information on proper waste disposal within each rental unit.
- » Consider requiring a minimum length of stay for short-term rentals throughout town or in residential areas (i.e. 2, 3 or more nights).
- » Consider updates to regulations to prohibit full-time short-term rentals or require special use permits in residential zoning districts (R-1, R-2, R-3), allow STRs in business districts (B-1, B-2, B-3, and B-4 districts).

DEFINING AND REGULATING SHORT-TERM RENTALS

Short-Term Rentals can be defined as: the rental or lease of an attached or detached residential dwelling unit to guests for a duration not to exceed thirty (30) consecutive days. North Carolina has unique strict laws regarding how local governments can regulate short-term rentals. Many regulations utilized in other states are not legal here, increasing the challenge of regulating STRs. The state regulates STRs through the Vacation Rental Act, and updated it in 2020 with new limitations. Highlights from the act include:

- » Requiring rentals to register is unlawful
- » Local governments cannot levy a tax or fee on residential rental property that is not levied against other commercial and residential properties

It is argued that the Vacation Rental Act leaves room for regulating STRs via local zoning, which is similar to Asheville's strategy. For more information on short-term rentals see the recommendations above and the Appendix.

LAND USE ACTION ITEMS

The items below list priority regulations, plans and programs that, if implemented, will advance town goals. Implementing the recommendations of this plan will involve town staff, elected officials, appointed boards, partners, residents and business owners.

Action Item 1: Evaluate and update the Unified Development Ordinance Update and the Community Plan. (LU1)

- » 1A: Regularly evaluate the Unified Development Ordinance and consider updates to support implementation of the Community Plan.
- » 1B: Update the Community Plan every 5 years or as infrastructure or market conditions change

COST: N/A
TIMEFRAME: ONGOING

Action Item 2: Evaluate rezoning requests for conformity with the Community Plan. (LU1)

- » 2A: Rezoning requests should be evaluated by the Planning Board, Zoning Board and Board of Commissioners on a case by case basis.
- » 2B: A table that shows where rezonings may be appropriate and in-line with recommendations in the Community Plan is included below.

COST: N/A
TIMEFRAME: ONGOING

Highlands Community Plan Future Land Use Category		Residential			Government / Institutional	Business Districts			
		R-1	R-2	R-3	GI	B-1	B-2	B-3	B-4
Parks and Open Space	OS								
Conservation Design	CD								
Low Density Residential	LDR								
Medium Density	MD								
Neighborhood Mixed Use	NMU								
Downtown Support	DS						*	*	
Downtown Business District	DBD						*	*	

=rezoning is likely appropriate.

= rezoning may be appropriate, but only if compatible with the neighborhood and surrounding uses. Conditional or Special Use restrictions may be advisable.

* = current zoning districts may need revisions to support implementation of the Community Plan

COST KEY

- N/A = NO COST / CAN BE ACCOMPLISHED WITH EXISTING RESOURCES AND STAFF TIME
- LOW = COST > \$10,000
- MEDIUM = COST \$10,000-100,000
- HIGH = COST >\$100,000

TIMEFRAME KEY

- ONGOING = UNDERWAY AND RECOMMENDED TO CONTINUE
- SHORT-TERM = 1-2 YEARS
- MEDIUM-TERM = 2-3 YEARS
- LONG-TERM = 3+ YEARS

LAND USE AND HOUSING ACTION ITEMS (CONTINUED)

Action Item 3: Maintain the scale and character of Highlands. (LU2)

- » 3A: Evaluate and update Community Design Standards as necessary
- » 3B: Consider establishing a maximum building size for B-2 and B-3 zoning districts.
- » 3C: Encourage the preservation of historic buildings in commercial and residential districts, consider additional development regulations to protect the character of historic neighborhoods.

COST: LOW
TIMEFRAME: SHORT (3B), MEDIUM-TERM (3A & 3C)

Action Item 4: Manage growth along major entry corridors. (LU3)

- » 4A: Encourage the screening of parking, storage areas and larger buildings along US 64, NC 28 and NC 106 outside of existing commercial areas.
- » 4B: Encourage Macon County to establish a zoning overlay district that requires design standards along US 64 and other main corridors.

COST: LOW
TIMEFRAME: ONGOING (4A), MEDIUM-TERM (4B)

Action Item 5: Allow a greater mix of housing in appropriate areas. (LU4)

- » 5A: Continue to allow incidental apartments in mixed use development and clarify code language related to allowances. The current code language is confusing and may be a barrier to development.
- » 5B: Consider allowing additional residential types and slightly higher densities near downtown and on underutilized commercial properties. Establish standards for pocket neighborhoods near downtown and other commercial areas. Potentially allow at slightly higher densities (i.e.. 6 dwelling units per acre) if design criteria is met (*the current maximum is 4 dwelling units per acre*). Consider allowing additional residential types and slightly higher densities on underutilized B-3 zoning district properties, especially in the Downtown Support area if design criteria is met.
 - *Allow for Small-format apartments and condominiums, townhouses and house-scale multi-family (duplex, triplex, quadruplex) if they meet defined design criteria. Criteria could include a maximum gross density (i.e. 6-8 dwelling units per acre), maximum building size, screening and minimum open space requirements.*
 - *Refine design, dimensional and density standards for multi-family in B-3. Adjust minimum parcel size for multi-family in the B-3 zoning district. Current minimum is 2 acres.*

COST: LOW
TIMEFRAME: SHORT (5A AND 5B)

COST KEY

- N/A = NO COST / CAN BE ACCOMPLISHED WITH EXISTING RESOURCES AND STAFF TIME
- LOW = COST > \$10,000
- MEDIUM = COST \$10,000-100,000
- HIGH = COST >\$100,000

TIMEFRAME KEY

- ONGOING = UNDERWAY AND RECOMMENDED TO CONTINUE
- SHORT-TERM = 1-2 YEARS
- MEDIUM-TERM = 2-3 YEARS
- LONG-TERM = 3+ YEARS

LAND USE AND HOUSING ACTION ITEMS (CONTINUED)

Action Item 6: Refine criteria for allowing accessory dwelling units. (LU4)

- » 6A: Consider establishing performance based criteria for permitting ADUs in order to reduce potential conflicts. Potential performance based criteria includes:

- *Parcel size > 1.25x or 1.5x district minimum**
- *Max footprint 800 sq ft or 0.5x of home size, whichever is less**
- *If design can meet basic criteria:*
 - › *1 parking space*
 - › *Setback and buffer from neighbors**
 - › *Disturbance of existing vegetation is limited in size**
 - › *Must be on a permanent foundation*
 - › *Must be connected to sewer and water*

**Criteria should be further defined in ordinance*

COST: LOW
**TIMEFRAME:
MEDIUM-TERM**

Action Item 7: Monitor and mitigate the impact of short-term rentals (STRs) on the Highlands community. (LU5)

- » 7A: Voluntary registration of units or 3rd party tracking
- » 7B: Enforcement of trash and noise ordinances
- » 7C: Begin education and outreach effort to rental owners to emphasize existing trash and noise regulations.
- » 7D: Encourage HOAs to regulate STRs
- » 7E: Consider updates to land use regulations to define STRs as a use and establish restrictions or an additional approval requirement.
 - *Consider requiring a minimum length of stay for short-term rentals throughout town or in residential areas.*

COST: LOW
**TIMEFRAME: ONGOING
(7B), SHORT-TERM (7A, 7C,
7D, 7E)**

COST KEY

- N/A = NO COST / CAN BE ACCOMPLISHED WITH EXISTING RESOURCES AND STAFF TIME
- LOW = COST > \$10,000
- MEDIUM = COST \$10,000-100,000
- HIGH = COST >\$100,000

TIMEFRAME KEY

- ONGOING = UNDERWAY AND RECOMMENDED TO CONTINUE
- SHORT-TERM = 1-2 YEARS
- MEDIUM-TERM = 2-3 YEARS
- LONG-TERM = 3+ YEARS

DOWNTOWN & TOURISM

Overview

Downtown Highlands serves as the civic, cultural and commercial center for the town and the greater plateau. This chapter includes recommendations that support downtown, nearby neighborhoods and the local economy.

Primary Goals addressed by Downtown and Tourism Recommendations

GOAL #1: Town Character: Vibrant village center with distinct character that is surrounded by mostly low-density housing that blends with the natural environment.

GOAL #6: Support the local economy including downtown businesses, tourism, the arts, and outdoor recreation. Incorporate support for downtown businesses, tourism, housing, outdoor recreation and natural resources.

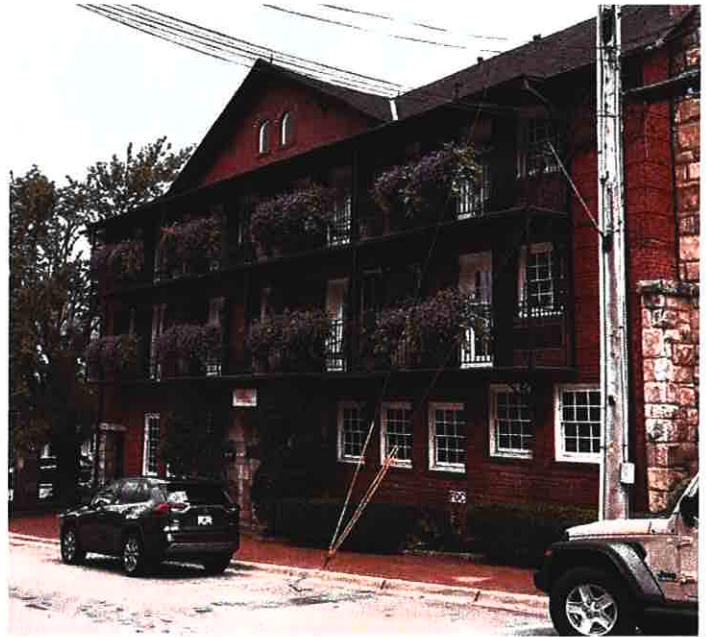
Policy DT 1: Maintain and enhance Highlands' small-town feel and village character.

DT 1.1: Develop green and/or open spaces, plazas and other areas that invite gathering and create an experience around the town's charm and character.

DT 1.2: Continue focusing recruitment of local businesses as opposed to national chains.

DT 1.3: Enhance and codify design standards for development in the Downtown Business District and the Downtown Support area.

- » Codify portion of the Community Design Guidelines.
 - For example, façade transparency standards, mechanical equipment placement, lighting standards.
- » Update community design guidelines to include pedestrian access and streetscape standards.



The main building of the Old Edwards Inn, built in 1935 embodies the architectural detail and pedestrian scale of buildings that contribute to the village character of Downtown Highlands. The three and a half story building has a brick foundation with a tri-gable asphalt-covered roof and has been described as Italian Alpine in architectural design.

Policy DT 2: Improve pedestrian facilities and increase wayfinding.

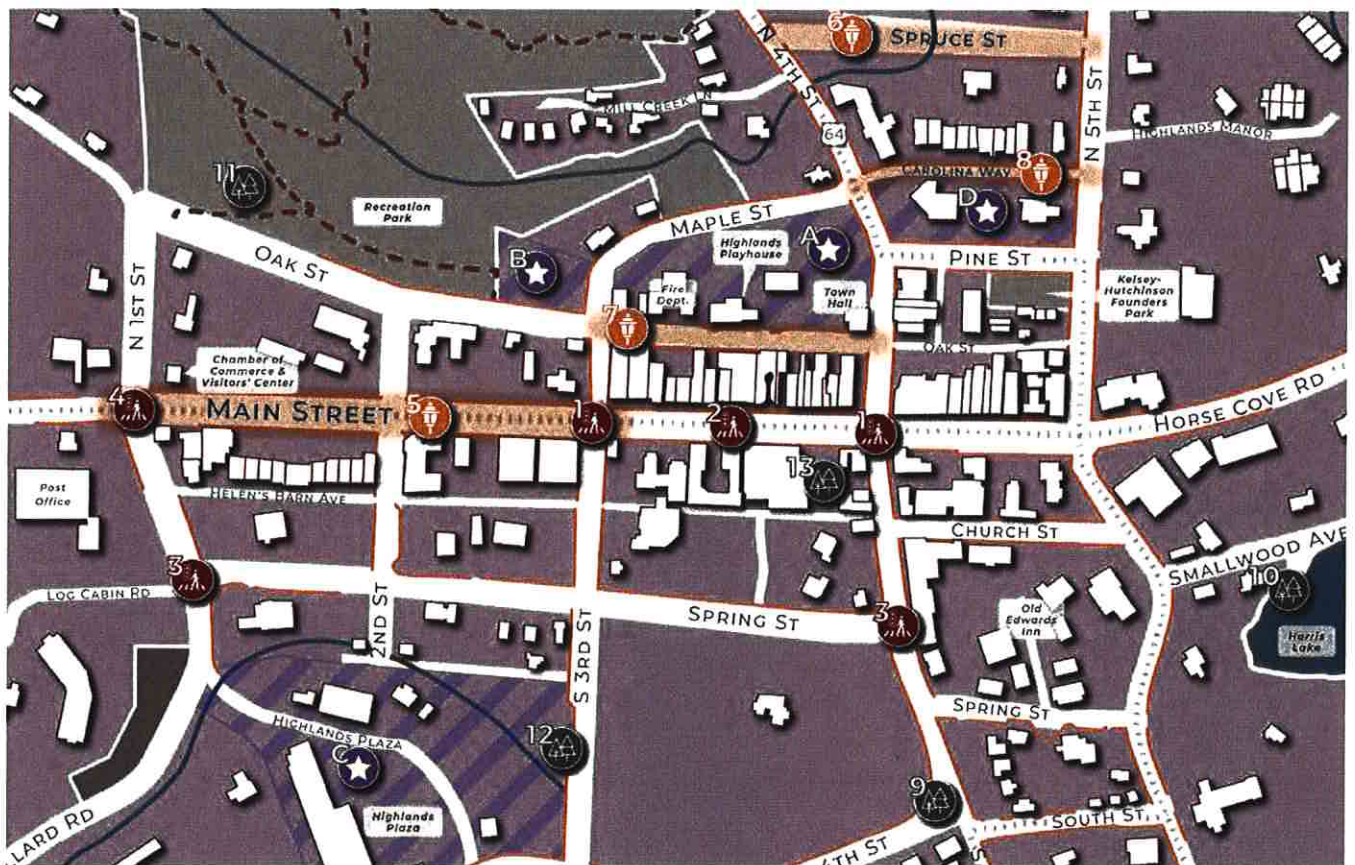
DT 2.1: Increase sidewalk facilities between residential, parking, and retail and improve pedestrian crossings.

DT 2.2: Improve wayfinding for public facilities, shopping, parking, historical attractions, and amenities such as the greenway.

DT 2.3: Extend landscaping, brick pavers and other furnishings (lights, benches, etc.) along sidewalks downtown and onto secondary streets and alleys.

DT 2.4: Work with the Highlands Plateau Greenway to improve connections from neighborhoods to downtown through greenway extensions or sidewalk connections.

DOWNTOWN IMPROVEMENTS MAP



Intersection Improvements

Intersection and Roadway Improvements would prioritize pedestrian safety with crosswalks, a midblock crossing is recommended on Main Street.



Streetscape Improvements

Streetscape Improvements continue work done downtown to improve pedestrian amenities and add parallel parking and shade trees. Note, lighting enhancements may be needed on other streets in addition to those highlighted.



Greenspace Improvements

Greenspace Improvements would include beautification, trail improvements, and new and improved downtown park spaces.



Redevelopment Opportunities

Redevelopment Improvements can provide new commercial and residential opportunities in and adjacent to downtown, as well as potential parking.

Policy DT 3: Manage public parking and study opportunities for increased on-street and off-street public parking.

DT 3.1: Monitor and manage existing parking.

- » Continue to regulate public parking zones and designate areas that are employee restricted, handicap parking, 15-minute, loading zone and unrestricted areas.
- » Consider additional time limitations or metering on portions of Main Street.
- » Regularly monitor parking usage by conducting parking counts periodically throughout the year.

DT 3.2: Study improvements to town-owned rights-of-ways to improve conditions for pedestrians and increase on-street parking.

- » Street retrofit candidates include Spruce Street, West Main Street and Oak Street.

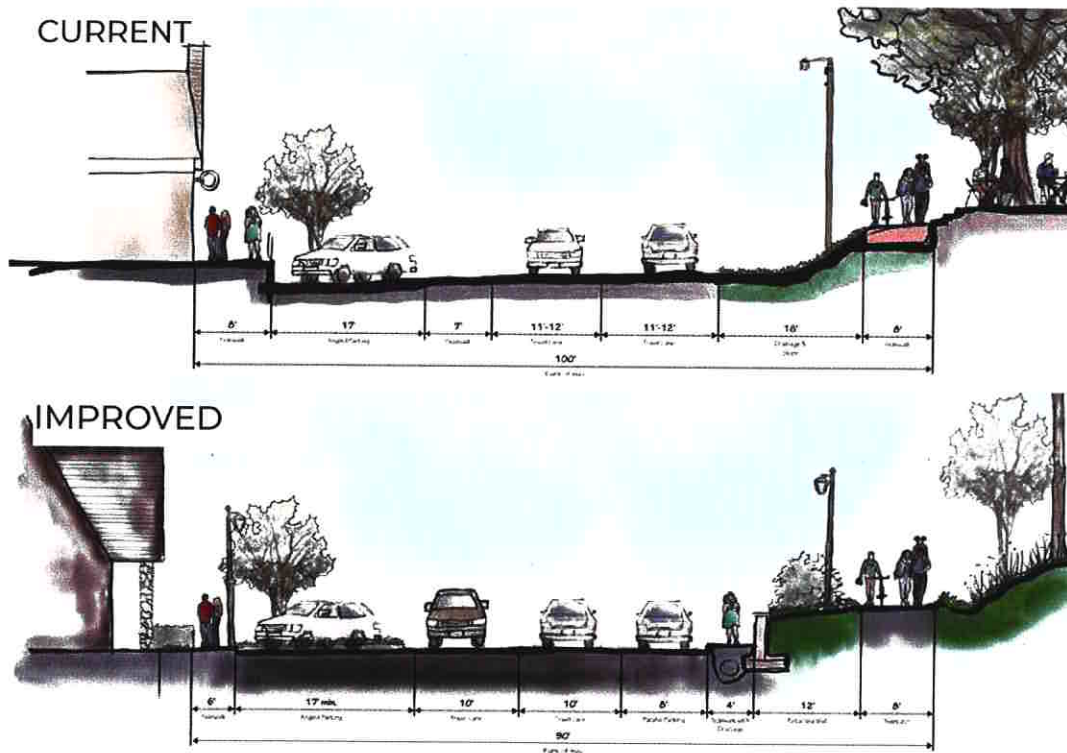
DT 3.3: Study opportunities for additional publicly accessible surface lots or a parking deck.

- » Study opportunities for additional public parking and redevelopment near Maple and Oak Street.

DT 3.4: Entertain potential public-private partnerships to increase available parking.

- » This could include a cost-share approach for a parking deck.

WEST MAIN STREET ALTERNATIVES



The images above show the current cross-section of Main Street west of 3rd Street and a potential improvement that includes additional on-street parking. It is recommended to study making the best use of its 100-foot right-of-way by adding parallel parking on the north side, with stormwater retention devices and ADA accessible sidewalks. This will continue the “downtown” feel further west along Main Street and add new parking opportunities. Additional study is needed, but it is estimated that an additional 20-24 parking spaces could be added between 3rd St and 1st St.

MAPLE STREET BLOCK REDEVELOPMENT CONCEPTS



The concepts above show two options for redevelopment on land in the vicinity of the old fire station near Oak Street and Maple Street. The two scenarios show the footprint of two different sized parking decks and also illustrate potential infill development, access and improvements along Oak Street. New development in this area could help activate Oak Street, add parking and potentially include a new plaza or public space. The options are further described below:

- Option A: Streetscape improvements along Oak Street. New commercial or mixed use buildings on Oak and 4th Street. Additional surface parking. A public / private partnership could include a two level deck at the corner of Oak St and 3rd St with entrances on Maple Street and Oak Street.
- Option B: Streetscape improvements along Oak Street. New mixed-use buildings and a new plaza or park. Town owned land may be able to accommodate a deck with an entrance on 4th Street and Maple Street. This option could require the

Policy DT 4: Further study potential uses of town-owned properties and improvements to Downtown streetscapes.

DT 4.1: Conduct a study of town-owned properties to determine future uses.

DT 4.2: Pursue the creation and adoption of a Downtown Master Streetscape Plan that phases streetscape improvements.

Policy DT 5: Continue marketing and events that encourage visitation.

DT 5.1: Work with the Chamber of Commerce to create campaigns that attract younger visitors and potential residents.

DT 5.2: Support a year-round economy by scheduling festivals and other events in the shoulder and off-season.

- » Consider additional festivals or events during the shoulder or low season with a similar draw as that of the Highlands Food and Wine Festival.

DT 5.3: Support the creation of an online Guide to Local Businesses.

Policy DT 6: Preserve and enhance the Town's parks and green Infrastructure.

DT 6.1: Maintain and enhance existing park facilities.

- » Pursue planned upgrades at the Recreation Park
 - Playground expansion / addition
 - Remodel bathrooms
 - New multi-purpose building
- » Upgrades should be considered for the community field and Harris Lake
 - New lighting at Community Field
 - Evaluate improvements to Harris Lake including pedestrian facilities along Smallwood Ave, parking and signage improvements and a dock or seating.



The vacant lot (e.g. the Loafer's Bench lot) just west of Main Street and 4th Street would be a great opportunity for a pocket park near the center of town. See the Downtown Improvements Map for location.

DT 6.2: Work with the Highlands/Cashiers Land Trust and the Highlands Biological Station to identify and preserve important natural areas and resources.

DT 6.3: Encourage the preservation of existing tree canopy in and around downtown.

- » Review and update standards related to tree preservation in the Unified Development Ordinance (UDO).

DT 6.4: Explore opportunities for additional publicly accessible greenspace near downtown.

- » Need/demand exists for the following facilities:
 - A park or greenspace on the south and/or west sides of downtown
 - Play facilities for very young children (i.e. a baby swing near downtown)
 - Play equipment that appeals to a greater age range (i.e. older kids) than the existing playground at the Recreation Park.
- » Develop additional greenspaces in the Central Business District.
 - Consider partnerships to purchase all or part of the vacant lot (e.g. the Loafer's Bench lot) just west of Main Street and 4th Street and create a pocket park.



Bronze sculptures greet those that pass the Corey James Gallery located at the corner of Spring Street and 3rd Street.

Policy DT 7: Promote the cultural heritage of Highlands and its diverse forms of expression.

DT 7.1: Promote and publicize the dynamic interaction between the cosmopolitan interests and the traditional mountain and Cherokee culture of Highlands - in the areas of theatre, art, music, continuing education, etc.

DT 7.2: Encourage location of cultural activities in or near the village center.

DT 7.3: Support public-private partnerships with non-profit organizations that support the above strategies.

DOWNTOWN AND TOURISM ACTION ITEMS

The items below list priority regulations, plans and programs that, if implemented, will advance town goals. Implementing the recommendations of this plan will involve town staff, elected officials, appointed boards, partners, residents and business owners.

Action Item 8: Study of town-owned properties to determine future uses (DT4)

- » 8A: A study should consider future operational needs of the town and evaluate potential divestment options of underutilized town-owned land. The study should include options for the block that covers 3.4 acres just north of Main Street. A portion of this block will remain occupied by town services, however the town could enter into a developer agreement for the remainder and outline conditions including additional parking, streetscape improvements and/or commercial space.

COST: MEDIUM
TIMEFRAME: MEDIUM-TERM

Action Item 9: Wayfinding and streetscape plan and improvements (DT 2 and DT4)

- » 9A: A study should build on work in the Community Plan to prioritize and determine costs and phasing for streetscape improvements. The study should include more detailed evaluation of the benefits of streetscape improvements including the addition of on-street parking, landscaping, and pedestrian lighting in the rights-of-way.
- » 9B: The town should partner with the Chamber of Commerce to determine and implement priority wayfinding improvements. Wayfinding can also be addressed in the potential streetscape plan.

COST: LOW-MEDIUM (9A), MEDIUM (9B)
TIMEFRAME: MEDIUM (9A), MEDIUM-LONG-TERM (9B)

Action Item 10: Continue marketing and events that encourage visitation. (DT5)

- » 10A: Work with the Chamber of Commerce to create campaigns that attract younger visitors and potential residents.

COST: LOW
TIMEFRAME: ONGOING

Action Item 11: Develop a Downtown pocket park south of Main Street. (DT6)

- » 11A: Consider partnerships to purchase all or part of a vacant lot south of Main Street (i.e. the Loafer's Bench lot) or another property to create a pocket park.

COST: HIGH
TIMEFRAME: LONG-TERM

COST KEY

- N/A = NO COST / CAN BE ACCOMPLISHED WITH EXISTING RESOURCES AND STAFF TIME
- LOW = COST > \$10,000
- MEDIUM = COST \$10,000-100,000
- HIGH = COST >\$100,000

TIMEFRAME KEY

- ONGOING = UNDERWAY AND RECOMMENDED TO CONTINUE
- SHORT-TERM = 1-2 YEARS
- MEDIUM-TERM = 2-3 YEARS
- LONG-TERM = 3+ YEARS

RECREATION & NATURAL RESOURCES

Overview / Issues to Address

Due to a history of community involvement, philanthropic giving, and town investment, Highlands has a remarkable system of parks and trails. Maintaining and building on this system can help maintain the high quality of life for permanent and seasonal residents while supporting a healthy community. During the development of this plan community feedback indicated environmental preservation was a top priority. Protecting the rich natural heritage of Highlands will require careful planning of future development and continued stewardship of the environment.

Primary Goals addressed by Recreation and Natural Resource Recommendations

GOAL #1: Town Character: Vibrant village center with distinct character that is surrounded by mostly low-density housing that blends with the natural environment.

GOAL #2: Preservation of the Environment: Preserve and enhance the natural environment and the scenic beauty of Highlands.

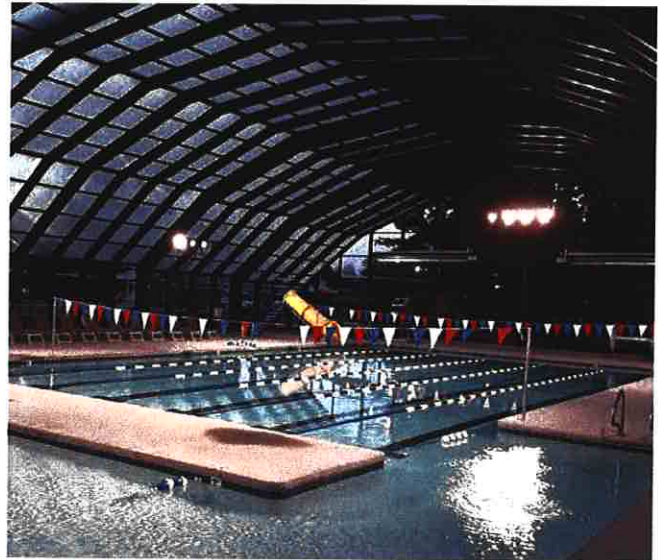
Policy RNR 1: Support recreation options and outdoor tourism.

RNR 1.1: Improve connections and access to green space and parks.

- » Improve sidewalks and trail connections to existing parks and nature preserves.
- » Work with partners to make other basic access improvements at parks and nearby nature preserves (i.e. parking, information, etc.)
- » Coordinate with the US Forest Service to improve safe access to trails and public lands near Highlands.

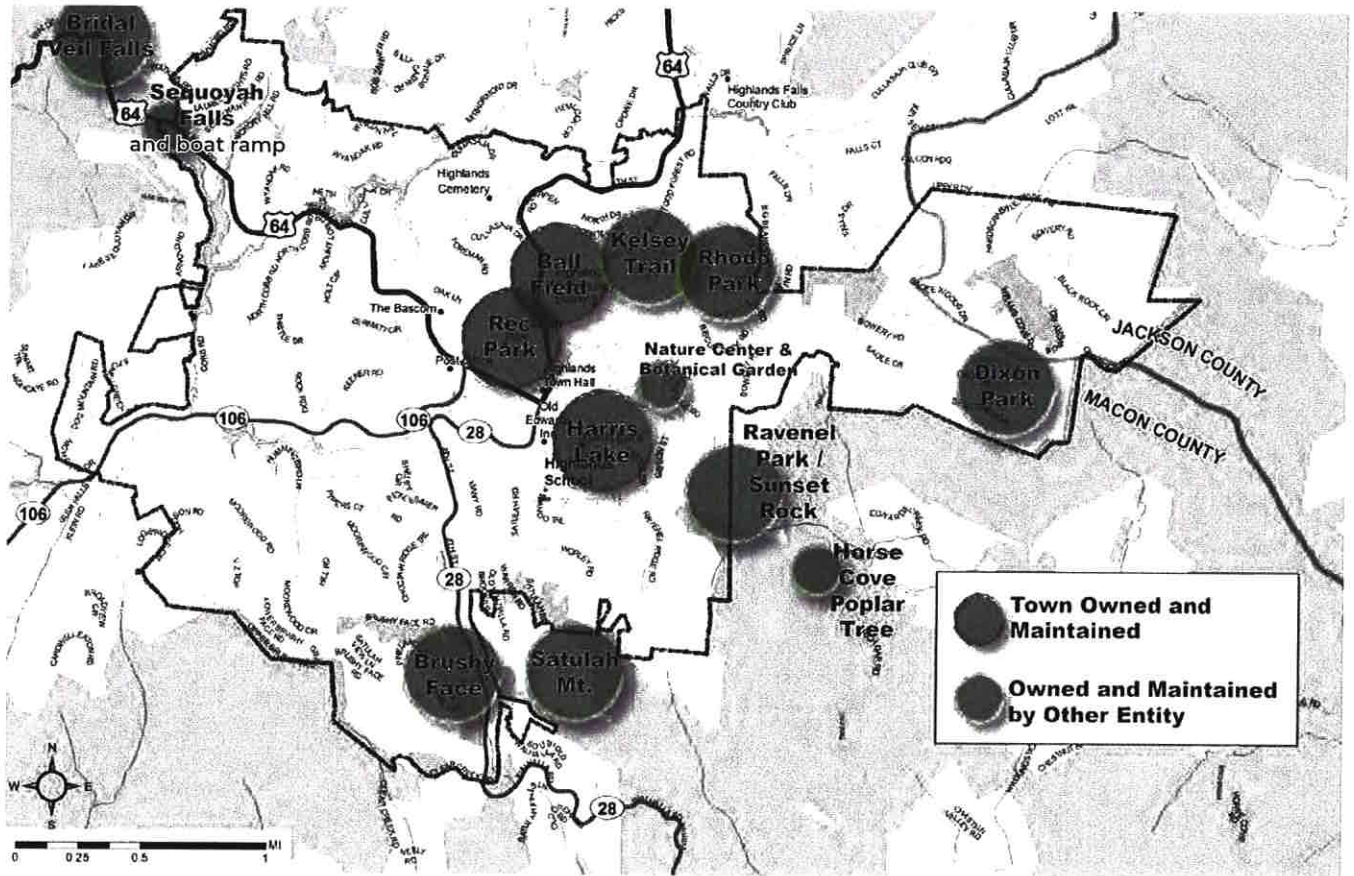
RNR 1.2: Work with Macon County and other partners to address recreation priorities.

- » According to the survey and other feedback received during the Community Plan, priorities included:
 - Natural areas and trails
 - Playground equipment for older age children
 - Indoor fitness & programming
 - Tennis/pickleball



The Highlands Pool Complex is a year round facility and is located on the Recreation Park property, next to the Civic Center.

EXISTING PARKS AND RECREATION ASSETS



The Town of Highlands has a number of parks and recreational assets in and near the town limits. A number of facilities are owned and maintained by the Town. The Highlands-Cashiers Land Trust and Forest Service also maintains areas for public recreational access.

Policy RNR 2: Discourage intense development on steep slopes and mountain ridges.

RNR 2.1: Continue limitations on removal of vegetation on steep slopes.

- » Continue to enforce limits on disturbance based on slope thresholds and size of disturbance.
- » Monitor impacts and consider modifications to slope thresholds and when site plan category 1, category 2 and erosion and sediment control plan is needed.

RNR 2.2: Continue to require the submission of topographic info when making application for development permit.

RNR 2.3: Adhere to North Carolina Ridgeline Development Regulations.

- » The N.C. State Ridge Law regulates development on “protected mountain ridges” that include ridges that are 500 ft or more above the adjacent valley floor and lie at an elevation >3,000 ft. No buildings may rise more than 35ft above the crest of the ridge.
- » Exemptions include utility and communications towers, vertical projections (i.e. chimneys or steeples) and historic structures.
- » Town ordinance has limit of height of 35ft as well.

Policy RNR 3: Protect views and natural resources in Town and on the greater Highlands plateau.

RNR 3.1: Encourage sensitive design around key natural resources.

- » New development, especially in the Conservation Design areas on the FLU Map, should be designed in a way to reduce grading and clear-cutting and limit impacts to viewsheds.
- » Development should be clustered away from natural resources on the property and on adjacent properties.
 - Priority features that should be preserved include steep slopes, rock outcrops, streams, rare species, habitat corridors and designated Natural Heritage Natural Areas.

RNR 3.2: Work with Macon County to consider establishing additional land use protections on the plateau surrounding Highlands.

- » Of particular concern is the US 64 corridor north of Highlands. Currently this area has no zoning and limited land use protections from large-scale commercial or residential development.
- » A zoning overlay district could help ensure that new development in the county jurisdiction protects natural resources and is in keeping with the character of existing development.

- » Re-establishing a limited ETJ along major corridors could also be considered.

RNR 3.3: Utilize water and sewer service as an incentive for new development to meet natural resource and character recommendations in the Highlands Community Plan.

- » Consider water and sewer service for new development near existing municipal boundaries if the provision of utilities can help reduce impact on natural resources and/or views from main roads.
- » By-right development in the county jurisdiction without water and sewer may necessitate more grading and clearing of trees for septic drain fields in addition to potentially straining groundwater resources.

RNR 3.4: Encourage land conservation on the Highlands plateau.

- » Coordinate with Highlands Cashiers Land Conservancy, landowners and other partners to protect views and high-value natural resources.
- » Lobby at the state level for the ability to create a Transfer of Development Rights (TDR) Program
- » Consider changes to regulations to enable the transfer of built upon area (impervious surface) within the same watershed

NATURAL HERITAGE AREAS WITHIN AND SURROUNDING HIGHLANDS

There are 36 designated Natural Heritage Natural Areas within 5 miles of the Town of Highlands. Nineteen of these sites are rated Exceptional or Very High conservation value based on the quality of the site and its statewide and global significance. The Highlands Plateau, Fishhawk Mountains and Cullusaja Gorge to the northwest and the Escarpement to the southeast are home to granitic domes, spray cliffs, rich cove forests, hemlock forests, montane white oak forests, cedar glades, southern Appalachian bogs and other unique natural communities. These ecosystems host a diverse array of flora and fauna including many rare plants and animals. Rare fauna present includes the rock-dwelling green salamander, southern water shrew, and peregrine falcons. In addition, there are old growth and mature stands of hemlocks that were recommended for treatment and monitoring against the ongoing woolly adelgid infestation.

- » Work with partners to establish a land bank and study a mechanism to fund it. Could include title transfer tax or other sources.

RNR 3.5: Support the continued and additional treatment of mature hemlocks against the woolly adelgid.

RNR 3.6: Conduct efforts to remove invasive species on town-owned land and in rights of ways

RNR 3.7: Encourage open space preservation and tree protection in new development.

RNR 3.8: Evaluate existing minimum lot size allowances, open space requirements impervious surface limits and consider revisions to protect neighborhood character and water quality and allow sufficient flexibility in design to protect natural resources on larger properties.

RNR 3.9: Require tree protection in commercial development.

- » Continue to encourage property owners to save existing trees eighteen inches or more in diameter whenever possible by requiring approval.

RNR 3.10: Discourage heritage trees from being felled in residential developments.

- » Consider updates to the Unified Development Ordinance to incentivize preservation of old growth or "heritage" trees.

Policy RNR 4: Protect the Plateau's water quality.

RNR 4.1: Require new development that meets a disturbance or density threshold to manage the velocity and amount of run-off.

- » Currently land disturbances greater than 1 acre or commercial development or redevelopment with >8,000 square foot of new impervious



Large trees such as this large white pine along the trails at Brushy Face Preserve provide valuable habitat and food for animals, capture rainfall and air pollution, and sequester large amounts of carbon.

surface need a stormwater permit.

- » Based on recommendations in the 2007 Stormwater Master Plan and a study of peer communities with similar high quality water resources and terrain, consider revisions to stormwater requirements for new development.

RNR 4.2: Require the use of stormwater management best practices in new development to closely mimic natural hydrological patterns.

RNR 4.3: Encourage the preservation and planting of riparian vegetation in new development.

- » Consider specifying riparian areas as priority open space type in Planned Cluster Developments.

RNR 4.4: Ensure that stormwater infrastructure is appropriately sized and well-maintained.

- » Maintain staff resources and expertise related to stormwater permitting and inspection.

- » Require new development to build and maintain stormwater infrastructure.
- » Carefully consider current policies and standards related to underground stormwater devices.
 - Ensure underground storage devices are sized appropriately, designed to include an upstream water quality inlet or stormwater treatment BMP to trap sediments, located in a way that anticipates maintenance needs and approved only with a detailed maintenance and inspection plan.

RNR 4.5: Encourage low-impact development techniques and green stormwater infrastructure in new development.

- » Disconnected impervious surfaces, pervious pavements, bioswales, stormwater planters, cisterns, rain gardens, and green roofs can help reduce impacts of new development.

RNR 4.6: Support public and private improvements that reduce impacts on water

quality, moderate in-stream temperature and flow and improve conditions for the natural reproduction of trout and the biological integrity of streams.

- » Continue to apply for NCDOT grants to replace undersized storm water culverts with arches that can accommodate existing and future storm water runoff along state-maintained and Town-owned roadways.

RNR 4.7: Consider implementing impact fees or a stormwater utility fee to fund improvements to existing stormwater infrastructure.

- » Projects should seek to decrease the peak volume of run-off, moderate the temperature of urban runoff and/or improve the quality of run-off from more developed areas of town.

STORMWATER AND WATER QUALITY

Stormwater and runoff from developed areas impacts water quality on the Plateau and in communities downstream. The majority of Highlands drains to Lake Sequoyah that serves as the water supply for the town. Downstream of Lake Sequoyah the Cullasaja River flows north to Franklin and eventually the Little Tennessee River. Areas south and east of Highlands drain into the Chatooga River, a designated Wild and Scenic River. Headwaters that form in and around Highlands contribute to drinking water sources used by thousands of people and host trout fisheries, including native brook trout, and populations of other rare fish, mussels and invertebrates. Encouraging on-site stormwater retention, treatment and infiltration will be key to preserving water quality on the Plateau.



The Cullasaja River rambles free and clear beside the Mountain Waters Scenic Byway between Highlands and Franklin.

- » Recommended projects from the 2007 Stormwater Master Plan include:
 - Significant upgrades to the Central Business District that could be constructed in tandem with other utility improvements, streets and sidewalk upgrades including:
 - › *Water quality treatment structures*
 - › *Installation of a new stormwater trunk line on Fourth Street and Fifth street*
 - › *Improvements near the Episcopal Church*
 - › *Installation of landscaping and pervious pavers along Main Street*
 - › *A naturalized stormwater treatment amenity at Recreation park*
 - › *Stream restoration on Monger Creek*
 - › *Improved stormwater treatment near Highlands Plaza and Spring Street*

RECREATION & NATURAL RESOURCES ACTION ITEMS

The items below list priority regulations, plans and programs that, if implemented, will advance town goals. Implementing the recommendations of this plan will involve town staff, elected officials, appointed boards, partners, residents and business owners.

Action Item 12: Pursue improvements at Recreation Park. (RNR1)

- » 12A: Conceptual design for an indoor recreation center / multi-purpose building.
- » 12B: Expand the playground and renovate existing bathrooms.
 - *Incorporate play equipment for a variety of ages (older and younger kids).*
 - *Determine location for a baby swing*

COST: MEDIUM
TIMEFRAME: SHORT-TERM (12A), MEDIUM-TERM (12B & 12C)

Action Item 13: Work with partners to improve access to parks and nearby public lands and nature preserves. (RNR1, DT6)

- » 13A: Improve sidewalks and trail connections to existing parks and nature preserves. Work with partners to make other basic access improvements at parks and nearby public lands and nature preserves (i.e. parking, information, etc.)
- » 13B: Evaluate improvements to Harris Lake including pedestrian facilities along Smallwood Ave, parking and signage improvements and a dock or seating.

COST: MEDIUM
TIMEFRAME: MEDIUM-TERM (13A), LONG-TERM (13B)

<p>COST KEY</p> <ul style="list-style-type: none"> • N/A = NO COST / CAN BE ACCOMPLISHED WITH EXISTING RESOURCES AND STAFF TIME • LOW = COST > \$10,000 • MEDIUM = COST \$10,000-100,000 • HIGH = COST >\$100,000 	<p>TIMEFRAME KEY</p> <ul style="list-style-type: none"> • ONGOING = UNDERWAY AND RECOMMENDED TO CONTINUE • SHORT-TERM = 1-2 YEARS • MEDIUM-TERM = 2-3 YEARS • LONG-TERM = 3+ YEARS
--	---

RECREATION & NATURAL RESOURCES ACTION ITEMS (CONTINUED)

Action Item 14: Consider updates to the Unified Development Ordinance (UDO) to protect natural resources, heritage trees and water quality. (RNR3, RNR4, RNR5)

- » 14A: Encourage Conservation Subdivision design using the Planned Cluster Development option currently available in areas with sensitive natural resources.
- » 14B: Evaluate the UDO to determine how to improve the quality of open space and protect heritage trees in new development.
 - Consider revisions to the Cluster Development option to specify priority open space types including riparian areas, seeps, wetlands, mature forest and other valuable wildlife habitats.
 - Encourage low-impact development techniques and green stormwater infrastructure in new development including disconnected impervious surfaces, pervious pavements, bioswales, cisterns, rain gardens and green roofs.
 - Consider revisions to incentivize the preservation of heritage trees in residential developments.

COST: N/A (14A), LOW (14B)

TIMEFRAME: ONGOING (14A), SHORT-TERM (14B)

Action Item 15: Protect the Plateau's water quality by proactively managing stormwater runoff from development. (RNR5)

- » 15A: Evaluate peer communities with similar high quality water resources and consider revisions to stormwater requirements for new development.
 - This could include modifying the threshold for land disturbances and/or impervious surface thresholds that require a stormwater permit.
- » 15B: Maintain adequate staff resources and expertise related to stormwater permitting and inspection.
- » 15C: Support public and private improvements that reduce impacts of stormwater runoff on water quality,
- » 15D: Consider implementing impact fees or a stormwater utility fee to fund improvements to existing stormwater infrastructure.

COST: LOW (15A), LOW-MEDIUM (15B, 15D), HIGH (15C)

TIMEFRAME: SHORT-TERM (15A), MEDIUM-TERM (15B, 15C), LONG-TERM (15D)

COST KEY

- N/A = NO COST / CAN BE ACCOMPLISHED WITH EXISTING RESOURCES AND STAFF TIME
- LOW = COST > \$10,000
- MEDIUM = COST \$10,000-100,000
- HIGH = COST >\$100,000

TIMEFRAME KEY

- ONGOING = UNDERWAY AND RECOMMENDED TO CONTINUE
- SHORT-TERM = 1-2 YEARS
- MEDIUM-TERM = 2-3 YEARS
- LONG-TERM = 3+ YEARS

TRANSPORTATION

Overview / Issues to Address

Increases in residents and visitation brings more people driving on Highlands' roads. To maintain the quality of life for which Highlands is recognized the Town must plan for future transportation needs. Highlands' primary commercial areas are designed with a few blocks of grid pattern and have sidewalks, making the downtown well suited for walking. Balancing the needs of automobiles, including parking demand, while maintaining the character of the town and improving pedestrian crossings and connections from downtown to other areas of town is a theme throughout the recommendations in this chapter.

Primary Goals addressed by Transportation Recommendations

GOAL #1: Town Character: Vibrant village center with distinct character that is surrounded by mostly low-density housing that blends with the natural environment.

GOAL #2: Preservation of the Environment: Preserve and enhance the natural environment and the scenic beauty of Highlands.

GOAL #4: Pedestrian Focus: Create a downtown and commercial areas that emphasize pedestrian comfort and safety.

Roadway Recommendations

Policy T 1: Maintain a resilient transportation system that caters to a variety of users.

T 1.1: Coordinate transportation facilities and improvements with development activities, and with regional transportation and land use plans to achieve maximum benefit with limited funds.

T 1.2: Use data-driven analysis to manage transportation improvements in Highlands.

- » Municipalities that generate and maintain certain data can more effectively justify allocating funds to certain projects. By indicating a need, Highlands can prepare itself for any debate about budgeting for projects and demonstrate that there is benefit for warranted investments. For instance, counting parked cars, intersection turning movements, pedestrians and bicyclists, and surveying residents about public

perceptions can all help the Town justify making changes to the transportation network.

T 1.3: Consider enhancing roadways using existing right-of-way to accommodate as many users as possible.

- » Improvements should be studied to improve vehicular flow, add parking and increase safety for pedestrians.
- » Study street retrofits on Spruce St, Main Street, and Oak Street.

T 1.4: Maintain and build on the existing street grid pattern by encouraging a high level of roadway connectivity and short block lengths in and near downtown Highlands including areas shown as the Downtown Business District, Downtown Support, and Medium Density areas on the Future Land Use Map.

- » Specifically encourage:
 - The extension of Poplar Street to N 5th Street.

- Development of external street connections to Highlands Plaza, including a continuation and upgrade of 2nd Street past Spring Street to directly link to Highlands Plaza.

Policy T 2: Encourage context-sensitive design of roadways

T 2.1: Continually monitor NCDOT roadway projects in town to effectively leverage state funding for local goals and communicate with the public for input on design.

- » Future projects may involve major infrastructure improvements that will affect all modes of travel, and Highlands needs to make sure that NCDOT understands the Town's needs and plans for adjacent land use.

T 2.2: Continue to plan and engineer streets for their context (with adjacent land use influencing overall design).

- » A successful example is Pine Street, which was designed with a pedestrian focus, aesthetic appeal, and sensitivity to the adjacent park space without

losing any functionality as a two-way street. Make sure every roadway improvement makes sense for the people who will use it.

T 2.3: Reduce the environmental impact of existing roads, new roads, and road improvements.

- » Street design should seek to minimize grading and avoid natural resources and historic features.
- » Take a proactive approach to storm water management along Highlands' streets, using vegetated buffer areas, medians and other features to capture sedimentation and filter excess rainwater.
- » Consider culvert retrofits as needed to improve drainage and improve habitat for wild trout populations.

STREET DESIGN

In the future it will be necessary to balance the needs of all users in future street design in town. Employing Complete Streets policy and design prioritizes the safety and comfort of users of all abilities. In Highlands the historic features and environmental assets need to be factored into street design as well. To ensure safety and comfort across the travel modes, some balancing of priorities must occur. Street improvements should include consideration of placemaking elements, the need for bicycle and pedestrian facilities, the target speed of automobiles, topography and right-of-way constraints, shade and landscaping, parking, stormwater management, and redevelopment opportunities.



- » Consider modifications to road standards to allow for movement of aquatic organisms.

Pedestrian and Greenway Recommendations

Policy T 3: Prioritize pedestrian safety, connectivity, accessibility, and comfort.

T 3.1: Prioritize intersection improvements along Main Street at 3rd Street and 4th Street.

- » 4th Street: These should include curb extensions/bulb-outs to allow room for people to congregate as they wait to cross, and consideration of a lead pedestrian interval or a pedestrian “scramble”/diagonal crossing, wherein pedestrians get an entire light cycle to cross any length of road, including diagonally. This option could improve ease of crossing during peak tourism months.

- » 3rd Street: These should include crosswalk striping along the western edge, installation of a traffic signal with pedestrian countdowns (with sufficient time to cross), curb extensions/bulb-outs to allow room for people to congregate as they wait to cross, and ADA access to each sidewalk connection, including in front of the Highlander Mountain House.

T 3.2: Look for opportunities to install pedestrian refuge islands at midblock locations on Main Street.

- » Refuge islands can shorten the length of the crossing and giving pedestrians the chance to only cross half the street width at a time, improving safety for children and the elderly. Medians and refuge islands also enclose the visual perception of the roadway, encouraging heightened awareness of surroundings and greater compliance with speed limits and other traffic laws.

INTERSECTION IMPROVEMENTS AT 4TH AND 3RD STREET



The concepts above show potential pedestrian crossing improvements at Main Street and 4th Street (left) and Main Street and 3rd Street (right). Minor improvements to curb ramps will be made in the Summer of 2021 with the resurfacing of Main Street. Future improvements shown above could include pedestrian refuges to reduce crossing distances and the addition of trees and landscaping in key locations.

T 3.3: Study opportunities to increase shade trees and landscaping along roads downtown.

- » Plant street trees along sidewalks, either in a designated planting area (i.e. buffer) or in designated grate structures.
- » Continue maintenance of street trees and landscaping at regular intervals along primary streets.
- » Study the conversion of several on-street parking spaces along Main Street into bulb outs, with shade trees and landscaping.
 - These should serve to buffer pedestrian crossings at both midblock locations and intersections, providing areas of refuge while crossing and shortening the distance of each crossing. This will improve safety, comfort, and aesthetics.

T 3.4: Consider hosting an “Open Streets” event downtown.

- » Highlands’ well-connected central business district could host an “Open

57.8% 

Of survey responses indicate that people want more landscaping and trees downtown. Adequate room in the right-of-way exists for adding trees and landscaping, but may require the removal of a few parking spaces. Replacement of spaces should be balanced with a reassurance that additional parking spaces elsewhere are planned for the near term. Placement of trees and landscaping should also seek to minimize impacting Views to businesses.

Streets” event (temporarily closing one or several streets to automobiles on a weekend day to provide a safe space for walking, bicycling, socializing, and other outdoor activities). Main Street is ideal for such an event, with wide pavement width and effective detour options for through traffic. This would serve as a strong declaration in support of pedestrians and provide an opportunity to encourage healthy behavior.

POTENTIAL MIDBLOCK CROSSING ON MAIN STREET



The concepts above illustrate options for a midblock crossing on Main Street between 3rd Street and 4th Street. The addition of a formal pedestrian crossing in this location would break up a 650ft block and create an easy and safe way for pedestrians to cross the street. It would also provide space for the addition of plantings. The exact design of the crossing will need to be refined through future study and coordinated with NCDOT. Ideally, the crossing would be implemented along with the creation of additional parking elsewhere.

Policy T 4: Fill sidewalk gaps and improve accessibility.

T 4.1: Strategy 4.1: Update, expand, prioritize, and implement the Master Sidewalk Plan in the downtown and adjoining residential areas.

- » Update Master Sidewalk Plan based on recommendations in the Community Plan.
- » Review types of sidewalk facility planned and refine recommendations based on available right-of-way and existing and potential development.

T 4.2: Work with NCDOT and other partners to address sidewalk extension priorities including:

- » NC 106 (downtown to Highlands Country Club)
- » US 64 (Will Henry Stevens Covered Bridge to Mirror Lake Road)
- » Oak Street (downtown to The Bascom)

T 4.3: Improve pedestrian crossings by studying modifications to light cycles, the addition of pedestrian actuated signals, and adding curb extensions and/or pedestrian refuges along major corridors.

- » As NCDOT makes improvements to key roadways through Highlands, Town staff should indicate a desire for intersections designed with curb extensions (bulb-outs) and reduced curb radii wherever feasible to shorten the distance that pedestrians must travel to cross a street, while slowing vehicular traffic as cars make turns. Narrowing the travel lane and reducing vehicular speeds during turning movements helps create a safer pedestrian environment.

T 4.4: Maintain a comprehensive sidewalk condition survey to prioritize infrastructure improvements and adhere to ADA accessibility standards for all new sidewalk construction.

- » Completing the sidewalk network throughout the downtown is a priority, with a need for additions along the primary routes into town. Low-cost measures such as painted pavement can be evaluated.

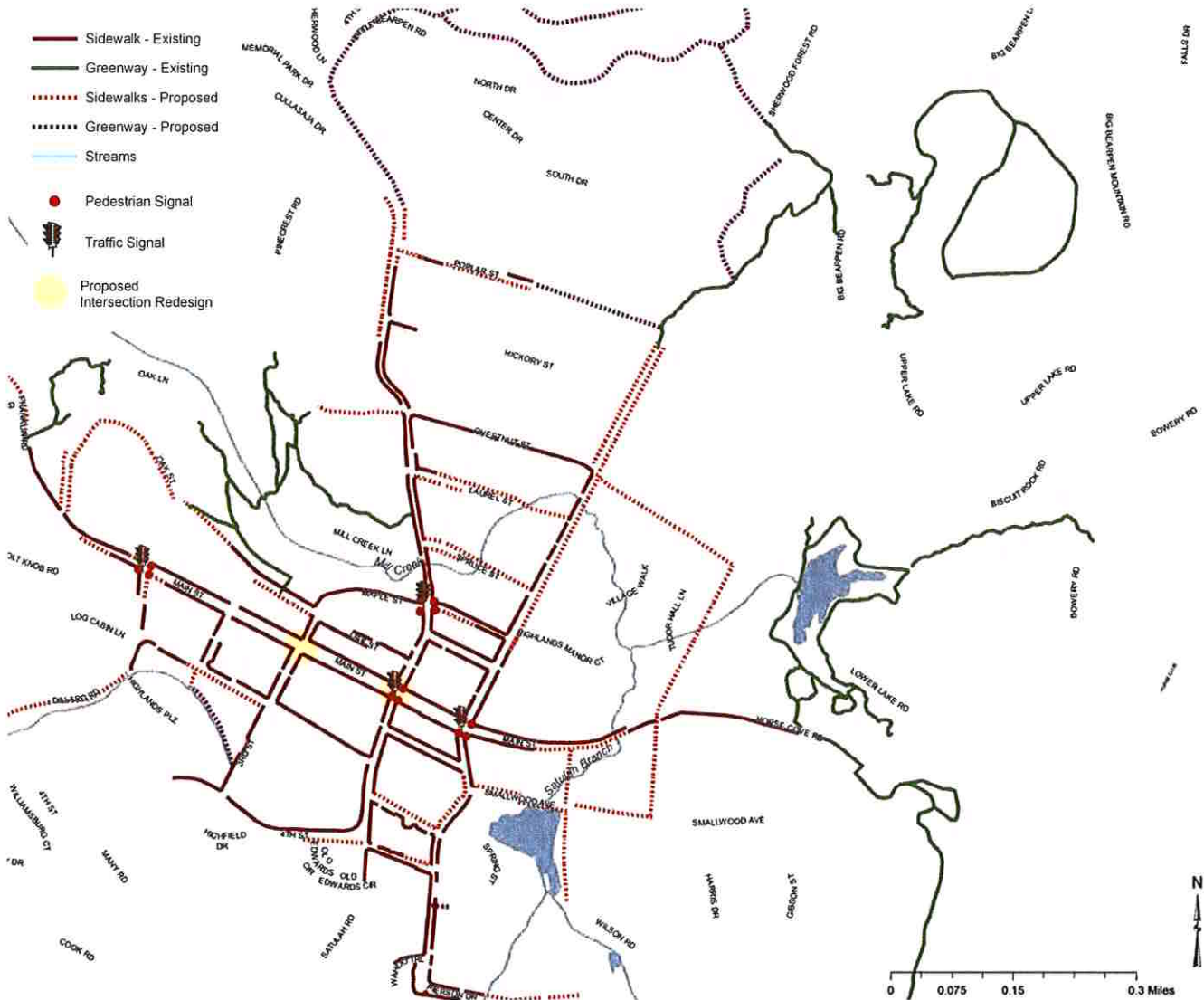
T 4.5: Develop an ADA Self-Assessment and Transition Plan.

- » Work with NCDOT to formalize a document highlighting key accessibility priorities, improvement schedules, and accountability metrics (including designating an ADA Coordinator to respond to resident questions and concerns).

T 4.6: Establish a pedestrian task force, responsible for providing input to decision makers on projects, programs, and policies.

- » This task force should make sure to receive and respond to citizen ideas and concerns, holding regular quarterly (or biannual) meetings to discuss all issues related to walking and pedestrians, including major projects (e.g. bridges, street repaving, comprehensive plans).
- » Pedestrian advisory groups can help spur innovation by providing a community forum to work through complicated issues such as sidewalk funding prioritization.

EXISTING AND PLANNED SIDEWALKS AND GREENWAYS MAP



The map above shows existing and planned sidewalks and greenways in the Town of Highlands.

Policy T 5: Continue to improve Highlands' Greenway System.

T 5.1: Support the Highlands Plateau Greenway, a non-profit organization focused on developing a system of walking and hiking trails that protect the natural settings and historic sites of the Highlands area.

- » The Town of Highlands should be a voice of support and a committed presence at meetings and support greenway extensions and formalizing existing paths.

T 5.2: Work with property owners and new development to add internal and external sidewalk connections in new development

- » Candidate locations include along streets without adequate sidewalk facilities and greenway along creeks or connecting existing trails or key destinations.
- » All greenway easement agreements on private property should specify adequate room for both the construction and maintenance of the trail. The Town should consider

using available sewer easements and unused rights-of-way as a trajectory for possible future greenway paths.

- » Collaborate with the Highlands Plaza property owner to incorporate a greenway trail and/or pocket park along the creek at the north end of the property as part of future redevelopment site planning. Encourage a pedestrian connection from 2nd Street into the plaza and potentially to 3rd Street.

T 5.3: Consider utilizing existing right-of-way for sidewalk, greenway or trail improvements.

- » Work with NCDOT to discuss feasibility/cost of a multi-use path within the right-of-way along Dillard Road (NC 106) from Spring Street to the Town limit (or at least to Highlands Country Club). A sidewalk is a priority here, but a wider path is recommended to accommodate bicyclists and a greater number of users. This path could spur additional residential and commercial development along that corridor, while providing a safe multi-modal transportation and recreation corridor.
- » Engage with partners on long-range regional greenway planning projects, including a 10-mile multi-use path along Cashiers Road (US-64) connecting Highlands to Cashiers. Adequate right-of-way exists along this corridor, but considerable investment in financing and engineering will be necessary. Highlands should be represented at any regional planning level to ensure that the needs of the community are met.

T 5.4: Improve visibility of the Highlands Greenway System through signage (wayfinding, markers or stencils, and maps) so that people understand how to access the trail system more intuitively.

- » Develop a new Highlands Greenway Map that clearly differentiates between sidewalks, hiking trails, and paved paths. It is important for visitors to understand what a specific segment is supposed to look like and whether they are still on the right path, especially for users with mobility constraints. This will help ensure that the trail system is used correctly, comfortably, and easily. The map should highlight points of interest, parking areas, and other public amenities like bicycle parking and restrooms.

T 5.5: Establish new pedestrian signage and trailhead enhancements to heighten visitor awareness of existing trails, enable access, and encourage use.

- » Priority enhancements include pedestrian signage on 2nd Street to direct trail users to Oak Street trailhead, the northern terminus of 5th Street, and at Highlands Rec Park.
- » Existing and future public parking areas are also candidates for a trailhead for the Town's greenway system.

Parking & Transit

Policy T 6: Balance needs for parking with aesthetics and environmental impacts.

T 6.1: Consider utilizing paved portions of the right-of-way to address stormwater runoff on the Town's streets through strategic location of landscaping and/or permeable pavement.

T 6.2: Plan for a future parking garage near Main Street.

- » Continue to study town-owned land between Maple Street and Oak Street and the corner of Oak Street and Maple Street as potential locations for a parking deck with capacity for 75-200 or more vehicles.
- » The design of any multi-level public parking structures should incorporate commercial or residential uses wrapped around the structure's façade where feasible to maximize the use of space and improve aesthetics.
- » To encourage use, consider free parking at the garage coupled with increased restrictions and/or fees for parking on Main Street.

T 6.3: Consider long-term implementation of metered parking along portions of Main Street.

- » Metered parking could be implemented on a portion of Main Street between 3rd Street and 5th Street, where occupancy is typically highest.
- » These parking spaces are highly desirable and should reflect that value through a fee structure. The goal is to disincentivize people from parking all day in locations that benefit from turnover (i.e. commercial uses) and encourage people to park for free at peripheral locations (Oak Street, Spring Street, and 3rd Street) or future parking garages.



Main Street is the heart of Downtown, but prioritizes parking over pedestrian comfort and safety.

- » Coordination with downtown businesses will be necessary to determine an acceptable balance between free parking and metered parking.
- » Revenue could contribute to an enterprise fund used for the construction of additional on-street spaces, streetscape maintenance and beautification efforts on or near Main Street.

T 6.4: For new developments, allow off-site parking and enable shared parking arrangements for adjacent or nearby uses.

- » For example a bank can share parking spaces with a bar, since their peak business hours occur at different times of day.

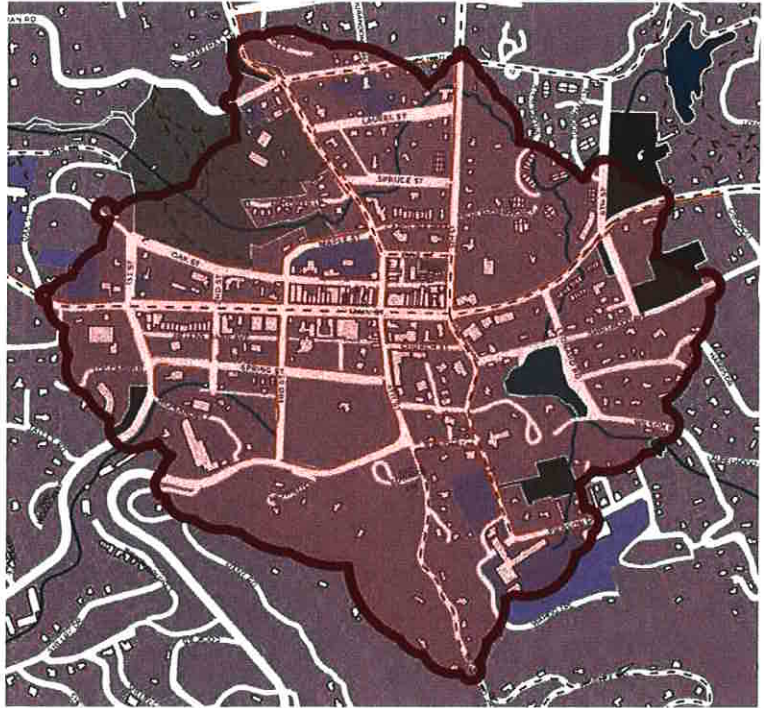
T 6.5: Allow for lower minimum parking requirements (or offsets for bicycle parking) where appropriate.

- » Areas within walking distance to downtown and high rates of potential pedestrian or bicycle trips are candidate locations for reduced parking requirements.

- » Continue to allow reduced parking requirements in the Downtown Business District.
 - › *No parking requirement for B-1 uses or for first 2 accessory apartment units*
 - › *1 space per unit after 2 accessory units*
- » Downtown Support Area
 - Encourage shared parking agreements.
 - Consider reduced parking requirements.
 - › *Current code allows reduction of 20%, consider increasing this reduction to 33% if the development meets other defined criteria.*
 - › *Criteria could include a mix of residential and commercial development, access to sidewalk infrastructure, available on-street parking nearby, provision of bike parking on site, age targeted housing, etc.*
- » Medium Density Area
 - Require only 1 space per accessory dwelling unit (ADU.)

T 6.6: Work with Highlands residents to design and implement a “Locals” parking system.

- » The system could allow for year-round residents to purchase a parking permit with a decal that enables them to park in a restricted area on either Oak Street or Spring Street.
- » The total number of restricted spaces should equal the number of permits. This would enable them to confidently find parking a block from Main Street, even during the busiest peak seasons, while adding revenue to support an enterprise fund or other initiative.
- » Enforcement would be critical to success.



Shaded area represents a 10-minute walking distance from the intersection of Fourth and Main Streets. via Walkscore

T 6.7: Begin to install bicycle parking infrastructure on Main Street and develop a systematic approach to placement selection and prioritization.

- » Consider installation of bicycle parking on town-owned properties
- » Consider initiating a Town-sponsored bike parking application program for businesses and property owners, creating a streamlined process to apply for bike parking in the public right-of-way
- » There is an opportunity to rely on public demand and business support to influence placement location decision-making – using an application form whereby property owners or tenants can request installation of a bike rack.
- » Standard options for both on-the-sidewalk inverted u-racks and in-the-parking-lane bike corrals should be developed, with up-to-date design standards for both types.

Policy T 7: Partner with Macon County Transit.

T 7.1: Seek representation on the Macon County Transit Advisory Board.

- » A representative from the Town of Highlands should attend all Board meetings in Franklin to keep abreast of new endeavors, advocate for investments in the Highlands area, and ensure that the interests of Highlands residents are voiced.

T 7.2: Coordinate a study to gauge the feasibility, cost, and need for a fixed bus route in Highlands.

- » The service could be similar to Franklin's Mountain Gem route, whereby a daily shuttle navigates the primary streets with service to major employers and medical facilities in the area.
- » Having reliable regular bus service can be beneficial for employees, people who are not able to drive a personal vehicle, and visiting tourists.
- » Consider subsidizing this effort so that fares could be free or affordable (the Mountain Gem route is \$1 per boarding).

T 7.3: Begin a dialogue with Macon County Transit about the possibility of implementing a seasonal (i.e. summer) circulator shuttle system.

- » In the short-term, this can ease parking demand on Main Street by enabling people to park farther away (Oak Street, Spring Street, 3rd Street, etc) but still access their destination on Main Street.
- » In the long-term, this can provide incentive for people to park at a nearby parking garage knowing they can easily ride the shuttle bus to other location in Highlands.



A custom bike rack could be design and used around downtown, starting with a few locations on town owned property or in the right-of-way, then included near other destinations.

Policy T 8: Plan for electric vehicles (EVs) in Highlands.

T 8.1: Combat "range anxiety" by investing in new EV charging stations.

- » Highlands should work with business leaders, benefactors, and other agencies to incorporate charging stations at schools, public parking lots and garages, retail outlet parking lots (like Highlands Plaza and Wright Square), country clubs, hotels, workplaces, and other major trip origins and attractions in Highlands.
- » The Town should consider a goal of adding one charging station on each block of Main Street, Oak Street, and Spring Street within the downtown business district.

T 8.2: Replace all or a portion of the Town of Highlands' gas-powered vehicle fleet with zero-emission electric vehicles.

- » In the short-term, this should include any cars and light trucks. Prioritize buying electric cars when the price is within 5% of the cost of a gas car.
- » Heavy-duty vehicles used for snow removal and other needs might be phased out as technology advances and they become reliable for those uses and more cost-competitive.

T 8.3: Consider new development standards for multi-family residential and non-residential construction that require developers to install electric charging stations.

- » These standards can be incorporated into existing parking requirements and can become more stringent over time. Consider requiring one (1) EV charging station for every twenty (20) conventional parking spaces (or 5% of the total).

T 8.4: Encourage new single-family residential homes that are "EV Ready"

- » EV Ready homes have appropriate electrical panel capacity, conduit, and circuitry to accommodate future charging of EVs.

ELECTRIC VEHICLES (EVs)

While the internal combustion engine automobile has dominated the 20th century, prevalent electric vehicle (EV) technology will be the future. Introduced in 2010 as the world's first mass-market electric vehicle, the Nissan Leaf has led the way in making the excitement and convenience of electric driving accessible to non-luxury buyers. Coupled with the success of higher-end electric vehicles like those designed and produced by Tesla, EVs are poised to dominate the market share of vehicles on the road within a few decades.

It is assumed that sales of electric and hybrid vehicles will quickly increase as charging infrastructure expands and battery costs decrease. Owners of electric and hybrid vehicles in North Carolina pay less in combined gas taxes and registration fees compared to owners of gasoline-powered vehicles. This shortfall will add up as the use of these vehicles continues to grow.

These challenges have prompted many states and local governments to consider actions that increase or modernize their transportation revenue sources. As more drivers alter their mobility patterns that reduce miles traveled and shift to more fuel-efficient vehicles, motor fuel tax revenues will decline. As a result, new or better revenue sources will be necessary to offset those losses and ensure that North Carolina can meet its future transportation investment needs. Highlands should be prepared for a near-term drop in Powell Bill fund levels for Town-maintained roads and prioritize maintenance strategies to accommodate those changes.

TRANSPORTATION ACTION ITEMS

The items below list priority regulations, plans and programs that, if implemented, will advance town goals. Implementing the recommendations of this plan will involve town staff, elected officials, appointed boards, partners, residents and business owners.

Action Item 16: Prioritize the implementation of the Master Sidewalk Plan in downtown and adjoining residential areas (T4).

- » 16A: Priority connections include NC 106 (downtown to Highlands Country Club), US 64 (Will Henry Stevens Covered Bridge to Mirror Lake Road), and Oak Street (downtown to The Bascom)

COST: MEDIUM-HIGH
TIMEFRAME: MEDIUM-TERM

Action Item 17: Coordinate and support the Highlands Plateau Greenway in their efforts to improve Highlands' Greenway System (T5).

- » 17A: Implement priority signage and trailhead enhancements
- » 17B: Pursue priority trail extensions
 - *Study a greenway/trail extension along US 64 north of town*
 - *Formalize trail between Poplar Street and the trailhead at the end of 5th Street for the Kelsey Trail Preserve. Also consider adding a formal turn-around and signage.*

COST: LOW (17A), MEDIUM (17B)
TIMEFRAME: MEDIUM-TERM

Action Item 18: Develop an ADA Self-Assessment and Transition Plan (T4).

- » 18A: Designate staff resources or hire a consultant to document highlighting key accessibility priorities, improvement schedules, and accountability metrics (including designating an ADA Coordinator to respond to resident questions and concerns).

COST: MEDIUM
TIMEFRAME: SHORT-TERM

Action Item 19: Manage and expand vehicular parking. (T6)

- » 19A: Continue to manage existing parking and consider additional steps, including metering in some areas, to encourage turnover for visitation of businesses.
- » 19B: Study feasibility and costs of adding additional on-street parking on Main Street, Oak Street and Spruce Street.
- » 19C: Study additional public parking lot and/or parking deck options and costs.

COST: MEDIUM
TIMEFRAME: SHORT-TERM (19B), MEDIUM-TERM (19A), LONG-TERM (19C)

COST KEY

- N/A = NO COST / CAN BE ACCOMPLISHED WITH EXISTING RESOURCES AND STAFF TIME
- LOW = COST > \$10,000
- MEDIUM = COST \$10,000-100,000
- HIGH = COST >\$100,000

TIMEFRAME KEY

- ONGOING = UNDERWAY AND RECOMMENDED TO CONTINUE
- SHORT-TERM = 1-2 YEARS
- MEDIUM-TERM = 2-3 YEARS
- LONG-TERM = 3+ YEARS

TRANSPORTATION ACTION ITEMS (CONTINUED)

Action Item 20: Encourage walking, biking and use of electric vehicles. (T6, T8)

- » 20A: Consider reduced parking requirements in walkable areas.
- » 20B: Locate new bicycle parking and EV charging stations downtown.

COST: N/A (20A), LOW (20B)

TIMEFRAME: MEDIUM-TERM

COST KEY

- N/A = NO COST / CAN BE ACCOMPLISHED WITH EXISTING RESOURCES AND STAFF TIME
- LOW = COST > \$10,000
- MEDIUM = COST \$10,000-100,000
- HIGH = COST >\$100,000

TIMEFRAME KEY

- ONGOING = UNDERWAY AND RECOMMENDED TO CONTINUE
- SHORT-TERM = 1-2 YEARS
- MEDIUM-TERM = 2-3 YEARS
- LONG-TERM = 3+ YEARS

INFRASTRUCTURE & PUBLIC SERVICES

Issues to Address

Each summer and well into the fall the population of the Town of Highlands swells by many thousands from an influx of seasonal residents, overnight visitors and day trippers. Managing sanitation, electric, water and sewer and public safety infrastructure and services for current demands is challenging. If more seasonal residents become year-round residents and if post-COVID population growth continues, Highlands can anticipate future increases in infrastructure and services needs. It is imperative to plan for strategies to meet those needs before they become a problem.

Primary Infrastructure and Service Goals

GOAL #1: Town Character: Vibrant village center with distinct character that is surrounded by mostly low-density housing that blends with the natural environment.

GOAL #2: Preservation of the Environment: Preserve and enhance the natural environment and the scenic beauty of Highlands.

Goal #3: Local Economy: Support and sustain the local economy including downtown businesses, tourism, the arts, and outdoor recreation.

Policy PS 1: Ensure adequate waste disposal and sanitation services.

PS 1.1: Continue enforcement of existing regulations related to waste disposal.

PS 1.2: Regularly evaluate the balance of expenditures and revenues for the sanitation department.

- » Consider hiring a third-party accounting firm to perform an unbiased audit and develop creative and practical long-term solutions.

PS 1.3: Regularly evaluate the need for increases in garbage collection fees for both residential and commercial customers to cover town service costs.

- » The short-term need is likely an additional \$3-\$4/month per customer in order for the department to remain solvent.
- » Explore options for phasing that cost in over time or allocating more of the burden to businesses instead of residential customers (e.g. raising rates

for commercial weekend pickup only or targeting fees for businesses that require additional pick-ups).

- » Consider cardboard and other recycling services needs and costs during the evaluation.

PS 1.4: Consider reducing residential garbage pickup to one time a week instead of two.

- » Many communities follow this schedule, and it could help lower overall costs while still providing adequate services.
- » Allow residents to weigh in on this decision, with a public survey to gauge acceptance of this change versus an increase in monthly fees.

PS 1.5: Continue to commit to bear-proof refuse containers.

- » Bear-proof containers are needed for public use downtown and for residential and commercial customers.
- » Replacing all shared commercial dumpsters with 95-gallon "toters"

(cans on wheels) is also advised.

PS 1.6: Identify a location for a convenience center within or near town limits.

- » Residents and businesses can take their waste and recycling in between scheduled pickups.
- » This would enable the department to simultaneously shift its pickup schedule to a more limited basis because it would offer a solution for those with more of a need.

Policy PS 2: Maintain and enhance the electric grid.

PS 2.1: Maintain and work to improve the resiliency of the electric grid.

- » Continue regular maintenance activities
- » Enhance operational capacity coincident with increased demands
- » Evaluate replacement and upgrade projects on an annual basis

PS 2.2: Evaluate ways to improve customer service including outage reporting options.

- » Consider establishing an after-hours answering service and/or a website based or mobile application for reporting outages

PS 2.3: Reduce visibility of utilities.

- » Encourage underground utilities, especially in the downtown area
 - Consider developing a formal policy specifying where underground utilities are required.
- » Consider the replacement of existing utilities with underground utilities wherever feasible.
 - Consider the pursuit of grant funding to support this effort.
 - Candidate locations include:
 - › West Main Street between 3rd and 1st Street
 - › US 64/Franklin Road gateway area

Policy PS 3: Encourage energy efficiency and alternative fuel vehicles

PS 3.1: Encourage energy efficiency in new buildings (i.e. LEED certification, solar energy, or other measures).

PS 3.2: Consider electric vehicles or hybrids when purchasing new vehicles for the town fleet.

Policy PS 4: Improve access to high-speed internet and expand cell coverage.

PS 4.1: Support activation and completion of the fiber network.

- » Will benefit residents by providing telecommuting options and businesses.
- » Support completion of the fiber network, with a goal to reassess the lease agreement after the term expires.
- » Encourage gradual expansion beyond the Town limits, in an effort to ensure rural connectivity throughout Macon County.

PS 4.2: Improve public WiFi.

- » Market/advertise existing public WiFi hot spots.
- » Determine opportunities for future hot spots (coordinate with businesses).

PS 4.3: Explore options for "Smart City" technologies like real-time meter reading that make use of the expanded fiber optic Internet capacity.

- » Smart meters are the foundation for intelligent measurement, monitoring, and control of electricity and water usage.
- » These systems can make a significant contribution to the transparency of actual power and water consumption bringing benefits to all parties involved.

PS 4.4: Work with partners to improve 5G coverage.

- » Consider partnerships with Macon County and other entities to improve cell phone coverage in and around town

Policy PS 5: Focus water and sewer service improvements on existing town limits.

Policy PS 6: Allow for limited extension of water and sewer to areas near town limit boundaries if conditions are met.

PS 6.1: Consider limited extension adjacent to town limits if new development advances town goals, such as environmental preservation.

- » Contiguous development is encouraged to prevent leapfrog development.
- » Water/sewer extension should be contingent upon annexation.

Policy PS 7: Encourage an efficient, financially sound water and sewer system.

PS 7.1: Regularly evaluate connection and usage fees to allow for maintenance and necessary capital recovery.

PS 7.2: Consider updating policies to require utilities to be built to town standards.

PS 7.3: Continue policies to ensure new development is responsible to fund sewer extensions for private development.

PS 7.4: Continue policy of requiring grand-

fathered existing users outside of town limits to pay double rates.

PS 7.5: Explore options for “Smart City” technologies like real-time water meter reading that make use of the expanded fiber optic Internet capacity.

Policy PS 8: Protect water quality in Lake Sequoyah.

PS 8.1: Continue to limit impervious surface in water supply watersheds.

PS 8.2: Continue to prioritize stormwater best management practices (e.g. green roofs, on-site bioretention). See the Natural Resources chapter for more recommendations.

PS 8.3: Encourage subdivisions to include tree canopy preservation areas.

PS 8.4: Pursue grants to connect homes with septic systems in close proximity to Lake Sequoyah to the town sewer system.

LAKE SEQUOYAH WATER SUPPLY PROTECTION PROJECT

There are a number of homes with older septic systems in close proximity to the water supply of Highlands.

Lake Sequoyah is the only source of water for the plateau and many homes (100-150 homes) have septic systems. Some of these homes are as old as 1920. A major retrofit project is needed to convert homes on septic drain fields to sewer. A similar project complete for Mirror Lake many years ago.

The Town has pursued grants but none of the \$5-6 million project has been completed yet. Due to its impact on the water supply this is the #1 priority sewer project inside the city limits.

PS 8.5: Continue to monitor water quality in the town water system.

- » Regularly clear the Lake Sequoyah intake and the Big Creek intake to ensure that sedimentation does not impair water supply allocation or distribution.
- » Continue to test water at peoples' homes at a rate of 20 homes every three years.

PS 8.6: Continue to plan for maintenance and replacement costs of essential utilities infrastructure.

- » Fund the replacement of a large clarifier tank, which has been in operation for over 50 years and is reaching its serviceable limit.
- » Plan for and fund necessary upgrades to the water and sewer system.
 - › *The 2019 Water Asset Management Plan notes proposed capital improvements that total \$35.9 million.*

PS 8.7: Continue to pursue federal funding and prioritize local funding for major treatment upgrades and waterline replacement projects.

- » Maximizing cost-sharing for essential projects will help keep long-term costs down by minimizing leaking pipes and improving overall capacity by keeping pipes free from debris and made from long-lasting material.

PS 8.8: Develop a Water & Sewer Master Plan every five years in an effort to address ongoing needs, gauge success of maintenance and improvements, and remain eligible for state revolving loan projects and grants.

- » Having up-to-date master plan documentation provides data to support projected future needs, which is helpful in the grant application process.

PS 8.9: Work with the Upper Cullasaja Watershed Association to continue the bi-weekly newsletter, Know Your Watershed, with the Town of Highlands newspaper and the storm drain stenciling initiative.

- » These activities help raise awareness of water quality and the efforts to protect drinking water in Highlands. In the future this can be coupled with a water conservation public education program.

Policy PS 9: Maintain adequate fire and emergency management response.

PS 9.1: Continue to coordinate with Macon County regarding fire coverage and response.

PS 9.2: Monitor personnel needs in order to maintain adequate fire coverage.

- » Consider additional personnel in order to transition to 24 hour fire coverage.

PS 9.3: Coordinate with Macon County Emergency Services Office to maintain and improve emergency response in Highlands and on the greater plateau.

Policy PS 10: Maintain adequate police coverage in the Town of Highlands.

PS 10.1: Monitor personnel and equipment needs in order to maintain adequate police coverage.

- » Encourage officer health and fitness.
 - Consider the addition of gym equipment at police station.
- » If growth in year-round population and visitation continues there may be a need for another officer per shift, especially at night.
 - In the long-term an additional rotating split-shift position may be needed.

PS 10.2: Monitor speeds downtown and consider additional enforcement activities as needed

- » Low speeds have kept downtown a safe place for pedestrians
- » Lower speed limits, roadway changes and/or additional enforcement activities should be considered as needed to keep pedestrians safe.

PS 10.3: Continue coordination with Macon County Sheriff Dept. for mutual aid calls within established policies and confines of defined coverage area.

PS 10.4: Continue and expand community-oriented policing efforts

- » Outreach to local businesses
- » Bike and foot patrol downtown
- » Education efforts
 - Crime reduction measures for seasonal residents
 - Outreach and education related to Short Term Rentals for owners and neighbors
 - "Coffee with a cop" events
 - Articles in paper, radio station recordings.

PS 10.5: Encourage Crime Prevention Through Environmental Design (CPTED) on town owned properties

- » Ensure adequate lighting and sight lines.
- » Consider the addition of CCTVs on public properties as needed.

INFRASTRUCTURE AND PUBLIC SERVICES ACTION ITEMS

The items below list priority regulations, plans and programs that, if implemented, will advance town goals. Implementing the recommendations of this plan will involve town staff, elected officials, appointed boards, partners, residents and business owners.

Action Item 21: Sanitation Services Priorities

- » 21A: Evaluate fee structure and pick-up schedules.
- » 21B: Identify a location for a convenience center within or near town limits.

COST: LOW (21A), MEDIUM (21B)
TIMEFRAME: SHORT-TERM

Action Item 22: Evaluate ways to improve electric system customer service including outage reporting options.

- » 22A: Consider establishing an after-hours answering service and/or a website based or mobile application for reporting outages

COST: LOW
TIMEFRAME: SHORT-TERM

Action Item 23: Pay off fiber project and improve public WiFi

- » 23A; Continue to make loan payments according to the amortization schedule for the initial \$4.6 million fiber optic construction project. Principal payments of approximately \$306,666 (plus interest payments) will continue through the year 2034.
- » 23B: Improve public Wifi by advertising existing hot spots and expanding coverage.

COST: LOW (23B), HIGH (23A)
TIMEFRAME: SHORT-TERM

Action Item 24: Public Safety Priorities

- » 24A: Enhance community-oriented policing activities
- » 24B: Short Term rentals education and outreach
 - *Develop educational material in Winter of 2021*
 - *Coffee with a Cop / Q&A for STR - Citizen training in Spring of 2022*
- » 24C: Fund fitness equipment in police station and transition to SUVs for patrol vehicles.
- » 24E: Consider additional personnel in order to transition to 24 hour fire coverage and maintain adequate police coverage.

COST: N/A (24A, 24B), LOW (24C), MEDIUM (24D, 24E)
TIMEFRAME: SHORT-TERM (24 A-C), MEDIUM-TERM (24E)

COST KEY

- N/A = NO COST / CAN BE ACCOMPLISHED WITH EXISTING RESOURCES AND STAFF TIME
- LOW = COST > \$10,000
- MEDIUM = COST \$10,000-100,000
- HIGH = COST >\$100,000

TIMEFRAME KEY

- ONGOING = UNDERWAY AND RECOMMENDED TO CONTINUE
- SHORT-TERM = 1-2 YEARS
- MEDIUM-TERM = 2-3 YEARS
- LONG-TERM = 3+ YEARS

INFRASTRUCTURE AND PUBLIC SERVICES ACTION ITEMS (CONTINUED)

Action Item 25: Pursue grants to connect homes with septic systems in close proximity to Lake Sequoyah to the town sewer system.

COST: HIGH
TIMEFRAME: MID-TERM

Action Item 26: Plan for and fund necessary upgrades to the water and sewer system.

- » See the Water Asset Management Plan and Capital Improvement Plan (CIP) for details.

COST: HIGH
TIMEFRAME: SHORT-TERM

COST KEY

- N/A = NO COST / CAN BE ACCOMPLISHED WITH EXISTING RESOURCES AND STAFF TIME
- LOW = COST > \$10,000
- MEDIUM = COST \$10,000-100,000
- HIGH = COST >\$100,000

TIMEFRAME KEY

- ONGOING = UNDERWAY AND RECOMMENDED TO CONTINUE
- SHORT-TERM = 1-2 YEARS
- MEDIUM-TERM = 2-3 YEARS
- LONG-TERM = 3+ YEARS

From: [Susie deVille](#)
To: [Michael Mathis](#)
Cc: [Gabi](#); [Josh Ward](#)
Subject: Re: 523 Laurel Street, PIN 7540419779
Date: Wednesday, May 19, 2021 11:32:10 AM
Attachments: [Outlook-uoz0b1wo.png](#)
[Outlook-2rkvadqw.png](#)
[Outlook-gi22iekh.png](#)

Brilliant! Thank you!!!

On Wed, May 19, 2021 at 11:19 AM Michael Mathis <michael.mathis@highlandsnc.org> wrote:

Here is the link to our UDO. I attached the Zoning Certificate, Certificate of Compliance, and Floodplain permits to the last email. Please let me know if you have any questions.
<https://library.municode.com/nc/highlands>

Thanks,



Michael Mathis
Assistant Planning Director
Phone: (828) 526-2118 ext.1103

From: Susie deVille <susie@whiteoakrg.com>
Sent: Wednesday, May 19, 2021 11:16 AM

To: Michael Mathis <michael.mathis@highlandsnc.org>
Cc: Gabi <gdalnekoff@gmail.com>; Josh Ward <josh.ward@highlandsnc.org>
Subject: Re: 523 Laurel Street, PIN 7540419779

Thank you so much!

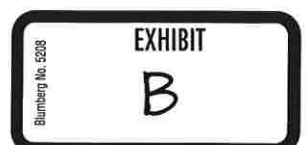
May we have copies of the Zoning Certificate, the Certificate of Compliance and the floodplain development permits? Could you email those?

Next, do you have a link to R-2 zoning rules and regs?

Thank you again.

Best,
Susie

On Wed, May 19, 2021 at 11:11 AM Michael Mathis <michael.mathis@highlandsnc.org> wrote:



Susie,

In my opinion, the Zoning Certificate and Certificate of Compliance should suffice. I also have the floodplain development permits. As long as nothing non-compliant has been added to the structure since Mr. Vidmar completed the work in 2013, the dwelling should be fine.

As for short-term rentals, the Town has not developed any regulation restricting them. Currently, the Town of Highlands is in the process of developing our first comprehensive plan. Once the plan is complete, it will be up to the Board of Commissioners to determine if they want to regulate STRs. Please let me know if you have any questions.

Thanks,



Michael Mathis
Assistant Planning Director
Phone: (828) 526-2118 ext.1103

From: Susie deVille <susie@whiteoakrg.com>
Sent: Wednesday, May 19, 2021 11:02 AM
To: Michael Mathis <michael.mathis@highlandsnc.org>
Cc: Gabi <gdalnekoff@gmail.com>; Josh Ward <josh.ward@highlandsnc.org>
Subject: Re: 523 Laurel Street, PIN 7540419779

Thank you, Michael.

Mr. Vidmar says that he completed the work in 2013. The old structure that was on the property when he bought it was completely removed. He built an entirely new house.

What all do we need from the Town to prove that Vidmar had Town permission to build into the setback? Do the permit and certificate of compliance suffice?

Also, could you respond to this from my previous email:

My Buyer clients are planning to use the property as a vacation rental, in addition to enjoying the property themselves. Could you let me know if there have been any changes to the Town ordinance with regard to vacation rentals, or if anything changes are planned?

Do you have a flood certificate on file for this property?

Could you send the most updated version of the Town ordinance for R-2?

Thank you so much for your help!

Best,
Susie

On Wed, May 19, 2021 at 10:52 AM Michael Mathis <michael.mathis@highlandsnc.org> wrote:

Susie,

I am having trouble locating a Variance Ruling for the subject property. I did find the permit and certificate of compliance for the work Mr. Vidmar completed in 2012. However, according to Macon County GIS, the house has been there since before 1994. Do you know exactly when the house was built? Please let me know if you have any questions.

Thanks,



Michael Mathis
Assistant Planning Director
Phone: (828) 526-2118 ext.1103

From: Susie deVille <susie@whiteoakrg.com>
Sent: Monday, May 17, 2021 12:33 PM
To: Josh Ward <josh.ward@highlandsnc.org>; Michael Mathis <michael.mathis@highlandsnc.org>
Cc: Gabi <gdalnekoff@gmail.com>
Subject: 523 Laurel Street, PIN 7540419779

Good afternoon, Josh and Michael!

I hope you are doing well.

I am working with the Sellers (Vidmar) and Buyers (Dalnekoff) on the sale of 523 Laurel Street. Jeff Vidmar noted that when he constructed the home that he was granted a variance from The Town to build into the setback between the house and Laurel Street, as well as the into the setback on the side of the property that runs along the gravel alley. When time permits, could you verify that The Town did, in fact, approve this, and provide me with that in writing? Could you also explain to the Buyer if this variance poses any issues? We are in the process of obtaining a new survey as well.

Also, my Buyer clients are planning to use the property as a vacation rental, in addition

to enjoying the property themselves. Could you let me know if there have been any changes to the Town ordinance with regard to vacation rentals, or if anything changes are planned?

Please "Reply All" so that the Buyer may see your comments as well.

Thank you so much!

Best,
Susie

Susie deVille
Broker Associate
White Oak Realty Group

--

Susie deVille
Broker Associate
White Oak Realty Group
(828) 526-8118 Office
(828) 371-2079 Mobile

www.WhiteOakRG.com

--

Susie deVille
Broker Associate
White Oak Realty Group
(828) 526-8118 Office
(828) 371-2079 Mobile

www.WhiteOakRG.com

--

Susie deVille
Broker Associate
White Oak Realty Group
(828) 526-8118 Office
(828) 371-2079 Mobile

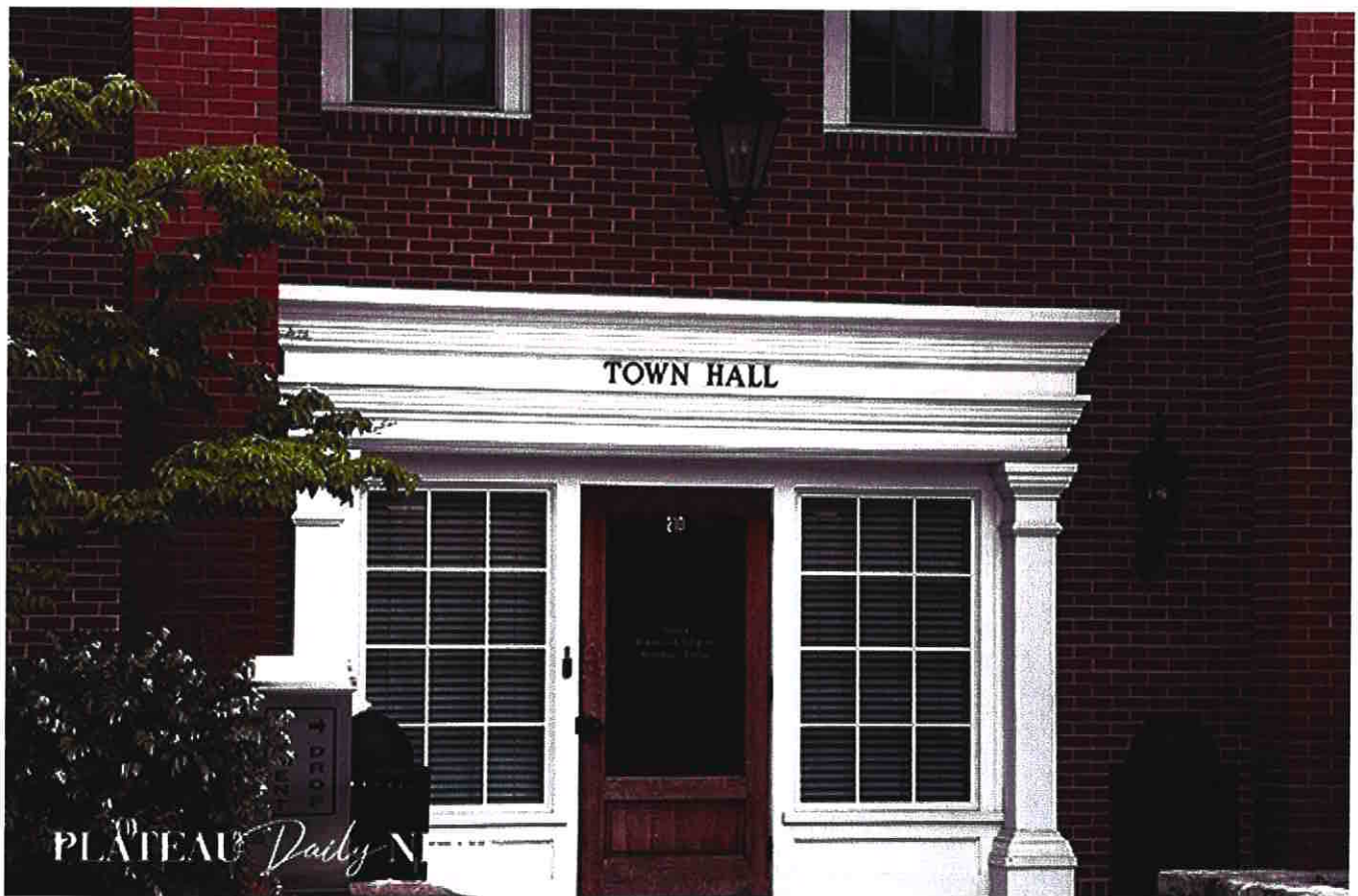
www.WhiteOakRG.com

Plateau Daily News



The seven Town Board candidates line up for Q&A number 3

by Kim Lewicki 10 Oct 2019 News



Running for re-election Tuesday, Nov. 5 are Commissioners, John Dotson, Eric Pierson and Brian Stiehler. Opposing them are Marc Hehn, Nick McCall, Michael Rogers and Hank Ross.

Each candidate has been asked to answer six questions. This week we will feature answers to Question 3 by the candidates in alphabetical order.

Blumberg No. 5208

EXHIBIT

C

Question 3:

Should the Town of Highlands regulate VRBO, AirBnB and vacation rental accommodation industry?

John Dotson

Short Term Rentals or Vacation Rentals as the State of North Carolina defines them, have been around in Highlands for decades. Years ago, when there were more "corporate/annual" vacations, people came to Highlands and rented for the full duration of their allotted time – still usually less than the 90 days defined by the State of North Carolina.

These days, "annual leave" is often broken up into smaller time frames due to factors far too numerous to list – including employers not offering defined annual leave as part of their employment package. Times have also changed with regard to "weekend getaways" and the close proximity of large population centers only a few hours away. For better or worse, we are a more mobile society.

What we are experiencing with the growth of short term rentals (Airbnb, VRBO, HomeAway, etc) is a direct reflection of a couple of major things, #1, the increased cost in maintaining a home in Highlands, such as higher taxes and higher utilities and #2 the demand for accommodations which has been fueled by organizations and media promoting Highlands. Not to be overlooked is the number of homes and properties that have been converted to employee housing.

The North Carolina Vacation Rental Act (Chapter 42A NC General Statutes) has some very definite requirements that must be followed by EVERYONE who hosts AND their guests, under the definition of a Vacation Rental. The #1 requirement of Landlords is that they "Comply with all current applicable building and housing codes to the extent required by the operation of the codes."

In Highlands, this language seems to apply to certain zoning districts – a number of which would be disallowed from using homes in those districts for short term rentals.

As Town Commissioners, we need take a long, hard look at the verbiage in our UDO (Unified Development Ordinance) to ensure that we are honoring not only the personal property rights of all landowners but also our zoning ordinances.

We can't afford to lose the things that have made Highlands the enjoyable place that people not only want to visit, but also live.

Marc Hehn

It appears the Town needs to at least know where the VRBO and AirBnB units are in order to receive the proper Occupancy Room Taxes. In my neighborhood we have several VRBO's. I have an excellent relationship with the property owners and they have actually asked me to let them know if there is a problem. We have had one problem; and, I was able to solve the issue through polite conversation with the owner.

Nick McCall

This question has risen to the forefront out of nowhere it seems. It is a controversial issue for good reason as it calls for telling property owners what they can and cannot do with their own property. Since I have never been one for disguising my words or being vague, let me say that I do not in any way desire for government at any level to enact laws that aim to dictate what should or should not be done.

When it comes to personal property rights, as this is one of the founding principles of our nation more less this town, for me in any way to tell someone else what they should be allowed to do inside their own home which they spent their own hard earned money on would be hypocritical, as I personally don't want that done to me, and honestly neither do any of you.

I believe that the town already has in place ordinances such as the noise ordinance that can be used to control any problems that arise. I also believe that the rental sector does a good job of policing within itself. The state of North Carolina has also passed laws regarding this issue and going against any of these laws potentially sets up legal issues for the town down the road.

The existence of HOA's can help to regulate what happens inside neighborhoods and communities, but I do not believe the town government should get involved.

Eric Pierson

Regulation of VRBO, AirBnB, etc., is a hot topic all across the country right now. As such, this is already being discussed here in town. It was an item at our last Town Board meeting, and we garnered some information from local agents that manage such types of properties and from other citizens that were in the audience.

As such, the Land Use Committee was tasked to starting discussions about what, if anything, the town might do. I think around here, local agents and responsible owners do a fairly good job of maintaining such properties in a professional way. Of course, as with most things, there have been a couple instances that have arisen that brought concern to neighbors of such properties. This is partly why the town is getting involved in this issue.

As I said, the Land Use Committee is looking at this and will be sitting down with local agents, homeowners and concerned residents in order to get a better understanding on how things are operated, find out what problems neighbors are having, and such to see if there is anything that the Town might need to regulate for the betterment of the whole community.

Michael Rogers

No. Highlands has been a vacation rental area for years. It is not up to the town to regulate who can and can't rent their house. I understand the concern some people have as our neighborhoods are changing but regulations are not the answer.

Hank Ross

The short-term rental market in Highlands is sizable and growth will likely continue. Because of this trend, it understandably has become a concern to our full-time and seasonal residents. Short-term rental homeowners should be required to get a business license for this type rental much like the requirements for bed and breakfast businesses.

A business license would improve the town's ability to enforce current nuisance laws and codes such as noise and the number of persons allowed in the residence. A requirement should be added for rental homes to purchase bear-resistant garbage containers to alleviate the trash problems that are frequent at rental homes since visitors often do not realize the bear/trash situation.

In addition, a business license will provide a database for Macon County's enforcement of occupancy tax collection and will give town planners information for any needed changes to zoning and land use planning.

By providing a minimum of restrictions, the business license solution still provides a good balance of individual property rights and will provide better protection for our residential neighborhoods. Property Owners Associations (POA's) can provide additional restrictions on short term rentals. In Highlands, POA restrictions on length of stay currently exist and can be an option for neighborhoods.

Brian Stiehler

As technology evolved, it ushered in new ways of renting properties by way of AirBnB and VRBO. While these websites can be attractive for those with rental properties, they do open the door for some very serious unintended consequences.

I am very much in favor of studying this new trend in order to avoid potential problems. I think these rentals do create safety and security concerns in our neighborhoods. Other aspects of it like occupancy levels, needs to be strictly enforced. It simply isn't fair to folks living in neighborhoods who are having to deal with the potential noise, parking issues, irresponsible trash disposal etc., that arise when a home exceeds its occupancy limits.

The safety issues and environmental issues that stem from that are another issue. Furthermore, I really question what this is doing to our neighborhoods. As a resident of Mirror Lake, it feels like every house that goes on the market is being purchased and turned into a short-term rental. I understand and agree with property rights, but I am not overly enthused about losing real neighbors who have a vested interest in our neighborhoods to having new temporary neighbors each week that don't understand our way of life. It takes something that we all appreciate and value and commercializes it.

In the past year, I have been contacted on a number of occasions by residents who have had serious and justifiable complaints against short-term renters. At the very least, those who rent their homes must be accountable for their renters and available to be on site should an issue arise. There are a number of things that we can do and I fully support pursuing this issue to protect local residents.

- Next week: Should the Town of Highlands regulate or allow Food Trucks other than just for the Highlands Food & Wine Festival Food Truck event?

By Kim Lewicki, Highlands Newspaper

Share this:



Like this:



Be the first to like this.

This entry was posted in News and tagged Commissioner, Election, Highlands, October 2019, Town. Bookmark the permalink.



Summit Charter MS boys cross country team wins Tri-State Conference

Rattlesnake bite survivor speaks at Rotary Club of Highlands



ONE THOUGHT ON “THE SEVEN TOWN BOARD CANDIDATES LINE UP FOR Q&A NUMBER 3”

JOHN RICHARDSON

13 Oct 2019 at 7:30 pm

A short term rental is a “business”. If one does not believe that, ask the “infamous IRS” as I believe that rental income has to be reported, expenses can be deducted, and the property can also be depreciated.

Having renters identify themselves as a business will facilitate the pending question before the Land Use Committee of identifying exactly how big this market/thing is out there, and also provide a basis for collecting occupancy taxes (why do “Bed & Breakfasts”, motels, etc have to pay when individual renters do not...what’s fair?).



Government of
THE TOWN OF
HIGHLANDS

Second Amendment to the

Supplemental Municipal Proclamation

WHEREAS, the Town of Highlands declared a State of Emergency on the 17th day of March, 2020; and

WHEREAS, the Town of Highlands adopted a Supplemental Municipal Proclamation on the 25th day of March, 2020, wherein under Section 4 the Town closed various kinds of rental facilities within the city limits; and

WHEREAS, the Town of Highlands adopted an Amended Supplemental Municipal Proclamation on the 31st day of March, 2020, clarifying the Proclamation of the 25th; and

WHEREAS, the Town of Highlands desires to rescind and modify the two proclamations as hereinafter set forth; and

WHEREAS, The Governors Executive Order issued on April 23, 2020, extends the stay at home order until May 8, 2020 at 5:00 PM and also clarifies that Executive Orders 121 and 131 also remain in full effect.

NOW, THEREFORE, pursuant to the authority vested in me by the Board of Commissioners of the Town of Highlands under Article 8 of Chapter 160A-174 and 160A-19.22 of the North Carolina General Statutes I hereby declare:

Section 1. The text of Section 4., in its entirety, is rescinded in each Proclamation.

Section 2. The text of Section 5., in its entirety, is rescinded in each Proclamation.

Section 3. The text of Section 4. in the Amended Supplemental Municipal Proclamation shall now read as follows:

“Lodging Facilities, closed by the Town pursuant to the two State of Emergency Proclamations referred to above, are now allowed to be open so long as the facilities are operated pursuant to the conditions set forth in the following two publications:

- a. Considerations for Reopening Highlands, NC, published on May 1, 2020, by the Highlands Chamber of Commerce and Visitors Center, sections:
Registrations/Concierge
Point of Sale
Guest Services
Public Spaces
Food and Beverage
Housekeeping
Internal Operations
Occupancy
- b. VRHP/VRMA Cleaning Guidelines for COVID-19, published on May 1, 2020 by the Vacation Rental Management Association and Vacation Rental Housekeeping Professionals, all sections.
The two publications are attached hereto and made a part of this Proclamation.
- c. Prior to operation, all operators of short-term rentals such as vacation cabins, home rentals and rentals thru Air-BNB, Homeaway, VRBO, etc. shall register with the Town, informing it that they intend to operate after the effective date of this Proclamation.”

Section 4. This Amendment is effective as of May 8, 2020, at 5:00pm.

Section 5. All citizens and visitors are strongly advised to continue to wear masks or face coverings and practice proper social distancing inside buildings, business and public places.

Section 6. All other provisions of the two said Proclamations, except as rescinded and modified herein, remain in full force and effect.

Section 7. This Proclamation has no effect on the Governor’s Executive Orders, which remain in place.

Amended and Proclaimed this the 6th day of May, 2020.

Patrick Taylor, Mayor

In Witness Whereof, I have hereunto set my hand and caused the Seal of The Town of Highlands, North Carolina to be affixed this 6th day of May, 2020.

Gilberta B. Shaheen, Town Clerk

VRHP/VRMA Cleaning Guidelines for COVID-19



May 1, 2020

Cleaning a vacation rental is no small task, even when we are not faced with a global pandemic. A housekeeper is expected to take a property that is in disarray from departing guests and completely reset it—eradicating the microbes that have been left behind in the property and creating a like-new experience for arriving guests. Vacation rental professionals understand that cleaning a property effectively requires specific training, appropriate supplies, and a systematic process.

In light of the COVID-19 pandemic, the Vacation Rental Housekeeping Professionals (VRHP) and the Vacation Rental Management Association (VRMA) are recommending that existing cleaning programs be augmented to include even more rigorous sanitization and disinfection protocols. These recommendations are below.

All vacation rental field staff/housekeepers/technicians or other employees should complete training regarding proper and safe cleaning techniques and property security. Teams need to understand how to safely use chemical products (such as germicides used to clean bathrooms) and dispose of trash, cleaning supplies, and biohazards appropriately. **Note: VRHP offers these types of training programs and can assist with questions from members about their programs.**

Disclaimer: *These voluntary guidelines are for the information of VRHP and VRMA members. Each business owner must decide for itself which cleaning and related practices to implement. These guidelines are derived in part from federal agency regulations and recommendations, but they do not constitute legal or medical advice, nor do they necessarily take into account the various requirements of all states, counties, and municipalities. VRHP and VRMA make no warranty or representation that following these guidelines will ensure the health of employees, clients, guests, or others, or preclude the possibility of contamination. While these guidelines are intended to be comprehensive, they do not contain all available information on the subject matter. These guidelines were prepared based on available information existing at the time of publication and therefore may be superseded by later developments.*

COVID-19, Disinfection, and Sanitization

- Small viral particles can hang in the air for many hours. The [currently available WHO information](#) suggests that respiratory droplets can last up to 3 hours in the air. Respiratory droplets are heavier than smaller aerosol particles, which can linger in the air for a longer time. To date, the scientific research is still unclear as to how long smaller COVID-19 particles may stay suspended in air, and what possible infection rates may stem from aerosols. A study published in The [New England Journal of Medicine](#) found that the COVID-19 virus can survive up to three days on hard metal surfaces and plastic and up to 24 hours on cardboard. During that window of the time, the virus does begin to

weaken. In light of these findings, VRHP/VRMA recommends that waiting for the majority of airborne droplets to settle (at least 3 hours) is the safest course of action. A timeframe of up to 24 hours between the last exit from a property and next entry is reasonable, if the business needs can accommodate longer wait times.

- VRHP/VRMA strongly emphasizes the importance of ensuring the appropriate use of all personal protective equipment (PPE), including masks, disposable gloves, and, in some cases, splash goggles for any entry into a property, even after the 24-hour waiting period. Splash goggles to cover the eyes and a mask that covers the nose and mouth and creates a good seal against the face should be required for any entry to a property within the 3-hour timeframe for respiratory droplet settling.
- Cleaning is defined by the CDC as “the removal of germs, dirt, and impurities from surfaces. It does not kill germs, but by removing them, it lowers their numbers and the risk of spreading infection.”
- Disinfection is a separate step that should come *after* cleaning. If surfaces are dirty, they should be cleaned prior to disinfection.
- Disinfection vs. Sanitization: These two activities are not the same. Sanitizing refers to reducing the number of germs to a safe level by cleaning. Disinfecting refers to killing nearly 100% of germs on surfaces or objects, according to the CDC. It is important to note that when a surface has been disinfected, if there are virus particles in the air, those particles may settle on the newly cleaned surface. This means that the surface is now in a sanitized state, not a disinfected state. This concept holds true, regardless of whether we are talking about the COVID-19 virus or other viruses, bacteria, dust, or other particles. For this reason, VRHP/VRMA recommends being careful with advertising that properties are truly “100% disinfected” and suggests language instead that says that your company is using disinfecting products and/or that properties have been through a disinfection process.
- Properly dispose of gloves and use hand sanitizer when finished and BEFORE entering your vehicle and especially before touching the steering wheel.
- All field staff should continue proper hand washing protocols throughout the day and should avoid touching eyes, nose, or mouth with unwashed hands. The CDC handwashing guidance is at: <https://www.cdc.gov/handwashing/when-how-handwashing.html>.

Proper PPE Usage

- All staff (housekeepers, inspectors, maintenance technicians, or anyone else) should wear masks and disposable gloves. It is imperative that all staff are trained in correct mask and glove usage. (<https://vimeo.com/400609879> and <https://vimeo.com/400609879>)
- Gloves should be changed between properties and also between certain in-property tasks. Hands should be washed as soon as possible after gloves are removed.
- Always wash hands thoroughly, for at least 20 seconds, throughout the day but especially when gloves are removed. According to the CDC, “If soap and water are not available and hands are not visibly dirty, an alcohol-based hand sanitizer that contains at least 60% alcohol may be used. However, if hands are visibly dirty, always wash hands with soap and water.”
- Once a mask is moist or wet it is no longer effective and should not be used anymore. For a disposable mask, discard it appropriately. For a cloth mask that can be reused or washed, carefully place it in a zipper bag (such as Ziploc®) to be disinfected later.
- Splash goggles provide the best protection against air movement across the eyes. Splash goggles are different from regular safety glasses in that they provide a seal that protects your eyes from the air and/or liquid.

Products, Cleaning Agents, and Equipment

- The EPA offers a list of products with “Emerging Viral Pathogens AND Human Coronavirus claims for use against SARS-CoV-2.” <https://www.epa.gov/pesticide-registration/list-n-disinfectants-use-against-sars-cov-2>
- VRHP/VRMA strongly recommends that you check your existing products against this list and also work with your preferred janitorial product supplier(s) to obtain additional products as needed.
- All disinfecting products require dwell time. Dwell time is the amount of time needed for a product “sit” on the surface and kill the viruses and microbes.
- Use disinfecting products on all major surfaces and pay attention to all high-touch areas, including door knobs (inside and out), lockboxes or electronics lock panels, elevator buttons, stair railings, telephones, light switches, remote controls, arms of chairs, refrigerator door handles, sliding door handles, toilets, faucets and knobs, clothes hangers, touch screens, and play sets/toys, to name a few.

Cleaning and Inspections

- Extra cleaning time should be allocated to existing turnover timeframes. How much time is a business decision for each company. The two major factors in how much time is needed are:
 - The amount of time required to sanitize/disinfect high-touch areas that may not have previously been rigorously cleaned on every turn.
 - Allowing a certain amount of time for the nebulized virus particles to settle out of the air.
- As per the most recent guidance, it can take up to 3 hours for larger COVID-19 particles to fully settle to the ground. Waiting longer is likely the safest course of action and 24 hours between the last exit and next entry is reasonable.
 - If the business need requires entry to a property sooner (e.g., in the case of a same-day turn), VRHP/VRMA strongly advises that that staff strictly and judiciously follow all PPE best practices (wearing mask, gloves, and/or other protective gear such as splash goggles) and follow all cleaning and disinfecting best practices to ensure safety.
- As part of the guest departure duties, if guests can be asked to turn on all ceiling fans and/or HVAC fans, that would be ideal. When the cleaner or inspector arrives, they can open a few windows to air property out if fan use is not possible. Make sure windows are closed when staff leave the property.
- If a large property requires more than one cleaner or other staff member to be present, staff must ensure that proper social distancing protocols are followed (by remaining at least 6' apart at all times and wearing masks and gloves).
- As per the guidelines above, a guest would ideally check into a property 18-24 hours after the property has been inspected (post-cleaning). Remote check-ins, where guests go directly to their properties and not into a vacation rental office, is preferable. Each business will have to plan for what can reasonably be accomplished.
- Note that these additional cleaning and wait times may make it impossible to allow early check-ins or late check-outs. How to handle those requests is an individual business decision.

Soft Surfaces and Upholstery

- To date, there is limited information regarding how long the COVID-19 virus can live on fabric or other soft surfaces.

- Most soft surfaces (such as upholstery) can only be sanitized.
- Using a pressurized pump sprayer to distribute a sanitizing product across all soft surfaces is best. Be sure to know the limitations of your product and that it is safe to use on the soft goods in the property.

Linens and Bedding

- Linens and bedding should not be shaken, so as not to disperse viral particulates into the air.
- There are multiple ways that dirty linen can be removed from the property and placed in a vehicle. A few ways that VRHP/VRMA recommends are:
 - Dirty linens can be placed into a dissolvable laundry bag. The dissolvable bag can then be tied closed and placed inside your regular linen bag or large plastic trash or contractor bag. Once at the laundry, the dissolvable bag can be removed from the regular plastic bag and placed directly in the washing machine. The regular trash bag can be recycled.
 - Linens could be placed in a plastic trash or contractor bag, and then that bag can then be tied closed and placed inside your regular linen bag.
 - Linens could be placed in your regular linen bag, closed, and then encased in a plastic trash or contractor bag.
 - A disinfecting product that is approved for soft surfaces and fabrics may be applied to bagged dirty linens, if desired.
- The housekeeper should remove gloves (safely, as per guidelines) after removing the dirty linen and securing them in bags. Hand sanitizer should be applied and fresh gloves put on before putting the clean linen on the bed.
- Ensure that all pillows have pillow protectors on them and the mattress has a mattress pad covering it. These items could be changed as often as needed or as seems reasonable.
- There are different ways to handle blankets, comforters, or other top-layer bedding.
 - Blankets/comforters should ideally be removed for laundering and replaced with a freshly washed item.
 - Blankets/comforters could also be triple sheeted with freshly laundered sheets.
 - Blankets/comforters could also be covered with a freshly washed duvet cover as an alternative.
- Linens and bedding should be professionally laundered, at the correct temperatures and with the correct chemical chemistry for proper cleaning and sanitization. If you only have the option to launder in the property, extra time will be required as a longer dry time at the highest setting the linen will allow is required. Be aware, fabrics that require a low temperature are not going to be sanitized.

Trash Removal

- For both in-property trash gathering or outside trash in container collection and removal:
 - Gloves and masks should be worn at all times.
 - When picking up trash one should always be aware of sharps and jagged pieces of glass or metal that could cut the individual as they are carrying the bag.
 - One should never use their hand to push “compact” the trash bags in the trash bin so more bags can be added. This should always be done with an engineering device such as a stick, shovel, rake, etc.
 - Use a disinfecting product on the trash barrel or bin and place a fresh liner or bag inside.

Maintenance

- Triage your maintenance requests. VRHP/VRMA recommends letting guests know that some smaller requests that can wait until guest departure may not be able to be honored. Whether or not to compensate the guest for not addressing an issue is a business decision for your company.
- The safest policy is to only dispatch a maintenance technician or third-party vendor if the issue is truly something that needs to be handled immediately, while the guest is still in residence. Non-essential visits should be severely limited or restricted.
- VRHP/VRMA strongly recommends that all guests should vacate property for the maintenance tech to enter. Entry when guests are present should be discouraged.
- Technicians should wear gloves and masks at all times, disposing of those properly after exiting. In addition, VRHP/VRMA strongly recommends that anyone entering a property less than 18 hours after guests have vacated the premises should wear splash goggles.

Owner and Guest Policies

- In light of the stringent cleaning protocols, VRHP/VRMA does not recommend that owners or guests be allowed to clean with no follow-up work from your company.
 - If an owner or guest offers to clean, and you wish to allow this, VRHP/VRMA recommends that you implement a “Professional Disinfection Cleaning” that does a once-over with disinfecting products after the owner or guest has done their version of cleaning. How much to charge for that is a business decision for your company.
- VRHP/VRMA recommends that all extra throw blankets, decorative pillows, or other soft objects should be boxed or bagged up and put away until further notice.
- Additional pillow protectors, pillows, mattress pads/protectors, blankets, comforters (or duvet covers) should be purchased, as possible, so they can be easily changed and laundered.

Telling Your Story

- Consider placing a “This property has been properly cleaned and sanitized for your arrival” door hanger on the front door or put other signage in the property.
- Create a page on your website or blog that outlines what you are doing to clean, sanitize, and disinfect and keep guests safe.
- Send an email to your database of guests informing them of all you are doing to clean, sanitize, and disinfect to ensure that properties are safe.
- Consider adding a sentence to each property listing description stating that your properties are clean and safe for arrival and ready for the guests’ vacation.

From: [Josh Ward](#)
To: [Michael Mathis](#)
Subject: Fw: Dog Mountain Property Association Letter concerning Short Term Rentals
Date: Thursday, December 12, 2019 10:28:48 AM
Attachments: [Dog Mountain Letter to Mayor.docx](#)
[ATT00001.htm](#)
[Outlook-pdyb4sua.png](#)



Joshua P. Ward
Town Manager
(828) 526-2118 ext.1110

From: mayor <mayor@highlandsnc.org>
Sent: Monday, December 9, 2019 11:54 AM
To: Josh Ward <josh.ward@highlandsnc.org>
Subject: Fwd: Dog Mountain Property Association Letter concerning Short Term Rentals
Josh,

Please forward to the commissioners.

Patrick Taylor, Mayor
Highlands, NC
Sent from my iPad

Begin forwarded message:

From: Tom Coley <tom.coley@charter.net>
Date: December 9, 2019 at 11:29:50 AM EST
To: mayor <mayor@highlandsnc.org>
Subject: **Dog Mountain Property Association Letter concerning Short Term Rentals**

Dear Mayor Taylor,
Please find attached our Association letter in opposition to short term rentals. I am also asking that you forward this letter to other council members for their consideration. Thank you for your leadership in this most important issue.
Regards,
Tom Coley
President
Sent from my iPad



Begin forwarded message:

>

>

>

>

>

> Revised.

>

>

>

>

> _____

>

>

>

Dear Mayor Taylor and Town Council,

I am writing on behalf of Dog Mountain Property Owners Association Board of Directors regarding short term Rentals in R-1 neighborhoods such as ours. The Board and the majority of our Association members are very much opposed to short term rentals.

Many municipalities over the last few years have begun to realize the problems associated with the explosion of short-term rentals in their neighborhoods. Highlands is no exception, and our neighborhood on Dog Mountain Road is a very good example of the havoc, disruption, and destruction resulting by allowing these rentals. We have had property damage from these renters, such as destruction of road mirrors, split rail fences, as well as loud noises from wedding parties requiring police intervention along with a lack of regard for garbage protocol, increased traffic, and speeders. All of this diminishes the quiet enjoyment and long-term stability of our neighborhood.

We fully understand the confusion that has arisen all over the country from unclear ordinances combined with the demand generated by the online platforms of Airbnb, VRBO, HomeAway, and the like. We therefore greatly appreciate the time and effort of you, and Council to consider the appropriate restrictions that will allow our neighborhoods to retain their inherent character.

First, let us state that our interpretation of the Highlands Ordinance is that short term rentals are not currently allowed as they are and should be considered "commercial enterprises" which are not allowed within neighborhoods zoned R1. Renting a home in a short-term nature (less than 30 days) like a hotel, boarding house, or Bed and Breakfast is clearly a commercial enterprise.

Many of the owners of these homes are not residents of these houses, but investors, often owning multiple homes, and done so for purely commercial profit reasons.

This leads to a significant deterioration of the social fabric of our neighborhoods in a variety of ways:

1. Inflating rental costs--Short term rentals artificially inflates the rental costs of permanent residents by removing these homes from the longer-term rental market. In particular, this harms the employment base of our commercial entities by making it difficult to live in the area.
2. Inflating home prices-- Short term rentals artificially inflates the purchase price of homes as investors are willing and able to pay the higher prices, pushing out longer term residents that are important to neighborhood and town stability.
3. Nightly out of town renters have no stake in the peaceful enjoyment or sense of community. They have no reason to care how the neighborhood around them suffers from the disruption. There is good reason that zoning codes have historically and consistently kept hotels out of residential neighborhoods. Illegal short-term rentals ignore zoning restrictions and make virtually any residence into a hotel/party house. Wedding parties that would never consider taking their noise out into the halls or terraces outside of their hotel rooms, often do so on the decks and other open spaces outside of their nightly rental houses in Highlands.
4. Do not adhere to safety code requirements--These commercial entities are frequently operated without complying with health, fire and safety code requirements that are required of hotels, motels, B&B's, and Boarding Houses.
5. These commercial entities often avoid paying transient occupancy taxes or other fees important to the Town's tax base.

While we do not oppose longer term rentals of 30 days or more, or even allowing legally permitted homestays, through which residents can rent out a room while living in the same house, we strongly

oppose the rental of entire homes in home rentals of less than 30 days. Anything less, hurts the neighbors and citizens of the Town of Highlands, and is extremely difficult to enforce.

We can all agree that Highlands is a special place for beauty and tranquility. However we fear that we are in danger of losing this to the growing scourge of short term rentals. Therefore, we are asking that the Town enact ordinances that require a 30 day rental in R-1 neighborhoods. We also strongly recommend that current Short term rental properties in R-1 neighborhoods not be grandfathered. Representing the entire Board, I strongly encourage you and Council to restrict short-term rentals in the Town of Highlands.

Thank you for your consideration.

Sincerely yours,

Tom Coley, President
Dog Mountain Property Owners Association

MEMORANDUM

TO: Honorable Patrick Taylor – Mayor of Highlands
Members of Town Commission of Highlands
Josh Ward – Town Manager
Michael Mathis – Assistant Planning Director

FROM: Dog Mountain Property Owners Association (DMPOA)

DATE: July 29, 2021

RE: Analysis of Legality of Short-Term Rentals in the Town of Highlands

Many municipalities over the last few years have begun to realize the problems associated with the explosion of short-term rentals (STRs) in their neighborhoods. Highlands is no exception, and our neighborhood on Dog Mountain Road is a very good example of the disruption and destruction that results from these nightly rentals. We have had property damage directly attributable to this use including the vandalism of road mirrors, split rail fences, and landscaping. Additionally, we have had a dramatic increase in noise, garbage, traffic, and speeders. All of this diminishes the long-term residents' quiet enjoyment of their homes, and the long-term stability of our neighborhood. This situation is likely to worsen—out of a total of 26 homes on Dog Mountain we currently have three properties offered for short term rental, with two to three more very likely to come onto the market in the near term.

The DMPOA Board, and every member we have been able to talk to, are opposed to short-term rentals in R-1 Single Family Neighborhoods

Short-term rentals lead to a significant deterioration of the social fabric of our neighborhoods:

1. Short-term rentals make our single-family neighborhood less desirable.
2. Long term residents therefore are more likely to give up on their neighborhood and community. The very atmosphere and character of our neighborhoods that the Highlands Community Plan refers to, and strongly encourages the preservation of, can't continue to exist when it becomes just a road with multiple small hotels/motels on it.
3. In the near term, short-term rentals artificially inflate the purchase price of homes as investors are willing and able to pay higher prices, particularly in the more affordable neighborhoods, reducing availability, and pushing out local, and long-term residents that are important to neighborhood stability.
4. Short-term rentals artificially inflate the rental costs of residents by removing these homes and apartments from the longer-term rental market. This harms the employment base for our local businesses by making it difficult and more expensive for their employees to live in the Town.



5. Nightly out of town renters have no stake in the peaceful enjoyment of our neighborhoods or sense of belonging to our community. They have no reason to care how the neighborhood around them suffers from the disruption they cause.
6. Additionally, single-family homes in R-1 neighborhoods, are being converted into multi-family homes by the addition of separately locked apartments or converting garages into apartments, in violation of the R-1 single family requirements. These are additional violations of the Code, and are being done so that the house can be offered as a nightly accommodation.
7. There are fundamentally sound reasons that zoning regulations have historically and consistently kept commercial uses like hotels, motels, tourist homes, boarding houses, and Bed and Breakfasts out of residential neighborhoods. Short-term rentals ignore current zoning restrictions by allowing any residence to be used as hotel/motel/party house. Overnight guests who would never consider taking their noise and disruption into the halls or terraces outside of their hotel rooms, have no problem partying on the decks and other open spaces outside of their nightly rental houses.

Short-term rentals are currently illegal in the Town's R-1 Single Family Neighborhoods, because as an overnight accommodation they are a commercial use, i.e. tourist homes or hotels/motels

Rentals of overnight accommodations, whether a Hotel, Motel, Tourist Home, Bed and Breakfast, Inn or Boarding House or other type of accommodation are clearly designated as commercial uses by the Highlands Uniform Development Ordinance (UDO). Sec 6.5 of the UDO states:

“Commercial uses shall include Indoor Recreation and Entertainment, Overnight Accommodations, Retail or Wholesale Business and Restaurants, Professional Office or Studio, and Industrial Businesses.”

Since the adoption of the original Highlands zoning ordinance approximately 50 years ago, commercial uses have always been prohibited in R-1 zones. Therefore there is no issue of “grandfathering,” which can arise when a use was legally undertaken, but was later made illegal.

Moreover, STRs meet the definition of hotels, motels, and tourist homes, all of which are prohibited by name in R-1 Single Family Neighborhoods, by the Use Table of the UDO (Sec. 6.2).

The definitions of “accommodation”, “hotel/motel” and “tourist home” appear in Sec. 2.3 (“Definitions”) of the UDO. They are, respectively:

- Accommodation: Any part of a building used as or constituting a unit used as temporary lodging for an individual or a single family. See also hotel, motel, and tourist home.

-Hotel/Motel: A hotel or motel is any building containing five (5) or more guest rooms where temporary sleeping accommodations – and in some cases minimal eating and cooking facilities – are provided for guests on a daily or weekly basis.

- Tourist home: A building or part thereof, other than a hotel or motel, where sleeping accommodations of not more than four (4) rooms are provided for occasional transient paying guests with daily charge; tourist homes shall include bed and breakfast homes or inns.

Note that the definition of “tourist home” says that it “shall include bed and breakfast homes or inns”; it does not say that a tourist home “is” a bed and breakfast or inn. Whether it is designated as a bed and breakfast/inn or not, a building is a tourist home if it provides accommodations for occasional transient paying guests with a daily charge, as the definition states.

Every short-term rental property on Dog Mountain Road, and every short-term rental property we have seen listed in Highlands, is charged at a daily rate, is available for rental for as little as one night, and therefore provides overnight accommodations to transient guests.

Thus, short-term rentals as overnight accommodations meet the definition of “commercial uses” in Sec. 6.5, as well as of “tourist homes” or “hotels/motels” in Sec. 2.3 (the only distinction between these being size). As such, they are prohibited in R-1 zones.

Under the North Carolina Sales and Use Tax Act, the rental of accommodations is characterized as a retail business and the State imposes its standard sales tax on the gross receipts from such rentals. Accommodations, to which the tax applies, are defined as a hotel room, a motel room, a residence, a cottage, or a similar lodging facility for occupancy by an individual. This tax applies to short term rentals of accommodations for periods of less than 90 days.

Furthermore, Macon County currently collects its occupancy tax (“room tax”) on short-term rentals, as well as on hotels, motels, etc. Highlands accepts its share of this tax which Macon County collects. In North Carolina, an occupancy tax is “generally applied to any lodging property that also pays sales tax, including hotels, bed and breakfasts, cabins, condominiums, and rental homes for short-term stays.” (2020 Profile of North Carolina Occupancy Taxes and Their Allocation, p. 5; by Magellan Strategy Group.) This is yet another indication that short-term rentals are, and should be, accepted as similar to hotels/motels by Macon County and by the Town of Highlands.

As a matter of information, tourist homes are allowed as a Special Use in R-2 zones (UDO Sec. 5.2.2), but must be specifically permitted by the Town; and in order to receive a permit, they must meet the criteria of UDO Sec. 6.5.10. This section is not the definition of a tourist home; it is a set of requirements to receive a permit to operate a tourist home in a zone where it is

allowed as a special use, i.e. R-2. Incidentally, Sec. 6.5.10 is in Chapter 6 of the UDO, which is entitled "Commercial Uses."

**Yet, the Town has so far declined to enforce the prohibition of short-term rentals in R-1.
Why?**

The Highlands Town Manager appears to believe, or at least has believed in the past, that the prohibition on short-term rentals in R-1 zones cannot, or should not, be enforced in Highlands. This seems to be based primarily on what we believe is clearly a misreading of the UDO, to wit: a belief that, in order to be defined as a tourist home, a property must meet all the "laundry list" conditions of Sec. 6.5.10. But as noted above, this is clearly not the section which defines the term "tourist home." That term is defined in Sec. 2.3 ("Definitions"). The conditions in Sec. 6.5.10 ("Commercial Uses") are the conditions which must be met in order for a tourist home to be given a Special Use Permit in an R-2 or "lower" zone. It is nonsensical to suggest that, while these conditions must be met in an R-2 zone, anything goes in an R-1 zone, despite the fact that short-term rentals clearly meet the definition of "tourist home" contained in Sec. 2.3 ("Definitions").

The Town Manager has also said, correctly, that Highlands must follow North Carolina case law. But there is no controlling North Carolina case law that we know of. If there is, we would appreciate the citation. The Manager mentioned the recent case *Schroeder v. City of Wilmington*, where a trial court overturned Wilmington's new short-term rental ordinance. But the ruling dealt only with Wilmington's ordinance, which is completely different from Highlands' UDO. Moreover, a decision by a trial court is not binding, except between the two parties. As to third parties, it is not "case law" until the highest available appellate court in the state has pronounced on it. The decision may be reversed at any level, and cannot and should not be relied on until all appeals have been exhausted. There are also other, in-process cases in North Carolina. All the ordinances are different, and for that reason, so may be the decisions.

The Manager also points to a case mentioned in a bulletin from the UNC School of Government called *Coates' Canons*. The case is styled *Shveck v. Zoning Hearing Board of Stroud Township* 153 A.3d 408 (2017). It held that an STR was not a tourist home. But this is a Pennsylvania case! There is a directly contradictory New Hampshire case, *Working Stiff Partners LLC v. City of Portsmouth*, 2019 WL 4725178 (N.H. Sept. 27, 2019), also mentioned in *Coates' Canons*. It concluded that STRs are transient lodging. These are interesting, but neither one of them, nor any other out-of-state case, is controlling in North Carolina.

The Manager also says that the Town relies on the UNC School of Government for advice on many matters including zoning, which is understandable for a small town. He quotes a *Coates' Canon* article (24 Aug 2018) in which the author, Rebecca Badgett,

says: "Attempting to ban short-term rentals (STRs) by [relying on] existing single-family residential zoning ordinances" may not work, because they are not specific enough.

But this is only a partial reading of the article, and of course everything depends on the exact wording of a jurisdiction's existing ordinance. In this same article, Ms. Badgett goes on to say, "Because STR hosts are renting their dwellings to transients for compensation....it would be reasonable to zone STRs as a commercial use. To do so, the ordinance should distinguish a transient use from a residential use, clarifying that renting to transients is considered a commercial use which is prohibited in residential areas."

But this is exactly what the Highlands ordinance does! It does not use the term "STR", rather the term "tourist home", which is defined (ODU Sec. 2.3) as a property renting to "transient paying guests", and is prohibited in the R-1 zone.

So, this Coates' Canon article actually argues for, rather than against, Highlands' ability to ban STR's in R-1 zones, under its existing ordinance.

The Manager has also said that the North Carolina General Assembly may pass legislation on short-term rentals, and suggested that Highlands should wait to see whether that happens before making any move regarding short-term rentals. But the General Assembly may pass legislation on virtually any subject, at any time – or not. This fact does not, and should not, prevent Highlands from taking other lawful actions in the meantime. In the event that a state law is enacted that supersedes a Highlands ordinance or action, the Town will and should simply make the appropriate adjustment.

Beyond all of these legalistic arguments, it would appear that part of the Town's reluctance to enforce the prohibition on short-term rentals/tourist homes in R-1 zones, stems from the fear of being sued. A number of other North Carolina jurisdictions have enacted bans or regulations on STR's, and a number of them have been sued by allegedly aggrieved property owners, causing the jurisdictions to incur legal costs to defend their actions.

It is true that this could happen to Highlands. In reply to this argument, however, we would make three points:

- First, our society has become very litigious, and so Highlands today runs the risk of being sued for almost anything it does or doesn't do. This doesn't stop the Town, for example, from enforcing the garbage ordinance, or the noise ordinance, or the DUI law – nor should it.
- Second, Highlands can and should learn from the legal experience of other towns. Highlands should not blindly or willfully take action that will clearly be overturned (for example, something that is contrary to an existing state statute). But likewise Highlands cannot and should not wait for everybody's case to be finally adjudicated. That could

literally take forever, as STRs are such a widespread problem that new ordinances and new lawsuits can be expected over and over again, indefinitely into the future.

- Third, and most important: It is true that Highlands could be sued by someone for enforcing the R-1 prohibition on STRs/tourist homes. But it is also true that Highlands could be sued by aggrieved homeowners for a mandatory injunction to require the Town to enforce the R-1 prohibition on STRs/tourist homes. This too would incur legal costs. So while actions to enforce the prohibition on STRs carry the risk of litigation, so too does the act of not enforcing it.

Summary

- 1.** The current UDO already authorizes, indeed mandates, the Town to immediately address the STR problem by enforcing the existing prohibition on Commercial Uses (Overnight Accommodations/Tourist Houses) in Residential Zones, specifically R-1.
- 2.** Taking action now would address a problem identified by more than 62% of the respondents to the town Community Plan survey. It would stop the growth of the problem and the growth of the damage it is causing to the fabric of Highlands' residential neighborhoods. (Recall that this survey was open to business respondents as well, likely skewing that percentage downward.)
- 3.** Acting now to eliminate STR's where they are not lawful, does not prevent the Town from regulating them where they are lawful. Nor does it prevent the town from amending its UDO to encourage the growth of STRs in the Town's downtown business district, as some in the business community have advocated. Indeed, it will facilitate such amendments, because local homeowners – assured of the Town's support in enforcing its UDO – will support the effort.
- 4.** Failure to enforce the current UDO does not avoid the risk of litigation. Rather, it exposes the Town to the risk of being sued by aggrieved homeowners who bought their homes in reliance on R-1 protections, only to find that the UDO is not enforced.

Fundamental Questions for the Town of Highlands

- What are you going to do to protect the interests of those who purchased their homes (and, in the case of Dog Mountain, unanimously supported annexation into the town) in reliance on the protections promised in the UDO to R-1 neighborhoods?
- *Why would the town choose to side with transient hotel guests renting for one or two nights over the legitimate interests of long-term homeowners, both year-round and seasonal, who have steadfastly exhibited a deep attachment to Highlands, its institutions, and its businesses?*
- *Why won't you enforce this?*
The Town's UDO intentionally and clearly designates "overnight accommodations" to be in the Commercial District, not in neighborhoods zoned R-1, where a commercial use is not allowed.
- *What kind of Highlands do you want to have in 5 years?*
One that is just a staging area for an endless stream of transient guests, or a community that is sustained by residents, year-round and seasonal, who have a real personal commitment to it?

Links:

Town of Highlands UDO Use Table

https://library.municode.com/nc/highlands/codes/unified_development_ordinance?nodeId=USRE_ART6USRE_S6.2USTA

Harvard Business Review STR effect on rentals <https://hbr.org/2019/04/research-when-airbnb-listings-in-a-city-increase-so-do-rent-prices>

Dog Mountain Property Owners Association (DMPOA) Board of Directors

RESOLUTION, Adopted by Unanimous Board Vote, August 6, 2021

WHEREAS, Dog Mountain Road is part of the Town of Highlands, and in a neighborhood zoned R-1;

WHEREAS, the Dog Mountain Property Owners' Association and its residents are governed by and rely on the Town's Unified Development Ordinance (UDO) for the protection of their quality of life, quiet enjoyment of their homes and preservation of their property values;

WHEREAS, the Town's UDO in Section 6.5 specifically states that an "Overnight Accommodation" is a Commercial Use;

WHEREAS, short-term rentals are overnight accommodations and as such are commercial uses which are therefore prohibited in R-1 Neighborhoods;

WHEREAS, notwithstanding that short term rentals are illegal and prohibited on Dog Mountain under the UDO, certain Dog Mountain property owners as well as other business operators are engaged in this illegal commercial activity on Dog Mountain to the detriment of the quiet enjoyment, quality of life and property values of the residents of Dog Mountain;

NOW, THEREFORE, BE IT:

RESOLVED, that the DMPOA Board finds that it is in the best interests of the Association and its residents that the Association take formal action against any short-term rentals (rentals of less than 90 days) occurring on Dog Mountain;

RESOLVED FURTHER, that the officers of the DMPOA be, and hereby are authorized, empowered and directed to take any and all action to cause the current illegal short term rental activity on Dog Mountain to be shut down including, but not limited, to: reporting to the Town Manager any and all such violations of the UDO relating to such illegal short term rentals; demanding that the Town issue cease and desist orders and impose fines against any property owners whose properties are being used for short term rental; engaging legal counsel to take any and all actions to shut down short term rentals on Dog Mountain; and calling the police where necessary to stop secondary offences such as speeding, vandalism, excess noise, trash, etc.;

RESOLVED FURTHER, that the Board hereby authorizes, empowers and directs the officers of the Association to communicate this information to all current and prospective property owners on Dog Mountain by both written and verbal communication; and



RESOLVED FURTHER, that the Board hereby authorizes the officers of the Association, and each of them, to take such other actions as they may deem necessary or appropriate to affect the intent of these resolutions.

**Town of Highlands
Board of Commissioners Meeting
Via Zoom**

**Thursday, August 19th, 2021
7:00pm**

*****Agenda*****

1. Meeting Called to Order *Mayor Patrick Taylor*
2. Public Comment Period *Mayor Patrick Taylor*
3. Review and Approve Agenda *Mayor Patrick Taylor*
4. Reports
A. Mayor
B. Commissioners and Committee Reports
C. Town Manager
5. Consent Agenda *Mayor Patrick Taylor*
Public Works Department *Page 2*
Police Department *Pages 3 ~ 6*
Parks & Recreation Department *Pages 7 ~ 9*
Planning & Development Department *Pages 10 ~ 12*
Treasurer's Report *Pages 13 ~ 35*
Planning Board Appointment *Pages 36 ~ 38*
Firemen's Relief Board Appointment *Page 39*
6. Public Hearing: *Michael Mathis* *Pages 40 ~ 52*
Proposed Amendments to the Unified Development Ordinance
for NCGS 160D Compliance (Developmental Approvals)
A. Open Public Hearing
B. Staff Comments/Recommendation
C. Public Comments
D. Close Public Hearing
E. Council Action
7. Windship Partners, LLLP Subdivision (Holt Circle) *Michael Mathis* *Pages 53 & 54*
Preliminary & Final Plat Approval Request
8. Ellis Annexation Request *Michael Mathis* *Pages 55 ~ 58*
9. Highlands Food & Wine Presentation *Casey Reid* *Pages 59 ~ 64*
Eleven Events
10. Chamber Events Request *Kaye McHan*
Executive Director
11. Big Bear Pen Tower Attachment Discussion *Matt Shuler*
12. Covid-19 Protocol Discussion *Mayor Patrick Taylor*
13. Closed Session: Pursuant to NCGS §143-318.11(a)(3):
Attorney Client Privilege: Short Term Rental Discussion
14. Adjournment *Mayor Patrick Taylor*





PUBLIC NOTICE

The Regular Meeting of the Town of Highlands Board of Commissioners will be held on Thursday, August 19, 2021, at 7:00pm **via an Electronic meeting**. The Town of Highlands, Macon County and the State of North Carolina are under a State of Emergency. The Town under North Carolina General Statute 143-318.13 will host an electronic meeting. This meeting will be hosted via zoom and will be available for call in and web access.

The Zoom Meeting information is as follows:

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/89712011604?pwd=WlFxcUZiRWl1eUZiQXJWZlZaWw4QT09>

Passcode: 810340

Or One tap mobile :

US: +13017158592,,89712011604#,,,,*810340# or
+13126266799,,89712011604#,,,,*810340#

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

US: +1 301 715 8592 or +1 312 626 6799 or +1 929 436 2866 or +1 253 215 8782 or
+1 346 248 7799 or +1 669 900 6833

Webinar ID: 897 1201 1604

Passcode: 810340

International numbers available:

<https://us02web.zoom.us/j/89712011604?pwd=WlFxcUZiRWl1eUZiQXJWZlZaWw4QT09>

This 18th day of August, 2021.

Rebecca R. Shuler, CGFO
Finance Director

Begin forwarded message:

From: "Badgett, Rebecca" <rbadgett@sog.unc.edu>
Date: August 23, 2021 at 9:13:31 AM EDT
To: Marc Hehn <marchehn@nctv.com>
Subject: **RE: Short Term Rentals**

Hello Commissioner Hehn,

I read your code provisions. You aren't necessarily in a mess. I have an idea as to why the attorney may think that STRs are prohibited in R-1 zones. Specifically, the code's definition of tourist homes is broad enough to encompass short-term rentals. Is that the issue? However, a narrow interpretation of "tourist home" could be read to prohibit B&B's, or inns, but not prohibit the rental of a whole-house as an STR.

It is not uncommon for STRs to be treated the same as other residential dwelling units. In the Town's case, dwelling units are allowed in the R-1 district, and therefore STRs would be allowed too.

A dwelling unit is: A single residential unit consisting of one (1) or more rooms designed, occupied, or intended for occupancy as separate living quarters, with cooking, sleeping, and bathroom facilities provided within the dwelling unit for the exclusive use of a single-family maintaining a household.

This definition may apply to STRs. In short, just because a dwelling unit is rented on a short-term basis does not mean that its use has changed to a commercial use or that the use fits under the tourist home definition.

There is one appellate court case in NC that suggests STRs are a residential use, despite the fact that a property is advertised as a STR and a financial benefit is received.

Russell v. Donaldson (read page 9)

<https://law.justia.com/cases/north-carolina/court-of-appeals/2012/12-183.html>



You can always amend the code to regulate STRs as a distinct land use. If you do nothing, I think you have a fair argument that STRs are allowed anywhere other residential dwelling units are allowed, including R-1.

I'd be glad to talk to you in greater detail. I would also be happy to discuss this with your attorney if that is helpful.

Rebecca
919-966-8757



PUBLIC NOTICE

The Regular Meeting of the Town of Highlands Board of Commissioners was recessed until Tuesday, August 24, 2021, at 3:00pm **via an Electronic meeting**. The Town of Highlands, Macon County and the State of North Carolina are under a State of Emergency. The Town under North Carolina General Statute 143-318.13 will host an electronic meeting. This meeting will be hosted via zoom and will be available for call in and web access.

The Zoom Meeting information is as follows:

<https://us02web.zoom.us/j/83500536824?pwd=ODdEa2lMakVhUbVFzQoV2ZHVVdz09>

Passcode: 233163

Or One tap mobile :

US: +13126266799,,83500536824#,,,,*233163# or
+19294362866,,83500536824#,,,,*233163#

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

US: +1 312 626 6799 or +1 929 436 2866 or +1 301 715 8592 or +1 346 248 7799
or +1 669 900 6833 or +1 253 215 8782

Webinar ID: 835 0053 6824

Passcode: 233163

International numbers available:

<https://us02web.zoom.us/j/k70VOB34j>

This 19th day of August, 2021.

Rebecca R. Shuler, CGFO
Finance Director



**DOG MOUNTAIN PROPERTY OWNERS ASSOCIATION, INC.
P.O. BOX 1114
HIGHLANDS, N.C. 28741**

Press Release

August 24, 2021

The Dog Mountain Property Owners Association and our residents are gratified that the Town of Highlands has made clear that short-term rentals are a commercial use and, as such, have always been prohibited in the R-1 zoning district. We are very appreciative that the Board of Commissioners have instructed the Town staff to enforce the law. This is simply a matter of fairness to the residents who bought their homes in reliance on the protections of the Town's zoning ordinance. To be clear, we are not opposed to short-term rentals, but they should be located in our commercial and business districts, just like other overnight accommodations. We understand the Town's thinking in delaying enforcement so that those who are currently violating the law may bring their conduct into compliance with the law.

The Town of Highlands Community Plan stresses the importance of protecting and preserving our single-family neighborhoods as a vital part of our community. Indeed, they are the foundation of a successful town where there's a place for everyone. The Board's decision to enforce the current law will help ensure this protection.

Bill Long
President, Dog Mountain Property Owners Association



Sent from my iPhone

Begin forwarded message:

From: mayor <mayor@highlandsnc.org>
Date: August 25, 2021 at 1:04:15 PM EDT
To: Garrard Adams <garrardadams1000@yahoo.com>
Subject: Re: Short Term Rental Ban?

R1,2,3

Patrick Taylor, Mayor
Highlands, NC

On Aug 25, 2021, at 11:53 AM, Garrard Adams
<garrardadams1000@yahoo.com> wrote:

Is the ban on short term rentals for just R1 or are other zones affected?
Thanks!
Garrard Adams

Sincerely,

Steve Abranyi

steve@greenmountainbuilders.com
(828) 342-3234 mobile
(828) 787-2297 office
P.O. Box 2633
Highlands, NC 28741



From: mayor <mayor@highlandsnc.org>
Sent: Wednesday, August 25, 2021 8:52 PM
To: steve greenmountainbuilders.com <steve@greenmountainbuilders.com>
Subject: Re: STR

Our attorney is working on that issue. He will release an opinion soon.

Patrick Taylor, Mayor
Highlands, NC

On Aug 25, 2021, at 6:48 PM, steve greenmountainbuilders.com
<steve@greenmountainbuilders.com> wrote:

what do they consider short term?
Are one-month rentals going to be allowed in R1?

Sincerely,

Steve Abranyi

steve@greenmountainbuilders.com
(828) 342-3234 mobile
(828) 787-2297 office
P.O. Box 2633
Highlands, NC 28741



From: mayor <mayor@highlandsnc.org>
Sent: Wednesday, August 25, 2021 11:30 AM



To: steve.greenmountainbuilders.com <steve@greenmountainbuilders.com>
Subject: Re: STR

Steve,

Don't quote me. The focus of contention is on R1 and 2. B zones are good to go. If there are any changes it will probably be in R2.

I won't be surprised if we end up in court.

A lot can happen between now and January 3, the date set for enforcement.

Patrick Taylor, Mayor
Highlands, NC

On Aug 25, 2021, at 8:57 AM, steve.greenmountainbuilders.com
<steve@greenmountainbuilders.com> wrote:

Good morning.

I don't expect you to return this email for a day or two. I am sure your inbox was full this morning!!

Do you know if there are any plans to restrict other zones in the city limits other than R1, like R2?

I'm trying to wrap my head around where this is going.

Thank you.

Sincerely,

Steve Abranyi

steve@greenmountainbuilders.com
(828) 342-3234 mobile
(828) 787-2297 office
P.O. Box 2633
Highlands, NC 28741





Mayor Taylor and Manager Ward:

At the reconvened August 24 meeting where Short Term Rentals (STRs) were the topic of discussion, the Board reached a majority consensus to direct staff to enforce all its residential ordinances with the implementation to begin on January 3, 2022. Commissioner Calloway dissented. The discussion covered a lot more than that narrowly focused consensus stated just before adjournment, however. The full discussion should be taken into consideration because the clear implication is that STRs will not be allowed in the R-1 District beginning in January. To make that point clear is the purpose of this memorandum.

The Unified Development Ordinance (UDO) states at §6.1.C *“any use not specifically set forth in the use category is expressly prohibited.”* §5.2.1 Residential District R-1 is a *“low-density residential district for single-family dwellings”* only. Since it does not permit STRs, they are prohibited. On the other hand, R-2, a medium-density district, allows *“tourist homes”* with a special use permit. A tourist home *“includes bed and breakfast homes or inns... where sleeping accommodations of not more than four (4) rooms are provided for occasional transient paying guests.”* R-3, a high-density district, does not allow overnight accommodations at all. It should be noted that tourist homes and bed and breakfasts, like hotels and motels, are overnight accommodations and are classified as *“commercial uses”* in §6.5, thus the requirement of a special use permit.

Therefore enforcement in January means issuing a notice of violation to all R-1 owners who use their homes as STRs. STRs are not defined in the UDO, and perhaps they should be. The Board expressed interest in reviewing STRs in light of the special use permit opportunity in R-2 (and maybe in R-3) because the use is so similar to a tourist home or bed and breakfast. It requested that I employ an expert to guide it in further discussions this fall. I have already taken steps to do that.

J.K. Coward, Jr.

Attorney at Law



allen stahl+ kilbourne

828.254.4778 asklawnc.com
20 Town Mountain Rd., Suite 100
Asheville, NC 28801

ROBERT C. "BO" CARPENTER
Attorney at Law
bcarpenter@asklawnc.com

September 16, 2021

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Town of Highlands Planning and Development Director
210 North Fourth Street
Highlands, NC 28741

Re: Request for Interpretation

Dear Planning and Development Director,

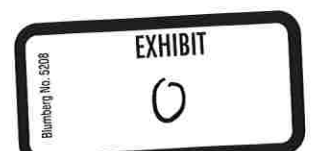
Pursuant to Sections 4.1.1 – 4.1.3 of the Unified Development Ordinance of the Town of Highlands ("UDO") and on behalf of clients of the firm, I request that you interpret the UDO to determine whether it prohibits short term rentals from operating in the R-1, R-2, or R-3 zoning districts. Your required written interpretation under Section 4.1.3(B) should be provided to me directly as soon as possible and may be provided electronically.

Best regards,



Robert C. Carpenter

cc: J.K. Coward (via email: jkcoward@chspa.com)
Josh Ward (via email: Josh.Ward@HighlandsNC.org)
Patrick Taylor (via email: mayor@HighlandsNC.org)



Appeal of Decision of Zoning Administrator

Town of Highlands,
North Carolina

Date: 9/22/2021

Application # APP _____

Type of Administrative Decision Being Appealed: See attached.

Location of Property Affected:
See attached.

Date of Administrative Decision: August 24, 2021; September 6, 2021

Petitioner (if other than owner authorization form required) See attached.

Petitioner's Mailing Address:
See attached

Petitioner's Phone: See attached. Fax: See attached. Cell: See attached.

Petitioner's E-Mail: See attached.

Section 4.19.1: Appeals of Administrative Decision to Zoning Board of Adjustment, Town of Highlands Unified Development Ordinance:

No appeal shall be heard by the Zoning Board of Adjustment unless a written notice of appeal is filed within ten (10) days after the interested party or parties receive notice of the order, requirement, decision, or determination by the Planning and Development Director and Stormwater Administrator. Appeals shall be made upon the form furnished for that purpose, and all information required thereon shall be complete before an appeal shall be considered as having been filed.

Appeals shall be addressed and submitted to the Zoning Board of Adjustment and shall be delivered to the office of the Planning and Development Director and Stormwater Administrator. All documents, pleadings, and transcripts or certified copies thereof, constituting the record upon which the action being appealed from was taken, shall forthwith be transmitted to the Zoning Board of Adjustment by the Planning and Development Director and Stormwater Administrator. Upon service of the notice of appeal, accompanied by the supporting documents, upon the Chairman or Vice-Chairman of the Zoning Board of Adjustment, the Board shall forthwith fix a date within a reasonable time thereafter for the hearing of the appeal or for a hearing upon any other matter properly referred to it; the Zoning Board of Adjustment shall call a public hearing as outlined in Sec. 4.2.4, Notice and Public Hearings, shall give due notice thereof to the parties in interest, and render a decision upon the same within a reasonable time after the hearing. At the hearing, any party may appear in person or be represented by his authorized agent or attorney.



See attached.

I certify that all of the information in this application is accurate to the best of my knowledge, information, and belief.



SIGNATURE OF PETITIONER or
AUTHORIZED AGENT

9/22/21

DATE

PLEASE ATTACH PETITION FEE OF \$250.00.

DATE PAID: _____

Attachment to Administrative Appeal Form

Pursuant to N.C. Gen. Stat. § 160D-405 and the Unified Development Ordinance of the Town of Highlands (“UDO”), the aforementioned petitioner appeals from the decision of the Board of Commissioners made on August 24, 2021, interpreting the Unified Development Ordinance to prohibit short term rentals in the R1, R2, and R3 zoning districts and the letter posted in or around September 6, 2021, written by the Town Attorney stating the same.

The grounds for the appeal, include, but are not limited to the following:

1. Neither the Board of Commissioners nor the Town Attorney had authority under the UDO or the North Carolina General Statutes to render administrative decisions or to interpret the ordinance.
2. The UDO on its face does not prohibit short term rentals in the R1, R2, and R3 zoning districts. The interpretation of the Board of Commissioners and the Town Attorney is an improper or erroneous interpretation of the UDO.
3. The Town of Highlands did not comply with the proper procedure in making its determination.
4. The decision of the Town of Highlands was unconstitutional.
5. At least one member of the Board of Commissioners had an impermissible conflict of interest under N.C. Gen. Stat. § 160D-109 such that the decision was not sufficiently impartial.
6. The interpretation of the Board of Commissioners and the Town Attorney is an overly strict interpretation of the UDO and will cause a hardship on Petitioners.

Contact information of Petitioners

David K Bee
Highlands Vacation Rentals
& Buyers Agency
419 N 4th Street
PO Box 1716
Highlands, NC 28741
828-526-9999 (O)
828-421-6607 (C)
davidkbee@gmail.com

Brandon and Jennifer Huff
2311 Crockett Park Place
Charlotte, NC 28203
704-975-3189 (Jennifer)
210-422-0129 (Brandon)
klexpropertiesllc@gmail.com

Kristy and Christian Favalli.
662 Wyanoak LLC
12895 Heydon Hall
Roswell GA 30075
Cell: 404.281.8886
kristy@elevatehighlands.com

Becky Blakeney
653 Palisades Dr.
Mount Pleasant, SC 29464
843-330-6161
becky@bsquaredpurchasing.com

All communications should go through legal counsel for Petitioners whose contact information is as follows:

Derek J. Allen
Robert C. Carpenter
Allen Stahl & Kilbourne, PLLC
20 Town Mountain Road, Suite 100
Asheville, NC 28801
828-254-4778
828-254-6646 fax
dja@asklawnc.com
bcarpenter@asklawnc.com

The street address for the properties affected are in Highlands (28741) and as follows:

51 Pine Lane
662 Wyanoak Rd
72 Mt Lori Drive
187 Mt Lori Drive
100 Harris Drive
134 Heatherwood Lane
5 Choctaw Lane
327 Picklesimer Rd
1726 Franklin Rd
7 Worley Rd
48 Holt Knob Rd
931 Wilson Rd
149 Gibson
275 Satulah Ridge Rd


**THE TOWN OF
HIGHLANDS**

RECEIVED
 SEP 29 2021

Derek J. Allen
 Robert C. Carpenter
 Allen Stahl & Kilbourne, PLLC
 20 Town Mountain Road, Suite 100
 Asheville, NC 28801

BY:



RE: Appeal of Zoning Administrator's Decision

The town zoning administrator charged with enforcement of the Unified Development Ordinance has not made a decision from which an appeal may be taken.

Sincerely,

Joshua P. Ward
 Town Manager

ORIGINAL DOCUMENT PRINTED ON CHEMICAL REACTIVE PAPER WITH MICROPRINTED BORDER

<p>HIGHLANDS VACATION RENTALS OPERATING ACCOUNT PO BOX 1716 HIGHLANDS, 28741</p>	<p>Select Bank & Trust</p> <p>66-1233/531</p>	<p>2986</p> <p>9-22-21</p>
<p>PAY TO THE ORDER OF <u>Town of Highlands</u> \$ <u>250.00</u></p> <p><u>Two Hundred Fifty + No/100</u> DOLLARS</p>		
<p>MEMO <u>Appeal filing</u></p>	 AUTHORIZED SIGNATURE	<p style="font-size: x-small;">  SAFE & SECURE SIGNATURE PROTECTION </p>

THIS DOCUMENT CONTAINS HEAT SENSITIVE INK. TOUCH OR PRESS HERE - RED IMAGE DISAPPEARS WITH HEAT.

⑈002986⑈ ⑆053112330⑆ 8060033357⑈

Blumberg No. 5206
EXHIBIT
Q