



TOWN OF KILL DEVIL HILLS

Land Where Flight Began

MEMORANDUM

March 9, 2026

TO: Kill Devil Hills Board of Commissioners

FROM: Debora P. Díaz, Town Manager 

REF: Town Manager's Agenda

1. Leases of Town Property (Attached TM-1A and TM-1B)

Times arise when Kill Devil Hills has the opportunity to utilize its real holdings and enter into leases of Town properties or buildings. Such leases are governed by NCGS §160A-272. This statute requires a 30-day public notice period before a municipality may consider entering into a leasing arrangement.

A. Old Town Hall / Fire Station

Administration's meeting memorandum details how the Mustang Music Outreach Program, Inc., a 501(c)(3) nonprofit, has expressed an interest in leasing a portion Old Town Hall / Fire Station, located at 1634 North Croatan Highway, to provide community-based music outreach, education, and related charitable activities that benefit residents and visitors. Through consensus, the Board of Commissioners has directed Staff to explore the use of and consideration by the Mustang Music Outreach Program in utilizing the space.

B. Chamber of Commerce

Since 1986, the Town has partnered with the Outer Banks Chamber of Commerce, when the 101 Town Hall Drive property was leased and a building was constructed for the Chamber's offices. Administration's meeting memorandum provides an overview of the lease, along with the Board-directed changes.

Guidance is requested, and if the Board of Commissioners directs Staff to move forward, these items will be scheduled for consideration at the Board's April 22, 2026, meeting.



THE TOWN OF KILL DEVIL HILLS
NORTH CAROLINA

ADMINISTRATION

Post Office Box 1719, 102 Town Hall Drive
Kill Devil Hills, North Carolina 27948
Office Hours: 8:00 a.m. – 5:00 p.m. Mon. – Fri.
(252) 449-5300

Town Manager
DEBORA P. DIÁZ

Assistant Town Manager
CHARLENE ALLEN

Town Clerk
JAMES MICHAEL O'DELL

Deputy Town Clerk/
Administrative Assistant
JENNIFER STECHER

Public Information Officer
RACHEL TACKETT

Administrative Specialist
KYLEE MANN

MEMORANDUM

TO: Debbie Diaz, Town Manager
FROM: Charlene Allen, Assistant Town Manager
DATE: March 9, 2026
REFERENCE: Potential Rental Use – 1634 N. Croatan Highway

This memorandum is regarding interest in using a portion of the 1634 N. Croatan Highway (former Kill Devil Hills Fire Station administrative offices and training room and former Town Hall). The Mustang Music Outreach Program, Inc., a nonprofit corporation recognized under Section 501 (c) (3), has expressed an interest and their intent to the Board of Commissioners in utilizing a portion of the space for providing community-based music outreach, education, and related charitable activities that benefit residents and visitors. The Board of Commissioners has a consensus to consider Mustang Music Outreach Program as a potential use for the space and have asked Staff to explore the use in consideration of the Mustang Music Outreach Program renting the space.

Pursuant to N.C.G.S. 160A-272 “Lease or rental of property,” the Town is required to provide a 30-day notice to inform the public before action can be taken by the Board.

The following is information that is required to be included in the notice:

Description of the property: A portion of the space (approximately 3,402 sq. ft.) to be rented at 1634 N. Croatan Highway, Kill Devil Hills

Annual lease payments: \$10,206 plus allocated costs for utilities, insurance, and general. The lease would be for an initial five year term with option to renew for two “two year” renewal terms.

Board guidance is requested.



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MEMORANDUM

TO: Debbie Díaz, Town Manager
FROM: James Michael O'Dell, Town Clerk *jm*
DATE: March 9, 2026
REFERENCE: Renewal of Lease for Chamber of Commerce
– 101 Town Hall Drive

On April 22, 1986, the Town entered into a lease agreement with the Outer Banks Chamber of Commerce, which has resulted in a decades-old partnership between the Town and the Chamber. The lease term is coming to a renewal period in April 2026.

The Board of Commissioners has directed Staff to update the terms of the lease to increase the monthly rent to \$1,000 per month, and update the renewal terms to three “five-year” terms.

Pursuant to N.C.G.S. §160A-272 “Lease or rental of property,” the Town is required to provide a 30-day notice to inform the public before action can be taken by the Board.

The following is information that is required to be included in the notice:

Description of the property: Building and lot located at 101 Town Hall Drive, Kill Devil Hills

Annual lease payments: \$1,000 per month, for an annual rent of \$12,000. The lease would be for a five-year term, with three (3) “five-year” renewal terms possible.

Board guidance is requested, and this item will be on the Board’s Wednesday, April 22, 2026, meeting agenda.