April 23

Subject: Ghost Kitchens

Several weeks ago, I expressed the concern about a national trend and spread of ghost kitchens. A ghost kitchen a commercial kitchen that is operated in a residence, sometimes in secret. I see a parallel with the rapid expansion of STRs in the past few years.

There are companies now advertising how they can help people setup ghost kitchens in their homes. What I have learned from Airbnb and VRBO is that if it's being promoted nationally, it will eventually come to Highlands.

A concerned citizen emailed me making the accusation that as Mayor I was going to send the police out into people's homes to make sure they didn't have a ghost kitchen. Here is the problem with that concern. First, I am a retired NC Magistrate who is fully aware of the constitutional protections about illegal searches and seizures. I cannot, and would not, issue illegal orders to our police, nor can the Board. Furthermore, our police are well trained and know they would have to have a judicial search warrant in order to take such drastic action. The town has no interest in, or plans to, search for ghost kitchens, nor do the police have any enthusiasm to do such searches.

What puzzled me about the citizen's concern was the impression that a North Carolina mayor would have the unilateral power to control and direct law enforcement. NC General Statues have built in checks and balances to prohibit such arbitrary actions by a mayor, or any other elected official for that matter. The state has created what has been called, a "weak mayor" system in order to prevent such abuses.

My concern about ghost kitchens centers around where they would be located and permitted in the town. For instance, we have a licensed business called The Kitchen that operates in a business zone. They are licensed by the Macon County Public Health Department to prepare and sell food. The Kitchen routinely undergoes food and sanitary inspections. Customers come to the Kitchen, park and purchase food. The Kitchen also has a catering service.

Now, can someone open up a similar business in a residential zone? The answer is no at this time. Not only would they have to have a food preparation license from the county, they would not be allowed under current zoning ordinances to operate in the R 1 Zone. While home occupations are allowed in R 2, the permission to operate a ghost kitchen is not currently allowed. That is not to say that after thorough review by the town, that activity might become a permitted use in R 2. What is needed is for the town to complete a review of the issue and take appropriate measures now, before we have a proliferation of unauthorized ghost kitchens.

Another early trend that concerns me is based on the Cuban palador system. In Cuba, enterprising folks have been very successful in creating mini restaurants in residential areas. While it may be a valid model in Cuba, my concern is that paladors (paladores) may be attempted in residential zones, especially in resort towns. There are already instances of illegal, secret paladors, in West Coast university towns which are very trendy among young people. The rationale for paladors could be analogous to that of the STRs, aka Ghost Hotels. The rationale by some for the proliferation of STRs is that Highlands doesn't have enough hotel rooms. Well, folks might next declare Highlands doesn't have enough restaurants in the business zones, so we should allow paladors in our residential zones. Some might say the

mayor is exaggerating, but I may be ahead of this emerging trend. Where will the secret restaurant craze spread next?

Between Ghost Hotels, Ghost Kitchens and Secret Paladors, Highlands may end up down the road with no longer having residential zones as we have previously known them. Highlands adopted a strict zoning code over 40 years ago. Zoning has helped shape the community as we appreciate it today. Careful planning and zoning are needed today more than ever. If one thinks our zoning and town ordinances are too restrictive, relocate to a county where there are no zoning and very few ordinances.