

Overview: The Coastal Zone Act and Industrial Development

Delaware's Coastal Zone Act

The Coastal Zone in Delaware is a special place. It is home to a rich range of wildlife, provides natural protection against storms, offers abundant recreational opportunities, and is an ecosystem that connects land, estuary, and sea.

Delaware's Coastal Zone Act was passed in 1971. The intent was to "strike the correct balance between" introducing new industry to the state and protecting the state's environment, natural beauty, and outdoor recreation opportunities.



Aerial photo of the Blackbird Creek near Townsend, Delaware. Photo by Eric Crossan.

Industrial Development in the Coastal Zone



A 1958 postcard of the Tidewater Refinery, near Delaware City. Photo from the Delaware Public Archives.

The Coastal Zone Act of 1971 banned new heavy industrial facilities in the Coastal Zone. At the time, there were 14 sites where heavy industrial development was already in place. These sites were grandfathered and continued operating.

The Coastal Zone Act defines a heavy industry as an operation that has smokestacks, tanks, or chemical processing equipment and takes place on more than 20 acres of land.

Changes to the Coastal Zone Act

Since 1971, technology and our economy have changed. Some companies on these industrial sites stopped operating at full capacity or closed down. Today, 9 of the 14 heavy industrial sites are active industrial or commercial businesses.

In June 2017, the Delaware General Assembly made changes to the Coastal Zone Act to help encourage economic activity in the state by allowing for the development of new heavy industry on these 14 already-developed sites. They created a new type of state permit called a "conversion permit."



The Citi Steel heavy industry use site near Claymont during site clearing and improvements. Photo by DNREC.

Overview: Coastal Zone Conversion Permits and Regulations

Coastal Zone Conversion Permits

A “conversion permit,” issued by DNREC, allows new heavy industrial facilities to be built within the 14 grandfathered industrial sites. The new facility must also obtain all other relevant state and local approvals. In order to receive a conversion permit, a developer has to meet several special requirements. These include demonstrating that the facility will have a positive economic or environmental impact and proving they have adequate funds for environmental clean up. They must also prepare a plan for sea level rise and coastal storms and propose an offset project that counteracts negative environmental impacts caused by the facility.



Excavators prepare the Citi Steel site near Claymont for redevelopment. Photo by Susan Love, DNREC.

Developing Regulations

The General Assembly tasked DNREC with writing regulations – or rules – for conversion permits. These regulations will provide details about the conversion permit requirements and what steps a developer must take in order to obtain a conversion permit.



The Regulatory Advisory Committee at its September 2018 meeting. Photo by Susan Love, DNREC.

To help guide the development of regulations, DNREC brought together a Coastal Zone Conversion Permit Regulatory Advisory Committee. The Committee is composed of a diverse mix of stakeholders, representing a broad range of interests. The Committee is tasked with giving DNREC recommendations for the content of the regulations.

The Committee has met monthly since June 2018 to discuss options for the regulations and to make recommendations to DNREC. The Committee also formed four Work Groups of experts on specific topics to provide technical information for the Committee to consider when making recommendations.

The Committee has now made its preliminary recommendations about the contents of the regulations and is seeking your feedback. The Committee will consider public feedback before finalizing its recommendations and submitting them to DNREC.

Tentative Timeline

March 1

Open House public feedback due

March 12

Committee meets and reviews public feedback

Mid-April

Committee meets to finalize recommendations and submits final recommendations to DNREC

April – May

DNREC writes draft regulations

Mid-May

Draft regulations submitted to Registrar

June – July

Formal public comment on draft regulations

July – September

DNREC reviews comments and finalizes regulations

Mid-September

Final regulations submitted to Registrar for October 1 effective date