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# Measuring Economic Effects of Coastal Zone Conversion Permits

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September 11, 2018

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# Review of Statutory Language

- Sections 7014 and 7015 added in August 2, 2017.

## Section 7014 Conversion Permit

An application for a conversion permit made under subsection (a) or (b) of this section must be in writing on a form approved by the Secretary and must include the items listed in § 7004(b) and § 7005(a) of this title, the items required by regulation promulgated under this chapter, and all of the following items to be considered in assessing a conversion permit application:

## Section 7014 (continued)

1. The ...economic effect of the existing or previous use. If the application is for a subsequent conversion permit, the Secretary of the Department of DNREC has the discretion to direct the applicant to provide information on the ... economic effect of any of the previous uses at the site.

← **Baseline**

2. The ...economic effect of the [alternative or additional heavy industry use or bulk product transfer activity].

← **Effect of Action**

3. The net ...economic improvement [inherent in the alternative or additional heavy industry use or bulk product transfer activity] as compared to the most recent heavy industry use engaged in at that site.

← **Incremental Effect/net change**

## Section 7004 (b)

In passing on permit requests, the Secretary of DNREC and the Control Board shall consider the following factors:

2. Economic effect, including the **number of jobs created and the income which will be generated by the wages and salaries** of these jobs in relation to the amount of land required, and the **amount of tax revenues potentially accruing to state and local government.**
3. Aesthetic effect, such as impact on scenic beauty of the surrounding area.
4. Number and type of supporting facilities required and the impact of such facilities on all factors listed in this subsection.
5. Effect on neighboring land uses including, but not limited to, effect on public access to tidal waters, effect on recreational areas and effect on adjacent residential and agricultural areas.

## Section 7005(a)

- ...All requests for conversion permits under § 7014 of this title for [a heavy industry use site seeking an alternative or additional heavy industry use or for a bulk product transfer facility]...must be in writing and must include:
  - (1)a Evidence of approval by the appropriate county or municipal zoning authorities;
    - b. A detailed description of the proposed construction and operation of the use; and
    - c. An environmental impact statement.
  - (2) The Secretary of the DNREC shall hold a public hearing ...
- The Secretary of the DNREC shall then, if he or she determines that § 7004 or § 7014 of this title applies, reply to the request for a permit within 90 days of receipt ...

# Definitions Needed

- Existing or previous use
- Economic effects
  - Job created
  - Income created
  - Tax revenues
- Net economic improvement

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Thank You!