

Clarification from DNREC on the Economic Effect Work Group charge

At its first meeting, the Economic Effect Work Group discussed the feasibility of conversion permit applicants providing certain types of economic information on the permit application. In these conversations, some Work Group members noted that certain types of information may be very difficult for the applicant to provide (e.g., net economic improvement data for the proposed use vs. the most recent heavy industry use in situations where the site is currently vacant) and so the applicant should simply work off of a “zero” baseline when calculating economic effect. DNREC would like to clarify that the Work Group cannot simply state that the requirements called out in the CZCPA are not practically feasible and thus a “zero” baseline should be assumed for those circumstances. The Work Group *can* present “zero” as an option, but it *cannot* state that applicant difficulties (or burden) in locating such information necessitate “zero” as the only technically feasible option.

To guide its work, the Work Group should consider the following questions in its options development on economic variables:

1. How can an applicant provide statutorily required information/data in a way that can be meaningfully assessed (or validated) by DNREC?
2. If an applicant cannot feasibly provide such information/data, how can the applicant provide a “best faith estimate” of that information? How can DNREC validate that best faith estimate as reasonable?
3. Beyond what is statutorily required, what economic information can an applicant provide that accurately reflects the economic effect of the new use? How can DNREC meaningfully assess (or validate) this information?

Dated: September 21, 2018