



THE COMMITTEE OF 100

FYI

May 24, 2016

It's Time to Modernize the Coastal Zone Act

There has been growing interest in the business community over the past few years in finding a way to continue protecting the Coastal Zone, while making it possible to attract investment and jobs to industrial sites that have been abandoned over the years since the adoption of the Coastal Zone Act (CZA) in 1971. Last year the Committee of 100, along with the State Chamber, explored legislative changes that would have centered on 'Coastal Brownfields', giving specific sites relief from the CZA's prohibition against heavy industrial uses.

This year, the State Chamber initiated a stakeholders' effort to 'modernize' the Act, and on May 4 held a forum featuring former DNREC Secretary Collin O'Mara and a panel of experts, including Committee of 100 members, Jeff Bross from Duffield Associates and Jerry Esposito from Tidewater Utilities.

The panel highlighted the obstacles to attracting industry to the Coastal Zone because of the lengthy and expensive permitting process, the need for environmental offsets, and the risk of litigation which can take months or years to work through the courts.

Jeff Bross started off the discussion with a 'quiz' he developed to test people's knowledge of the CZA, and the implications for development. With Jeff's permission, we have included the quiz below. The answers are provided at the end of the newsletter.

How Well Do You Know the Coastal Zone Act?

Q1 How much of the land area in Delaware is regulated under the Coastal Zone Act?

- a. 1%
- b. 5%
- c. 10%
- d. None of the above

Q2 What is the farthest distance the regulated Coastal Zone area reaches into Delaware in miles?

- a. 2 miles
- b. 5 miles
- c. 10 miles
- d. More than 10 miles

Q3 Can you build and operate a public wastewater treatment plant by right in the regulated Coastal Zone?

- a. Yes
- b. No

Q4 Are there any restrictions on agricultural practices (crops/livestock) in the Coastal Zone?

- a. Yes
- b. No

Q5 When were the regulations governing Coastal Zone activities last revised?

- a. Last 5 years
- b. Last 10 years
- c. Last 15 years

Q6 Are tank farms prohibited in the Coastal Zone?

- a. Yes
- b. No

Q7 Is the generation of green/clean electricity regulated (permit required) in the Coastal Zone if the electricity is generated by:

- a. Solar?
- b. Fuel cells?
- c. Wind power?

Q8 Does the Coastal Zone Act allow the transfer of grain (corn/wheat) within the Coastal Zone outside of the Port of Wilmington?

- a. Yes
- b. No

Q9 One of the major goals of the Coastal Zone Act is to “provide industry with the needed flexibility to remain competitive in a global marketplace”?

- a. True
- b. False

Q10 A typical soft cost (not including design or other permitting) for a non-contested routine coastal zone permit is:

- a. \$50K - \$75K?
- b. \$75K - \$100K?
- c. \$100K - \$150K?
- d. > \$150K?

Q11 An automobile assembly plant is considered a typical prohibited heavy industry in the Coastal Zone Act?

- a. True
- b. False

Congratulations to Sophia Leslie - 2016 Academic Scholarship Award Recipient



Sophia Kottenhahn Leslie was awarded The Committee of 100 Academic Scholarship for 2016 at our Dinner Meeting on May 17. Sophia is graduating from Concord High School with an impressive resume of academic, leadership, athletic, and musical achievements. She is a member of the National Honor Society, the Science National Honor Society, Concord's Varsity Rowing Club, and is a soloist with the Delaware Youth Symphony Orchestra. Sophia will attend the University of Delaware Honors Program in the Fall and double major in Economics and Cognitive Sciences to prepare for a career in Human Factors in Sustainable Economics.

Each year, we offer a \$3,000 merit scholarship to a graduating high school senior who is a resident of New Castle County, and who intends to major in business, economics, or a related field. The scholarship is awarded on the basis of academic excellence, as well as well-rounded involvement in extra-curricular and community activities.

Special thanks to Education & Scholarship Committee Chair Dev Sitaram, and Committee Members Jeremy Abelson, Bert Green, Ted Williams, and Peter Bailey for reviewing and scoring this year's applications, and interviewing our four outstanding finalists. It was a challenge to select just one of the talented and accomplished candidates!

Committee of 100 Urges General Assembly to Support Wilmington Schools

The Committee of 100 has testified before the House Education Committee and sent a letter to the entire House of Representatives supporting House Joint Resolution 12, which would begin the implementation of the [plan developed by the Wilmington Education Improvements Commission \(WEIC\)](#) to redistrict parts of the City and provide greater resources for schools with high percentages of children in poverty.

The Resolution was successfully released from committee on May 18 and will be brought before the full House sometime before the end of the legislative session on June 30. In the meantime, the Joint Finance Committee will be meeting to mark up the budget bill – which will need to contain funding for the WEIC plan for it to move forward. Here is the letter of support sent by The Committee of 100:

HJR 12 is a critical step in the sequence of conditions set out last year in Senate Bill 122 for approval of the Wilmington Education Improvement Commission's Redistricting Plan that allows Wilmington's parents to better participate in the education of their children. The legislation passed the House with no dissenting votes. Since then, many public meetings have been held and hundreds of citizens have participated or volunteered on WEIC committees. They have produced a once-in-a-lifetime opportunity to change the course of public education in Wilmington and Delaware, allowing future generations to free themselves from the grip of poverty.

What does education have to do with economic development? Everything!

- Without an educated workforce, Delaware can't compete for 21st century jobs
- Without strong schools, business owners and parents will look to locate elsewhere
- Without a fair chance at an education, many kids living in poverty will not develop the skills to be independent and productive
- Without the skills to learn, the odds of a student dropping out of school rises
- Without an education or job credentials, young adults face poor employment prospects - but the street is always hiring
- Without an alternative to life on the street, many young men end up incarcerated – at the expense of the taxpayers
- Without the skills to be independent, many single mothers become dependent on social services – at the expense of the taxpayers
- Without an employable workforce, Wilmington will continue to struggle with poverty and violence
- Without an economically vibrant Wilmington, Delaware cannot thrive

We can pay a little more upfront to save our kids and help them to be productive, or we can pay a lot more later to support them as adults.

Let's not do Without.

Support for House Bill to Permit Delaware Businesses to Raise Capital Through Intrastate Crowdfunding

HB 327 permits Delaware residents to become investors in Delaware-based startups through newly available online crowdfunding platforms. Enabling of this new investment tool would allow Delaware businesses to offer securities via crowdfunding efforts, provided (among other things) that the purchasers of such securities are Delaware residents, the aggregate amount raised by the business through this process does not exceed \$1 million in any twelve-month period, and no person can purchase more than \$5,000 worth of securities unless such individual is an accredited investor as defined by the SEC.

As of December 2015, 37 states have introduced or enacted some form of exemption from state regulation for intrastate crowdfunding offerings. We believe that it is time for Delaware to join this growing list.

Intrastate crowdfunding expands the pool of investment capital available to entrepreneurs, and provides another vehicle for Delaware start-up companies and small businesses to raise funds from Delaware investors.

The Committee of 100 believes this bill is an important step in boosting Delaware's entrepreneurial economy. HB 327 was passed by the House (38-0) on May 10 and has been assigned to the Senate Banking and Business Committee.



THE COMMITTEE OF 100 ANNUAL JUNE BBQ

DATE: Monday, June 20, 2016
TIME: 5:30 PM - 8:30 PM
LOCATION: The University & Whist Club
 805 North Broom Street
 Wilmington, DE 19806

Kick-off the Summer with the last and best networking opportunity of the season. Rub elbows with business colleagues, as well as federal, state, and local elected officials invited for this casual, fun, and **filling** event. Same all-you-can-eat low price of **\$50**.

The Annual June BBQ will be held on the lawn of the University & Whist Club. Cocktails will be served at 5:30 with the BBQ buffet beginning at 6:30. Dress is casual. In the event of rain, we will move indoors to the ballroom.

BBQ Table Sponsors

Put your company's name in front of Delaware's public and private sector leaders by becoming a Table Sponsor. An investment of only \$300 earns you a table sign, poster listing, and recognition on The Committee of 100 website. Each table sponsorship also includes one event registration (\$50 value).

For convenient **online** registration and payment for both tickets and table sponsorships, visit:
[June 20 BBQ Registration](#)

Answers to the Coastal Zone Act Quiz:

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|-----|---|
| A1 | d. None of the above - It is over 15% |
| A2 | d. More than 10 miles. It reaches approximately 12 miles along the C&D Canal and inland bays. |
| A3 | a. Yes – But you can't build and operate a private/investor owned plant by right. |
| A4 | b. No – But, by comparison, in the Chesapeake Bay Watershed of Delaware, a host of regulatory practices are being required, such as best management practices (BMPs), cover crops, nutrient management programs, etc. on agriculture. |
| A5 | c. Last 15 years. There were no regulations in place since the Coastal Zone Act was adopted in 1971 until May 11, 1999. These are the only adopted regulations and they remain in place today. |
| A6 | b. No – Tank farms under 5 acres are allowed. |
| A7 | Solar = No; Fuel cells = Yes; Wind power = No |
| A8 | b. No – UNLESS transfer facility was in operation prior to June 28, 1971 when the Coastal Zone Act was adopted. |
| A9 | a. True! – Coastal Zone Act does just the opposite. |
| A10 | d. > \$150K |
| A11 | a. True! – Coastal Zone Act does just the opposite. |