

REPORT TO GOVERNOR'S ADVISORY COUNCIL ON PLANNING

SUSSEX COUNTY

2013-2014

JULY 1, 2014

INTRODUCTION

Sussex County's current Comprehensive Land Use Plan was adopted on June 24, 2008 (the "Plan"). Each year after adoption, Sussex County must prepare a Report on the status of its Plan for submission to the Cabinet Committee on State Planning Issues and the Office of the State Planning Coordination ("OSPC"). The first such report was dated July 1, 2012 with information retroactive to the adoption of the Plan in 2008. This is the Third Annual Report to the Cabinet Committee on State Planning Issues and OSPC covering the one-year period between July 1, 2013 and June 30, 2014. This Report is intended to comply with Title 9, Section 6958 of the Delaware Code and to address the items outlined in Section 6950(b) in the course of the information provided below.

LAND USE

As in previous years, while Sussex County has seen an increase in residential building permit applications during the past year, this is generally the result of increased activity in existing, approved developments. Sussex County has not received a large number of new land use applications. This is at least partially the result of Sussex County's desire to maintain the viability of approved, but not yet built, residential developments. As the prior Report explained, Ordinance No. 2288

adopted on January 15, 2013 extended the validity of all existing residential land use approvals through 2016.

Since July 1, 2013, Sussex County has received 54 applications filed for all types of land use approvals. This includes commercial development and residential development in the form of subdivision applications, rezoning applications, and conditional use applications.

Sussex County has processed 10 subdivision applications for a total of 300 lots during the past year. Those applications were considered by the Sussex County Planning & Zoning Commission; 5 of those applications were approved as being in compliance with County Code. By way of comparison, Sussex County considered 4 subdivision applications in CY 2012; 7 in CY 2011; 9 in CY 2010; 11 in CY 2009; and at its peak, 100 applications in CY 2005.

Sussex County also considered 21 rezoning applications, of which 9 were approved by Sussex County Council. By way of comparison, Sussex County considered 14 rezonings in CY 2012; 8 in CY 2011; 9 in CY 2010; and 11 in CY 2009.

Finally, Sussex County processed 23 applications for Conditional Use Permits during the time covered by this Report. Again, by way of comparison, Sussex County considered 32 Conditional Use Applications in CY 2012; 39 in CY 2011; 26 in CY 2010 and 26 in CY 2009.

Many of the past year's 44 rezoning and conditional use applications were for small businesses, and several were the result of either enforcement actions or notifications that a use was operating without the appropriate County Zoning approvals. A few of the larger or more significant pending applications include the following:

1. C/Z #1725 and C/U #1951 for Jack Lingo Asset Management, LLC for a 162.4 acre RV resort and campground. This remains pending before County Council.
2. C/Z #1729 and C/U #1963 for Ida C. Faucet, Faucett Heirs, LLC and Massey's Landing Park, LLC, for a 50.83 acre campground at Massey's Landing. This remains pending before County Council.
3. A prior waterpark and campground application on Cedar Neck Road near Bethany Beach and Ocean View that was controversial came back in the form of a new, entirely residential project. C/Z #1746, C/Z #1747 and C/U #1986 represent a single project to construct 75 residential units. While the original campground/waterpark application received quite a bit of opposition from nearby residents, the applicant's reconfigured all-residential project received no opposition before the Planning and Zoning Commission. County Council heard the application on June 17, 2014, and the decision is pending.

Another major land use discussion occurred about the permitted maximum height of certain structures in certain zoning districts. Sussex County Council became aware of an original provision of the County Zoning Code that permitted buildings open to public use to be constructed to a maximum height of 60 feet. It was a common misunderstanding that 42 feet was the maximum height for most uses in Sussex County. During the pendency of an ordinance amendment on this issue, County Council and the Planning and Zoning Commission jointly consulted with other agencies including DeIDOT, County Engineering and the State Fire Marshal to study the effects of increased height limits in Sussex County. Ultimately,

County Council determined that the appropriate maximum height for most buildings should be 42 feet, and the ordinance amendment was adopted to make that correction.

WASTEWATER

The conveyance and treatment of wastewater continues to be a significant issue in Sussex County. As reflected in the current Plan, there are 3 major wastewater treatment providers in Sussex County: the County and two private companies. The private companies are regulated by the State Public Service Commission (“PSC”) and the Certificate of Public Convenience and Necessity (“CPCN”) process set forth in State Law. In September of 2013, Sussex County Council adopted a revised “Service Territory Map” including adjusted Secondary Service Areas. This Map was submitted to the PSC for its use during the consideration of CPCN applications. The updated Map will not exclude private wastewater companies from providing service to properties, nor will it have any impact on existing CPCNs. The authority to approve CPCNs will remain with the PSC; CPCN applicants and the PSC will now have to come to Sussex County for an initial evaluation of a proposed CPCN within the Service Territories. This provides the County with an opportunity to manage sewer expansion through an evaluation process that already exists in Chapter 110 of the Sussex County Code. The result will be better coordination of sewer services as both public and private wastewater systems prepare for short- and long-term growth in an organized method.

Sussex County has also been working to increase the availability of County sewer to various areas of the County. Planning, construction and connections during the past year (and looking forward to the future) include the following: the

Goslee Creek Planning Area of 804 existing EDUs and a build-out of 11,136 EDUS; The Angola North Planning Area of 379 existing EDUs and a build-out of 1,061 EDUS; Herring Creek of 741 existing EDUs and a build-out of 3,675 EDUs; and the Route 54 Expansion Area of 24 existing EDUs and a build-out of 952 EDUs.

HOUSING

Sussex County continues to promote affordable housing through a variety of means and methods. As described in the prior Report, all of this work is now coordinated through the County's Fair Housing Compliance Officer under the County's Community Development and Housing Department. These endeavors include the creation of the County's Fair Housing Policy. In July of 2013, this Policy was revised to include language confirming Sussex County's practice that it does not discriminate against any protected classes of citizens. Under this Policy, a non-discrimination statement is read prior to all land use application hearings so that the public is aware: (a) not to make discriminatory statements; (b) that such statements will not be considered nor tolerated by Sussex County. In September of 2013, the County created a new Affordable Housing Support Policy, too. The Policy provides a mechanism for the County to offer a conditional letter of support for affordable housing projects, provided that they meet certain qualifications for affordability. In this same regard, all Sussex County elected and appointed officials, directors and employees continue to take Fair Housing Training to stay up-to-date on the requirements for promoting fair housing opportunities within the County. All of this is incorporated into the new Affordable Housing Webpage that was launched within the County's sussexcountyde.gov website.

Sussex County also continues to support the DelawareHousingSearch.org website, which is a free real-time online service that lists all of the State's public and private rental units, as well as publicly funded for-sale units. The site offers extensive search options, particularly for accessibility features. Similarly, the Community Development and Housing Office is working with several local housing providers and advocacy organizations to provide an inaugural Sussex County Homebuyer Fair, tentatively scheduled for September of 2014.

Finally, Sussex County continues to evaluate Impacted Communities in order to determine investment strategies, priority designations of infrastructure and/or community development for those elements of infrastructure over which the County has primary governing authority. In furtherance of this, the County has been in discussions with the Delaware State Housing Authority regarding the use of CDBG funds to assist in the collection of baseline data for 14 different Impacted Communities. A Request for Proposals was issued for current data collection; the proposals that were received all greatly exceeded the proposed budget. The County is in the process of altering the RFP so that it can be re-issued. Once this data is collected, the County anticipates performing an evaluation and drafting an approval process for future infrastructure projects. The Request For Proposal process for starting this work is underway.

ECONOMIC DEVELOPMENT

Agriculture continues to be one of Sussex County's main economic engines. For example, in 2013, more than 100,000 pounds of watermelon were harvested and corn yields were close to 200 bushels per acre. The poultry industry is also

thriving along with all of the ancillary business and agricultural uses that support it.

Tourism is another large economic engine in Sussex County. The County has worked with many organizations to promote events throughout the County beyond the traditional tourism associated with the beach areas. These events included two World Series Softball Tournaments and numerous festivals including Apple Scapple and Wings and Wheels.

Sussex County continues to promote opportunities for businesses to start or relocate here. For example, Grayling (an ILC Dover company) opened a new production plant in mid-2013 just outside of Seaford, bringing jobs from Mexico to Sussex County. In addition to State grants, Sussex County awarded a \$92,000 economic development grant tied to job creation to entice the company to relocate here. Ultimately, Grayling plans to employ 180 people to work on nine different production lines in the 90,000-square-foot plant. Meantime, Allen Harim, a poultry company that acquired the former Allen Family Foods Co., has chosen Sussex County for its newest plant, creating a special distribution operation in the former Vlasic Pickle facility outside Millsboro. That operation is currently going through the various permitting processes. Sussex County also provided a \$200,000 loan to Tech World Medicals, Inc. to relocate its corporate offices to Milford from Pennsylvania. Sussex County awarded another grant to Atlantis Industries in Milton for an expansion project, resulting in the retention of 36 jobs in Sussex County with the expectation of additional jobs for its custom injection molding and tool-making business.

Sussex County continues its work to extend the main runway at the Sussex County Airport, too. The first 500 foot extension was completed in the spring and the entire runway received new overlay paving and grooving. These improvements are designed to support existing business at the airport and elsewhere, and to increase air transportation opportunities for Sussex County and its residents. The airport facility also includes an Industrial Park. Sussex County remains committed to its existing tenants, and is actively seeking new tenants for the Park. One of the largest tenants, and largest employers in Sussex County remains PATS Aircraft Systems, which services private and commercial jetliners, including 727s.

CONCLUSION

In conclusion, Sussex County has continued in accordance with its current Plan and the Goals set forth therein. Sussex County will continue to monitor the implementation of its Plan and the trends affecting the County throughout the coming year, with an eye toward the future as the next Comprehensive Land Use Plan gets underway, with adoption set for 2018.