

**CRC-00-31**

**Land Use Plan Review Team**

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**Report to the North Carolina  
Coastal Resources Commission**

September 2000

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# LAND USE PLAN REVIEW TEAM: Report to the North Carolina Coastal Resources Commission

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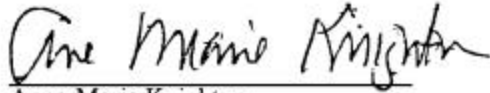
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As members of the CAMA Land Use Planning Review Team, we have jointly developed the attached recommendations for the Coastal Resources Commission's land use planning program. We affix our signatures below to show our consensus support for the progress represented by this document towards the improvement of local land use planning in the North Carolina Coastal Area.



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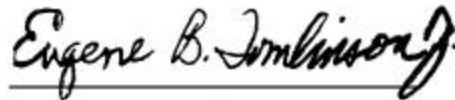
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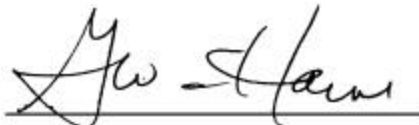
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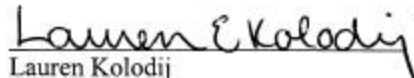
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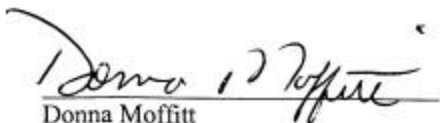
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## Executive Summary

The Coastal Resources Commission authorized appointment of the Land Use Plan Review Team in November of 1998. The team's major charge was to review and evaluate the CAMA land use planning program and to recommend guidelines that would result in plans that support the purposes and goals of CAMA.

The team met 24 times between March 1999 and September 2000. During this process, several needs and issues were identified:

- The level of involvement of local elected officials in the land use planning process is less than desired.
- The CAMA planning guidelines are viewed as a “one size fits all” solution when local conditions are quite varied.
- Local officials and the public may not be fully informed of the benefits of the coastal management program and the land use planning program.
- While many local governments have made good faith efforts to involve the public, the results have been uneven.
- The planning guidelines do not give the CRC effective tools to make sure that land use plans support the goals of CAMA.
- There is a perception that the quality of local plans is not consistent. Analysis of land suitability and the resulting policies are weak in some plans.
- Some CAMA land use plans fail to address economic development and resource protection adequately.
- Existing financial support for land use plans is not adequate and the staff resources at DCM are not sufficient to provide adequate levels of technical assistance for plan development.
- Natural systems often do not conform to the boundaries of local governments. The result can be fragmented analysis and policies.
- Lack of significant participation by coastal local governments in state basinwide planning for water quality results in poor integration of land use plans and their particular water quality concerns. In addition, expanding a local land use planning program to the entire river basin for rivers draining to the coastal area will support the efforts of coastal local governments to improve water quality.

The team recommends a new planning process to meet these needs. This new process has the following key elements:

- Improvements to the quality of local land use plans, including simple, clear requirements for a “good” plan, improved land suitability analysis, and management objectives to ties land use plans to CAMA goals.
- Providing local governments with flexibility to tailor plans to meet local needs—three levels, or types, of plans and a scoping process to tie planning work programs to local needs.

- A new, more cost-effective framework for funding land use plans.
- Incentives and enhanced monitoring to improve the level of implementation of plans—grants tied to implementation and greater consistency between state programs and local land use plans.
- Enhanced citizen participation process that includes broad-based public education.
- Development of a “how to” manual to assist local governments in developing high quality land use plans.
- Involvement of coastal local governments in state basinwide planning and seeking application of a land use planning requirement in all areas of coastal river basins are strongly encouraged.
- Measures to encourage greater intergovernmental coordination in the development of land use plans.

The team recommends that the CRC take three types of actions to implement the recommendations. First, the CRC must initiate the process for review and adoption of the rules changes required to effect the recommendations. This will involve changes to the CRC’s planning rules in Subchapter 7B (planning guidelines) and DNER’s funding rules in Subchapter 7L.

Second, the CRC should give early approval to the concept of a “how to” manual to aid local governments in the development of quality plans. Significant lead time will be required to have these manuals completed by the time that the rules are adopted.

And third for the long term, the CRC should seek additional legal and/or policy authority to require greater consistency between state agency programs and CAMA land use plans. In conjunction with seeking state agency consistency, the CRC should support a requirement for local land use plans for the entire river basin for rivers that drain to the coast.

The team’s findings and recommendations are described in more detail in the report.

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## Background

**The Land Use Plan Review Team.** In November 1998, the Coastal Resources Commission (CRC) approved a recommendation from its Planning and Special Issues Committee to appoint an external team (Land Use Plan Review Team—LUPRT) to review the guidelines (rules) under which local governments prepare CAMA land use plans. This review is a continuation of periodic reviews that have occurred approximately every five years since the planning guidelines were first adopted by the CRC in 1976. However, this is the first review in which the CRC has used an external review team.

The CRC delegated the final decision on the composition and membership of the LUPRT to the Chairman of the CRC, the Chairman of the Coastal Resources Advisory Council (CRAC), and the Director of the Division of Coastal Management. LUPRT membership is shown in Appendix Two.

The CRC also approved a two-year moratorium on the development of new or updated land use plans while the LUPRT reviewed the planning guidelines. The moratorium included new and updated plans starting in November 1998. Local governments already in the plan update process at the date of the moratorium were allowed to choose whether to take their plans forward to the CRC.<sup>1,2,3,4</sup> Other planning projects using “7L” funds continued during the moratorium. During the moratorium, the General Assembly reduced the amount of state funds available for planning by \$100,000 in both 1999-2000 and 2000-2001.

The CRC based its decision to establish the external review team on several factors identified in a proposal by staff of the Division of Coastal Management. These factors included:

- lack of flexibility in current planning rules to allow local governments to address local needs;
- uneven quality of the plans developed under current rules;
- frustration among local governments and planners with increasingly cumbersome planning rules;
- less than desired implementation of land use plans; and
- perception by many that the local planning program does not achieve the goals of CAMA.

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<sup>1</sup> CRC Planning and Special Issues Committee, Meeting Summary, November 19, 1998.

<sup>2</sup> CRC Meeting Summary, November 20, 1998.

<sup>3</sup> Proposal for Internal Review of CAMA Land Use Planning Guidelines and Update Process, DCM Staff, November 13, 1998.

<sup>4</sup> DCM Staff memo, CRC Guidelines for Local Land Use Planning, November 13, 1998

Other reports have offered recommendations to improve the effectiveness of the land use planning component of CAMA. In 1994, the NC Coastal Futures Committee addressed the need to improve the quality, the implementation, and the coordination of coastal land use plans.<sup>5</sup> A survey by Kaiser and Moreau, faculty members at UNC-CH, recommended improvements in coastal land use plans in the areas of land suitability analysis, implementation consistency, and regional coordination.<sup>6</sup>

The recent report of the Estuarine Shoreline Protection Stakeholders recommended changes in the land use planning program to improve protection of water quality. These changes included: requiring that land use plans address water quality; providing financial and technical assistance to local governments for preparing and updating plans; and linking state funding for infrastructure improvements to land use plan implementation.<sup>7</sup>

**Review Team Goals and Review Process.** The LUPRT's main charge is *to recommend guidelines for a local land use planning process that results in plans that support the purposes and goals of the Coastal Area Management Act*. The purpose and goals of CAMA are summarized on page 5.

The team adopted its own objectives<sup>8</sup> for the review process in order to focus its efforts:

- To improve the land use planning program's support for the goals of CAMA.
- To improve local governments' support of the land use planning by making the process meaningful and beneficial to them and helping them develop plans that are useful and effective.
- To improve the quality and quantity of public participation in the planning process.

The team also decided that the review should look for new approaches to planning rather than just amending the existing planning guidelines.

The team held its first meeting on March 21, 1999 and met 24 times to prepare its recommendations. During the review process, the team addressed the following topics related to land use plans and the process that local governments use to develop them:

- The relationship of the local land use planning process to the goals of CAMA and the North Carolina coastal area management program.
- The components and types of analyses of a model coastal land use plan – appropriate scope and focus of a coastal land use plan.

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<sup>5</sup> North Carolina Coastal Futures Committee, "Charting a Course for Our Coast," September 1994.

<sup>6</sup> Quoted in David R. Godschalk, "Coastal North Carolina: An Unsustainable Future," October 9, 1999.

<sup>7</sup> NC Estuarine Shoreline Protection Stakeholders, "Protecting North Carolina's Coastal Resources: A Framework for Maintaining and Improving Water Quality," August 1999.

<sup>8</sup> LUPRT minutes, July 18, 1999.

- Greater local government accountability for preparation and implementation of land use plans.
- Appropriate geographic areas and political units for coastal land use planning.
- History of land use plan implementation.
- The consistency of local land use plans with state and federal programs.
- Availability and adequacy of funds for land use planning.
- The record of public participation in the planning process and methods to improve its effectiveness.
- Intergovernmental coordination of plans and planning.

### **Summary of CAMA Purpose and Goals**

... the public's opportunity to enjoy the physical, esthetic, cultural, and recreational qualities of the natural shorelines of the State shall be preserved to the greatest extent feasible; water resources shall be managed in order to preserve and enhance water quality and to provide optimum utilization of water resources; land resources shall be managed in order to guide growth and development and to minimize damage to the natural environment; and private property rights shall be preserved...

#### **CAMA Goals.**

- (1) To provide a management system capable of preserving and managing the natural ecological conditions of the estuarine system, the barrier dune system, and the beaches, so as to safeguard and perpetuate their natural productivity and their biological, economic and esthetic values;
- (2) To insure that the development or preservation of the land and water resources of the coastal area proceeds in a manner consistent with the capability of the land and water for development, use, or preservation based on ecological considerations;
- (3) To insure the orderly and balanced use and preservation of our coastal resources on behalf of the people of North Carolina and the nation;
- (4) To establish policies, guidelines and standards for:
  - a. Protection, preservation, and conservation of natural resources including but not limited to water use, scenic vistas, and fish and wildlife; and management of transitional or intensely developed areas and areas especially suited to intensive use or development, as well as areas of significant natural value;
  - b. The economic development of the coastal area, including but not limited to construction, location and design of industries, port facilities, commercial establishments and other developments;
  - c. Recreation and tourist facilities and parklands;
  - d. Transportation and circulation patterns for the coastal area including major thoroughfares, transportation routes, navigation channels and harbors, and other public utilities and facilities;
  - e. Preservation and enhancement of the historic, cultural, and scientific aspects of the coastal area;
  - f. Protection of public rights in the lands and waters of the coastal area;

Source: NCGS 113A-102

Detailed summaries of the review team's meetings are available for public review in the DCM central office and the four field offices.

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## Key Findings

During its review and evaluation of the CAMA land use planning program, the team identified the following key issues and needs for improving its effectiveness.

1. In some communities, the involvement and commitment of local elected officials to the land use planning process needs to be improved. Several factors may affect the level of involvement and commitment:
  - Some local officials may not view CAMA land use plans as relevant to the needs and issues of the local government, and as a result, they are not fully involved in the planning process.
  - CAMA planning guidelines are viewed as a “one size fits all” solution when local conditions and needs are quite varied.
  - Local elected officials may not have had significant participation in key steps in the planning process—setting the work program for the plan and presenting the plan to the CRC for certification.
  - Local government officials may not be fully informed about the benefits of and their responsibilities for the CAMA and the land use planning program.

To achieve greater participation by local officials, they must have the ability to tailor the planning process to local needs, and they must be informed about the benefits of their land use plan.

2. Public participation plays a critical role in successful land use plans. Even though many local governments have made good faith efforts to involve the public in the planning process, the results have been uneven. Both the quality of the land use plan and the success of its implementation are enhanced by the involvement of residents and non-resident property owners in the planning process. Efforts to involve the public and opportunities for participation need to be expanded. In addition, residents and property owners in the coastal area may not know the benefits of land use planning and the value of participating in the process. Public education is a required component of public participation.
3. More effective review of land use plans by the CRC is needed to ensure that the plans support the goals of CAMA. The North Carolina coastal management program depends on the state-local partnership established in CAMA. In this cooperative arrangement, the CRC is responsible for establishing areas of environmental concern and adopting guidelines for local planning that ensure land use plans support the goals of CAMA and are consistent with the rules of other state and federal agencies. Local governments have the responsibility for developing land use plans that are consistent with the CRC guidelines and meet local needs. Without a review mechanism

to ensure that plans support CAMA goals, the state-local partnership will not be effective.

4. There is a perception that the quality of local land use plans is not consistent throughout the coastal area. While all plans must follow the same guidelines, some communities produce high quality plans, while other plans meet minimal standards at best. The lack of simple, clear requirements for both the scope and content of plans appears to be a major factor contributing to these inconsistencies.
  - Analysis of the suitability of land for development is a weak element in some coastal land use plans. The analysis in some plans does not include a clear description of lands that have limitations for development, and these plans do not include a clear link between land suitability and the land use and development policies.
  - The land classification system has not been an effective tool to help local governments implement land use policies. A system similar to traditional land use plans, often referred to as “land use design,” will provide a clearer link between land suitability and land use policy, will provide a better basis for developing implementation tools, such as zoning, and will provide better information for other plans such as water and sewer.

The CRC’s land use plan requirements must effectively address the complexities of the coastal planning environment, it must be flexible to address local needs, and it must be realistic for coastal communities. The plan requirements must result in plans that are of high technical quality and that are responsive to local needs, and at the same time support the overall goals of CAMA.

5. Improving the quality of local land use plans will require additional financial support and technical assistance. Currently, funding for local land use plans is not adequate to produce consistently high quality plans. While additional financial resources and technical assistance may be made available for land use plans, the reality is that financial resources are limited and strategies must be found to use these available resources more effectively. Strategies that must be examined include a reduction in the number of land use planning grants awarded each year and an increase in the level of financial participation by the local planning entities.
6. Planning issues in the coastal area involve a number of geographic entities and local jurisdictions. Natural systems do not always conform to political boundaries and the solutions to many development issues may involve more than one local government. The land use planning process can recognize these various geographic and political entities in the following manner:

- Utilize the watershed (14-digit hydrological unit<sup>9</sup>) as the preferred unit for analyzing natural systems and community facilities, such as water and sewer.
  - Coordinate policies for watersheds that contain AEC's and are included in more than one planning jurisdiction.
  - Communicate with adjacent planning jurisdictions during plan development.
  - Support county-wide planning and joint plans where appropriate.
  - Implementation of coastal land use plans is less than expected. Expanded efforts to develop implementation programs for land use plans and requiring formal monitoring of these implementation programs will increase the commitment of local elected boards to implementing land use plans. Further, there are opportunities to link implementation records to decisions on state grants in a manner that will encourage plan implementation. Finally, requiring a higher level of consistency between local plans and state programs will enhance the importance of land use plans to local officials and increase the likelihood of implementation.
7. Lack of significant participation by coastal local governments in state basinwide planning for water quality results in poor integration of land use plans and their particular water quality concerns. Local governments can participate in the scoping process for basinwide plans and can encourage that water quality improvement strategies consider local land use policies.
8. The Estuarine Shoreline Protection Stakeholders report points out the importance of expanding land use planning to the entire river basin for rivers that drain to the coastal area. Such a basinwide expansion will support the effectiveness of coastal land use plans in protecting and enhancing coastal water quality.

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<sup>9</sup> As delineated by the US Natural Resource Conservation Service.

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## **Recommendations for Improving the Effectiveness of the CAMA Land Use Planning Program**

### **1. Improve the quality of local land use plans<sup>3/4</sup>**

Successful local land use plans are an essential component of the NC coastal management plan. CAMA establishes a “state-local” partnership for coastal management. In this cooperative arrangement, the CRC is responsible for establishing areas of environmental concern and adopting guidelines for local planning that ensure land use plans support the goals of CAMA and are consistent with the rules of other state and federal agencies. Local governments have the responsibility for developing land use plans that are consistent with the CRC guidelines, and other state and federal requirements and that meet local needs. The effectiveness of this arrangement is dependent on the quality of CAMA land use plans.

The review team recommends three approaches to improving the quality of local plans: 1) establishing simple, clear core elements that must be included in all plans; 2) requiring more rigorous analysis of land suitability and tying it to land use policies; and 3) establishing management objectives to guide development of local policies and to provide a basis for more effective review of plans by the CRC. Each of these approaches is described in more detail below.

#### **A. Basic land use plan elements that constitute a “good” plan.**

The team’s recommended core elements for land use plans are outlined below. These core elements establish the basic elements of a model land use plan that effectively meets the goals of CAMA, addresses local issues, and improves the overall quality of land use plans. The team’s recommended basic plan elements include all of the components of an excellent land use plan that can be realistically developed by coastal counties and municipalities.<sup>10</sup>

The recommended land use plan elements are illustrated in Figure 1 on page 13.

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### **Recommended Elements of a Coastal Land Use Plan**

- A. Community Concerns and Aspirations
  - 1. Significant existing and emerging conditions
  - 2. Key issues

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<sup>10</sup> Edward J. Kaiser and David Moreau, *Guidelines for North Carolina Local Government Plans: Incorporating Water Quality Objectives in a Comprehensive Land Planning Framework*, NC Division of Community Assistance, 1999.

3. A vision for the future
- B. Existing and Emerging Conditions
  1. Population, Housing, and Economy
    - Growth, composition, and seasonal population
    - Housing characteristics
    - Local economy
  2. Natural Systems
    - Existing Conditions Map – Map must show where the following items overlap
      - ... Areas of Environmental Concern. Each type of AEC must be mapped (or labeled where mapping is not feasible)— i.e., Ocean Hazard, Coastal wetland, etc.
      - ... Water quality use support designations
      - ... Flood and other natural hazard areas
      - ... Storm surge areas
      - ... Probable “404” Wetlands
      - ... Soils limitations
      - ... Water supply watersheds or wellhead protection areas
    - Summary data on environmental conditions, including
      - ... Land characteristics
      - ... Environmentally fragile areas
      - ... Natural resource areas
      - ... Natural Hazards
  3. Land use and development
    - Existing Land Use Map
      - ... Residential development
      - ... Historic districts or culturally important areas
      - ... Commercial development
      - ... Industrial development
      - ... Public lands and dedicated open space
      - ... Vacant land (undeveloped)
      - ... Other significant land uses
    - Summary data and trends on the following
      - ... Existing land uses and vacant land, land/water compatibility issues, land use issues
      - ... Future land use needs, commercial, industrial, housing, public land, etc...
  4. Community facilities and public infrastructure – Assess and, where appropriate, map existing, scheduled and proposed services
    - Water services
    - Wastewater treatment
    - Transportation

- Health and safety (local option)
- 5. Review of Prior Land Use Plan
- 6. Land suitability analysis – synthesis of information from the analysis and mapping of natural systems, existing land use and development trends, and community facilities.
- C. A Plan for the Future
  1. Land use plan goals resulting from community concerns and aspirations, CRC management objectives and other mandatory goals, and the community analysis.
  2. Policies for Growth and Development
    - Urban development areas and policies
    - Natural resource conservation areas and policies
    - Rural areas and policies
    - Policies to mitigate the impacts of natural hazards
    - Economic development policies
    - Community facilities and infrastructure policies
      - ... Water supply
      - ... Wastewater treatment
      - ... Transportation
      - ... Recreation, open space, and water use policies
      - ... Stormwater management
    - Local policies (optional)
      - ... Schools
      - ... Solid waste
      - ... Health and safety systems
      - ... Other local concerns
  3. Future Land Use Plan Map
    - Land use categories
    - Written description of geographic locations of land use categories
    - Description of areas where development overlaps with features delineated on the Natural Systems Map
    - Description of suitability limitations to development for features portrayed on Natural Systems map
    - Measures taken to mitigate impact of development in these areas (including conservation methods)
    - Estimated cost of mitigation measures
  4. Management objectives
    - CRC Management Objectives
    - Local goals and objectives
- D. Tools for Managing Development
  1. Use of Future Land Use Map and Policies in local land use decisions
  2. The existing development management program: local, state, and federal policies

3. Putting the plan into action
    - Action phasing and priorities including timeline
    - Roles and responsibilities
    - Coordination with neighboring governments
  4. Additional Tools. Local government may use these additional tools to implement the plan
    - Ordinance development
    - Capital improvements program
    - Capital budget
    - Acquisition program
    - Specific projects to reach goals
- 

## **B. Improved land suitability analysis.**

Land suitability analysis and its link to land use and development policies is a key feature of the model land use plan. The land suitability analysis determines what land areas are most appropriate or suitable for development according to the physical – natural and manmade – characteristics of the planning area. In this analysis, local governments will evaluate the characteristics of the natural environment, existing land uses, and the location and capacity of community facilities and determine which areas are generally suited, moderately suited, or least suited for development. The future land use policies will reflect the results of this analysis.

*Natural system analysis* is the foundation of the recommended land suitability analysis process. Mapping, or where appropriate labeling, and analysis of the following seven types of natural features should be required:

- AEC's
- Water quality use support designations
- Flood and other natural hazard areas
- Storm surge areas
- Non-coastal wetlands
- Soils limitations
- Water supply watersheds and/or wellhead protection areas

Local governments may add features such as unique wildlife habitat, maritime forests, and complex natural areas to the analysis.

The development opportunities and limitations of these features are used to prepare a composite map showing three categories of land:

- Land containing no hazards and having only slight limitations that may be addressed by sound land use planning and development practices;

- Land containing development hazards and limitation that may be addressed by methods such as restrictions on types of uses, special site planning, and provision of community facilities – water and sewer.
- Land containing serious hazards for development or lands where the impact of development would cause serious damage to natural systems.

Where the future land use map shows development in areas with limitations for development, the plan must specify policies that will mitigate any negative impacts and estimates of costs.

The recommended land suitability analysis is illustrated in Figure 2 on page 15.

### C. Management Objectives

The review team recommends that the CRC adopt *management objectives* for local land use plans. The management objectives are intended to reinforce the link between the goals of CAMA and local land use plans by defining the CRC’s planning goals and expectations and providing benchmarks for development of local plans. The local planning rules should require local plans (core and advanced core plans<sup>11</sup>) to contain policies that address the management objectives and to discuss the impact of these policies on the objectives. Where necessary, the land use plan should describe policies, programs, and/or methods that will be employed to mitigate the negative impact of land use policies on the management objectives.

The following is the list of topics for management objectives recommended by the review team. These topics are derived from the CAMA goals.

#### Recommended Management Objectives Topics

Public access	SA/Shellfish waters
Hazard areas	Stormwater management
Flood plains	Cultural and historic areas
Infrastructure carrying capacity	Scenic areas
Land use compatibility	Ecologically sensitive economic development
Barrier dune system and beaches	
Watersheds containing AEC’s	
Non-coastal wetlands	

<sup>11</sup> Please see recommendation number 2 for a description of these terms.

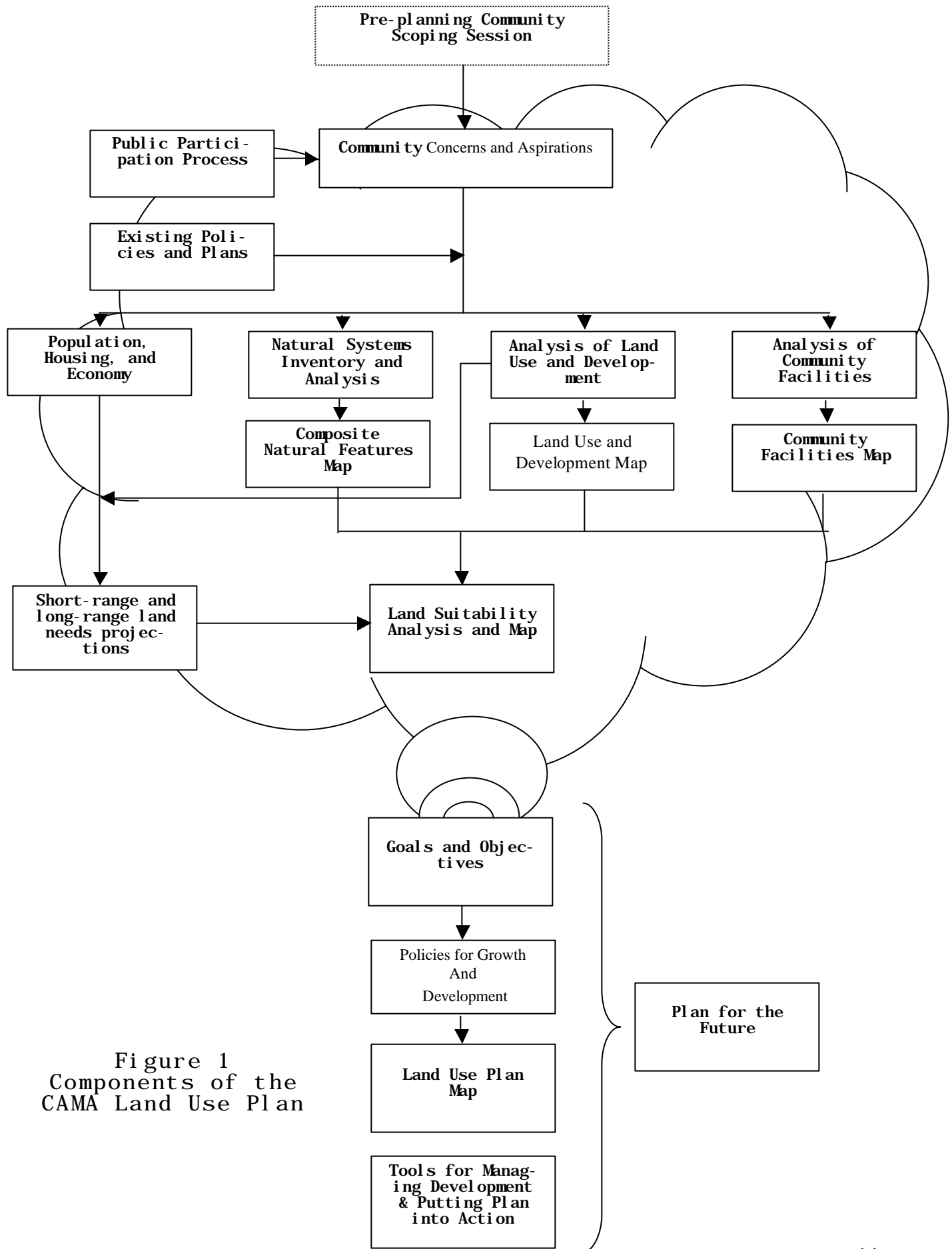
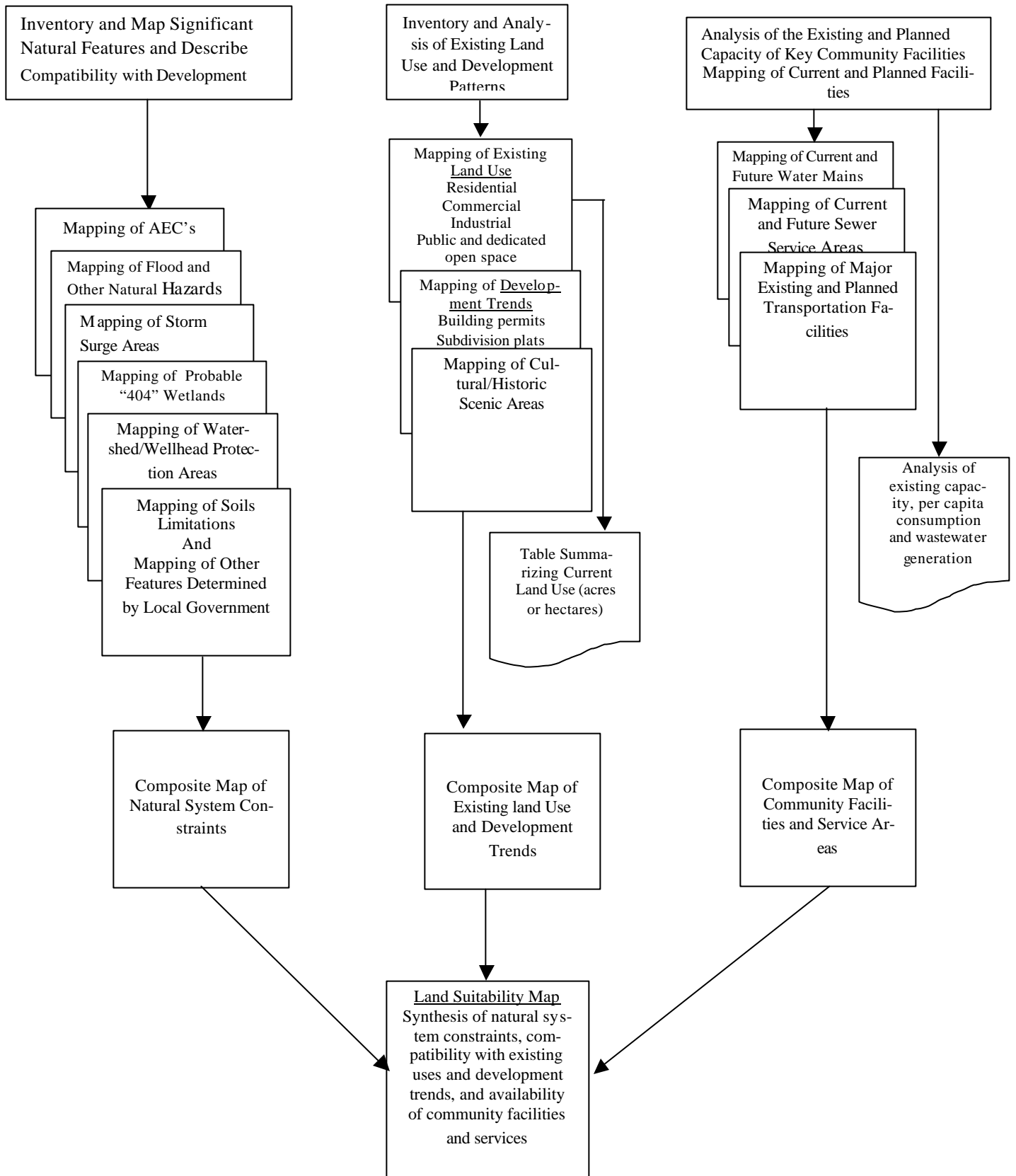


Figure 1  
Components of the  
CAMA Land Use Plan

**Figure 2**  
**Illustration of the Recommended Land Suitability Analysis**



The management objectives to address these topics may include substantive requirements for planning policies, a requirement for added analysis and disclosure, or general expectations and a requirement to discuss how the plan addresses the expectations. An example is shown below, page 19.

To insure that land use plans adequately address management objectives, the review team recommends that the CRC add the following criterion for denial of certification of land use plans to the current rule (15A NCAC 7B .0216):

“... (4) (the plan) does not contain a description of the type and extent of analysis completed to determine the impact of policies on any management objective applicable in the community; a description of both positive and negative impacts of policies on any applicable management objective; and/or a description of the policies, methods, programs, and processes to mitigate any negative impacts on applicable management objectives.

If a certified plan has weaknesses in the analysis and policies related to management objectives, the CRC should comment on the plan and distribute them to the local government and the participants in the planning process.

Development of management objectives and incorporating them into the land use plan rules will involve significant staff assistance to the CRC. Once the rules are adopted, the management objectives will require significantly more staff time in the review of land use plans. Therefore, the review team recommends that the CRC seek additional staff resources to accommodate the additional workload.

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### Example

#### Management Objective Watershed(s) Containing AEC's

**Management Principle.** Within the coastal area, the CRC has designated areas of environmental concern (AEC's) which include land and water that contribute enormous economic, social, and biological values to the state; that present hazards to life and property; that contain critical water supplies; and that contain fragile coastal natural and cultural resources of national, state, and local significance. These AEC's do not exist in isolation from the lands that surround them. AEC's are impacted by the type and character of the land uses and development patterns and the type and quality of community facilities that occur in surrounding areas, particularly the watershed where the AEC is located.

## **Management Objective.**

To protect the natural processes and the economic and cultural values of AEC's by developing land use and community facility policies, based on available data and analysis, for watershed(s) containing AEC's that are (1) consistent with the suitability of the land and (2) do not lower the quality and/or quantity of the AEC's natural processes, resources, and cultural features.

To manage risks within AEC's by developing land use and community facility policies, based on analysis of available data, for the watershed(s) containing AEC's that do not materially increase the vulnerability of life and property in the AEC's to natural hazards.

## **Planning Requirements.**

- (1) That the plan describe the type and extent of analysis completed to determine impacts of land use and community facility policies on AEC's;
  - (2) That the plan describe both positive and negative impacts of the land use and community facilities policies on the AEC's; and
  - (3) That the plan describe the policies, methods, programs, and processes to mitigate any negative impacts on the AEC's.
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## **2. Provide local governments with flexibility to tailor plans to meet local needs<sup>3/4</sup>**

The effectiveness of local land use plans will be improved by providing local governments with options for tailoring the plans to fit local needs and concerns and more involvement of the DCM staff early in the planning process. More closely tailoring plans to meet local needs will have the added benefit of involving and gaining the commitment of local elected officials in the planning process. To provide this flexibility, the team recommends establishing *three levels of planning* to address local conditions and planning needs and requiring that each local government conduct a formal *scoping process* prior to submitting an application for planning assistance and beginning development of the plan.

**Three levels of planning.** The recommended three levels of planning are Core Plans, Advanced Core Plans, and Workbook Plans. These three types of plans provide local governments with flexibility in the methods and approaches used to develop the required plan components. For example, communities with complex development issues may need more emphasis on some components and will complete an advanced core plan; communities with few environmentally sensitive areas and slow growth may complete abbreviated plans – the Workbook plan. Each of these types of plans is briefly described below:

Workbook plan.

This type of plan will address all of the required core plan elements but in a very basic way. The workbook will provide background data and guidance to aid a local government in assessing existing conditions. Policies will be brief and direct, and speak only to significant issues. The Division of Coastal Management will provide templates for the development of workbook plans and will provide mapping and limited technical assistance for the plan.

Core plan.

The core plan will be the standard CAMA land use plan prepared by most local governments. Plans at this level will address all of the recommended core plan elements in a thorough manner.

Advanced Core.

Due to particular local conditions, some local governments may desire to go beyond the core plan requirements to explore planning issues in more depth. Local governments may use this type of plan to help meet the requirements of other planning programs, such as EPA Phase II stormwater requirements, that meet CAMA goals, or to plan for local issues of concern, i.e. a new industry, redevelopment after storm events, etc.

Decisions about the level of plan to be developed will be made by the local elected board through a scoping process described below.

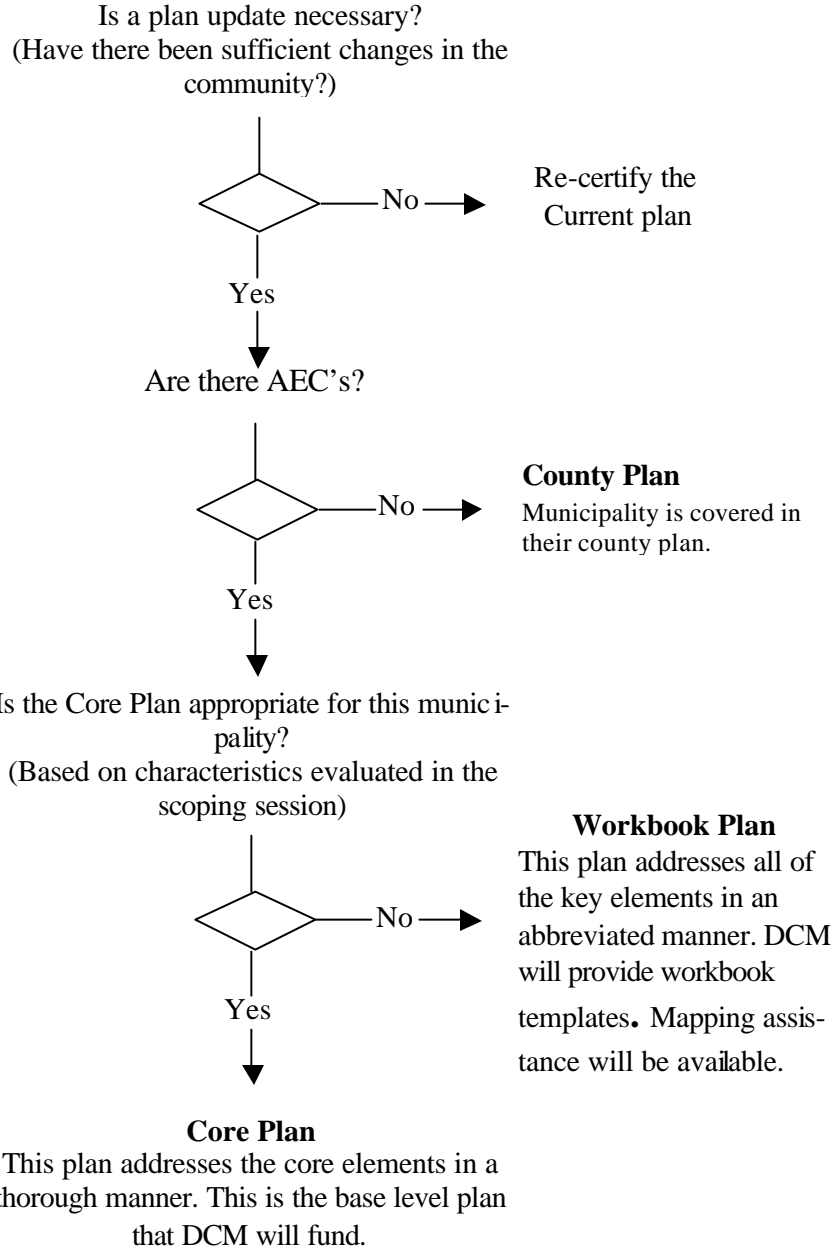
**Scoping process.** This process is designed to involve local staff and elected officials, community residents, and the DCM staff in tailoring the land use plan to meet local growth and development issues, as well as CAMA goals. In the first step of the scoping process, a representative (manager, planner, planning board chair, etc.) of the local government and the DCM planner will jointly evaluate local planning needs. The evaluation will consider factors such as the following: development activity in AEC's, total population and population growth rate, water quality, local administrative capacity, and significant new economic activity like a large new industry. Based on this evaluation, a planning work program will be recommended to the elected board. This work program will address local planning needs and issues and will be consistent with CAMA goals. In some counties and municipalities, conditions since the last plan update may not have changed sufficiently to warrant a plan update. In that case, a plan update may not be recommended.

The board will consider the recommendation at a duly advertised public meeting. The board will be required to receive comments from the public prior to acting on the recommended work program. If no plan update is recommended and the board agrees, the existing plan will be forwarded to the CRC for re-certification.

The scoping process will increase conformance of land use plans to local needs and to the goals of CAMA. It will also increase the level of involvement and commitment of local elected officials in the land use plan.

An illustration of the *Scoping Process* is shown in Figure 3 on page 19.

**Figure 3**  
**Scoping Process Flow Chart**



Are there 2 or more local issues that the municipality would like to address in their plan by going beyond core element guidelines? — Yes —>

**Advanced Core Plan**  
Offers additional funding to local governments that choose to do additional planning. (Available to municipalities and counties.)

**3. Develop a new funding program to support local plans that encourages local governments to plan jointly and that allocates a higher level of resources to plans that address more complex growth and development issues and go beyond the minimal core requirements.**

Under current practice, all local governments that apply for grants to update their land use plans are funded at 80% of the total planning cost. This funding level is not dependent upon the scope of the plan, the type of local planning entity, or the ability of the planning entity to fund a portion of the cost. The review team recommends a more flexible approach to planning assistance that ties the level of grant funding to the following factors:

- The type of plan developed, i.e. workbook, core, or advanced core;
- Whether the plan is prepared by a county that is required to plan or a municipality where the land use plan is optional; and
- The economic circumstances of the county that prepares the plan as determined by its Tier designation according to the NC Department of Commerce.

This funding approach, outlined below, will provide a more cost-effective allocation of scarce planning funds.

**A. County Plans**

- Because the Coastal Area Management Act requires counties to develop land use plans, all counties are expected to complete a *core plan* at a minimum. It is recommended that funding level for county core plans should not exceed 65%, unless the county is economically distressed (Tier 1 and 2). For distressed counties, the funding level should not exceed 75%. Table 1 below shows the current Tier designation of coastal counties.

**Table 1  
County Tier Designations for CAMA Counties  
NC Department of Commerce  
2000**

<b>Tier 1</b>	<b>Tier 2</b>	<b>Tier 3</b>	<b>Tier 4</b>	<b>Tier 5</b>
Beaufort	Onslow	Chowan	Brunswick	New Hanover
Bertie	Pamlico	Currituck	Carteret	
Camden	Pasquotank	Dare	Craven	
Hertford		Gates	Pender	
Hyde				
Perquimans				
Tyrrell				
Washington				

- Counties that choose to go beyond basic requirements to complete an *advanced core plan* will be eligible for funding up to 75%, unless they are economically distressed. Economically distressed counties may receive funding up to 85%.
- The funding structure for county plans should include a financial incentive that encourages counties and municipalities to prepare joint plans

## B. Municipal plans

Table 2 on page 22 provides a recommended funding matrix for municipalities. The grant funding level for municipalities is related to total population, population growth rate, and the presence of ocean and/or estuarine/public trust area AEC's. These factors determine the type of plan that the municipality is expected to develop. Municipalities with no AEC's are encouraged to participate in the county's plan and no separate funding for these communities is recommended.

- If it is determined in the scoping process that a *core plan* is appropriate, municipalities should be funded at a level not to exceed 60% of the total cost.
- If the scoping process indicates that municipality should complete an *advanced core plan*, the community should be eligible for funding up to 75% of total cost.

## 4. Take steps to improve the level of implementation of local land use plans.

The team recommends that the CRC use three related approaches to improving the level of implementation of land use plans: 1) using incentives to encourage local governments to implement their plans; 2) requiring periodic reviews of implementation progress; and 3) taking specific steps to achieve consistency between state agency actions and local land use plans. Each of these approaches is described below.

### Sustainable Communities.

The Review Team recommends creation of a Sustainable Communities Program to increase local government implementation. Through this program, the local government can apply for multi-year funding for projects to implement their plan. These projects

**Table 2**  
**Recommended Funding Matrix for Municipal Land Use Plans**

AECs \ Population and Growth Rate	OCEAN AECs	ESTUARINE/PTA AECs	NO AECS
Large or Urban and High Growth Rate			
Rural, High Growth Rate			
Urban and Rural, Moderate Growth Rate			
Small, High Growth Rate			
Low Growth Rate			

Core Plan expected     
  Core or Workbook plan- to be determined in the scoping process     
  Expected to fold into County plan

<b>Population Sizes</b>	
<u>Level</u>	<u>Population</u>
Large	> 5000
*Urban	=> 2500
*Rural	< 2500
Small	< 1000

<b>5-yr Growth Rate*</b>	
<u>Level</u>	<u>Growth Rate</u>
High	=> 18.4%
Moderate	> 9.2% and < 18.4%
Low	<= 9.2%
Ranges based on growth rate for the state, and are subject to change with new Census data.	

\*Source: NC Office of State Planning

must be consistent with CAMA goals and the local Land Use Plan, further principles of sustainability, and be innovative or new to the North Carolina Coast.

To qualify for the “Sustainable Community” program, a community’s planning program must address the following principles<sup>12</sup>:

- Encourage and develop connections between environmental health and economic vitality.
- Restore and maintain environmental quality of natural resources.
- Prevent additional degradation of resources through planned, proactive measures.
- Include cumulative and long term impacts in land use decision making and work to protect the natural resources of the North Carolina Coast for future generations.
- Incorporate the values of community and take advantage of community resources.
- Ensure commitment to equity so natural resources are available to all, and environmental impacts and the costs of protecting the environment do not unfairly burden any one geographic or socioeconomic sector.

An example of a Sustainable Communities project might be a multi-year program to improve water quality. Individual projects might include purchase rights-of-way or easements for a shoreline buffer or the purchase of strategically located undeveloped property.

The Review Team recommends the CRC identify four priority issue areas and goals that the commission wants these plans and projects to focus on. Possible issues and goals include:

*Water Quality*- Improve and protect water quality in coastal waters.

*Quality Growth* -Promote economic diversity and growth while encouraging the protection and restoration of natural resources.

*Hazard Mitigation* -Improve disaster preparedness programs and the ability to protect lives and property, especially in coastal high hazard areas.

*Public Access and Open Space* -Provide and maintain public access to coastal lands and waters.

Local governments need to show a good record of implementation of their Land Use Plan in order to be eligible to receive grants under the Sustainable Communities Program.

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<sup>12</sup> Principles adapted from the City of Portland Sustainable City Principles, November 1994 and Model Principles from the Ontario Round Table on Environment and Economy, 1995

## **Periodic Implementation Review.**

The CRC should require local governments to monitor implementation of land use plans and to prepare a periodic report on progress. The report will document all actions taken to implement the plan, any implementation actions that are not on schedule and steps that are planned to get the actions back on schedule, and any unforeseen planning issues that have arisen since approval of the plan. The results of this evaluation should be made available to the public and provided to the Division of Coastal Management. DCM should provide a summary report on land use plan implementation to the CRC.

## **Grant Criteria.**

The team recommends DCM consider implementation, as measured by the periodic implementation review, when funding Planning and Management grants. Planning and Management grants should only be awarded for projects that are consistent with the local land use plans and the goals of CAMA.

## **State Consistency with Local Land Use Plans<sup>13</sup>**

In order to provide major support for implementation of land use plans, the team strongly recommends that the CRC create a state-local task force to recommend a comprehensive approach to achieve consistency between state programs and local plans. The task force's efforts should be focused in the following areas:

- Ensuring that regulatory decisions of state agencies are consistent with land use plans;
- Requiring state agency decisions that impact local growth and development, such as construction of highways, to be consistent with the community's land use plan; and
- Ensuring that grants and financial assistance to support major community facilities, such as water and sewer funds, provided by state agencies to coastal communities are consistent with the local government's land use and development policies.

The results of increased consistency in these areas will be more effective implementation of plans and a higher interest in the planning program by local officials.

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<sup>13</sup> The team agreed that there should be greater involvement by local government in determining consistency of development permit applications with the land use plan. Involvement includes discussions with the applicant prior to submission of a major permit application and inclusion of the local government in the agency review process for major permits. DCM has implemented new procedures to include this additional level of involvement.

## 5. Take steps to increase the level and scope of participation by the public in the land use planning process.

Public participation plays a critical role in successful land use plans. Both the quality of the plan and its implementation are improved by increasing the number of citizens involved in developing the plan. To improve the quality and quantity of public participation in the planning process, the team recommends an enhanced citizen participation plan and a broad based public education program.

In addition, the CRC should provide citizens with information that clarifies the roles of local government, the DCM staff, the CRC's Planning and Special Issues Committee, and the CRC in the plan certification process.

**Enhanced citizen participation plan.** The local government should be required to use a variety of educational efforts and public participation tools and techniques to offer an opportunity for all economic, social, ethnic, and cultural segments of the community to participate in the planning process. The citizen participation plan should include a description of the tools and techniques that will be used and the expected outcomes. The technical manual, described in recommendation number 6, will provide guidance on a variety of tools and techniques for public participation.

In addition, the following threshold requirements are recommended for the citizen participation plan:

- ... make it easy for citizens to contact the designated planning entity so that they may offer input and obtain information outside of public meetings.
- ... ensure that citizens have an opportunity to speak or to submit written comments at every public meeting.
- ... provide an effective process for public information about the schedule and agenda for meetings on the plan and improved information on the outcome of meetings.
- ... meaningful efforts to involve non-resident property owners in the planning process.
- ... means of establishing a public participation record, including keeping a record of speakers and written comments.

**Broad based public education program.** The team recommends a broad based educational effort that will target everyone involved in the CAMA process including local officials, CRC and CRAC members, and the public. The program will focus in four main areas:

- ... The importance of CAMA to the residents and property owners of coastal NC;

- ... The role of land use planning in North Carolina's coastal management program;
- ... The benefits of land use planning to the citizens of the coastal area; and
- ... The ways that citizens can be involved in CAMA, including land use planning, plan certification, permitting, and other programs

**Citizen comments at the Planning and Special Issues meeting.** Materials clarifying the role of citizens in the LUP certification process should be a specific part of the education program. The materials should reinforce that the local level is the most effective venue for public participation. However, if after local adoption of the plan, a citizen believes that the local government has not met the requirements of the rules, then clear information should be available that outlines citizens' opportunities to address the Planning and Special Issues Committee when it reviews the plan. The materials should also give citizens guidance on the types of issues that are relevant to the P&SI committee's review of the local plans.

A comprehensive *citizen's guide to CAMA and local land use planning* would be an effective basic tool for the education program.

**Required local official participation.** The team recommends that the CRC encourage participation by local elected officials throughout the land use planning process. Certification of local plans by the CRC is an essential step in this process and it should involve local officials. The team recommends a minimum requirement that an elected official, appointed official, such as the planning board chair, or local staff member present the local land use plan to the P&SI committee. The local representative would be available to answer questions by committee members and to respond to any comments by the public.

## **6. Provide a technical manual that aids local governments in developing quality land use plans.**

The team recommends development of a "how to" manual to assist local governments in completing the studies and policy development required for a good land use plan and for achieving a high level of public participation during the preparation of the plan and for its implementation. The manual will provide recommendations for sources of data required for the plan, it will cover standard methodologies for all studies required to complete the core elements, and it will provide an easy to follow process for developing effective policies. Wherever practical the manual will include more than one methodology for each type of study required. This should offer flexibility and encourage a high standard of analysis.

The final content of the "how to" manual cannot be determined until rules are approved for CAMA land use plans.

## **7. Take steps to strengthen the ties between basinwide planning for water quality and CAMA land use plans.**

The review team supports the recommendation of the Estuarine Shoreline Protection Stakeholders (ESPS) to “extend (the) local government land use planning process...throughout river basins draining to coastal North Carolina.” The team recommends that the CRC request the General Assembly to establish an appropriate mechanism to extend local land use planning throughout the river basins. As recommended by the ESPS, the land use plan development, update, and review process in the expanded area should be consistent with planning requirements in the coastal counties.

**Coordination with *Smart Growth*.** The CRC should also support the efforts of the Smart Growth Commission to establish a statewide land use planning program that is consistent with planning processes required in the coastal counties.

**Participation in basinwide planning.** The team also recommends that the CRC coordinate with the Environmental Management Commission to expand the role of local government and local land use plans in the basinwide water quality planning process. Three specific steps are recommended:

- The database and strategies contained in the basinwide plans should be closely tailored to the requirements for land use plans;
- The EMC should incorporate local land use policies in basinwide plans; and
- Local governments should be encouraged by the CRC to participate in the scoping process for basinwide plans.

## **8. Encourage intergovernmental coordination in the development and implementation of land use plans.**

The team recommends that the land use planning rules require greater coordination among local planning entities during the planning process. Coordination is especially important for the protection and enhancement of coastal resources that do not necessarily respect local political boundaries; issues that tend to be regional in nature, such as water and sewer and highways; and issues of mutual concern, such as development policies where political boundaries adjoin. The team recommends coordination on two levels:

- Local planning entities should be required to provide adjoining jurisdictions with a copy of its draft land use plan and to solicit comments on the plan’s policies as they relate to the policies of adjoining jurisdictions. Local planning entities should also be required to provide adjoining jurisdictions with copies of certified plans within a reasonable time after approval by the CRC.

- Where watersheds containing AEC's fall within more than one local planning entity, the entities should be required to coordinate land use and development policies to protect the values of the AEC's, to the extent practical.

**Regional planning.** Recognizing that local governmental boundaries rarely conform to the boundaries of natural systems, it is important that local land use plans be formulated in a regional context that more closely corresponds to the boundaries of the natural systems. As a future objective, the Review Team recommends the CRC explore the efficacy of a regional context for local land use planning for the two most distinctive coastal systems: river basins and barrier islands.

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## Recommended Implementation Actions

The Land Use Plan Review Team suggests the following short-term and long-range actions that the CRC may take to implement its recommendations.

### 1. Adopt and implement rule changes

Implementation of the recommendations for improving the quality of land use plans and the planning process will require the CRC to adopt new planning guidelines in Subchapter 7B and the recommended funding framework for land use plans will require that DNER adjust the 7L rules related to planning and management grants. The team acknowledges the importance of the new planning and funding guidelines, but did not have sufficient time to reach consensus on these documents. The staff will complete drafts of 7B and 7L.

The new planning guidelines and the revised funding rules should be coordinated and promulgated on a similar schedule. The team recommends a schedule that will allow the new rules to be effective in the late summer of 2002. A suggested schedule is shown below:

September 2000	Review Team presents final report and recommendations to CRC. CRC makes staff follow-up assignments, accepts proposed schedule.
November 2000	CRC begins review of proposed 7B guidelines and management objectives.
January 2001	CRC continues review of 7B and management objectives.
March 2001	CRC review continues.
May 2001	CRC finalizes 7B rules and votes to send them to public hearing.
September 2001	One public hearing is held in each of the 3 geographic regions and one at the regular CRC meeting.
November 2001	CRC adopts final 7B rules.
December 2001	CRC submits rules to Rules Review Commission.
Dec 2001 – Mar 2002	Rules Review Commission.
March 2002	RRC must approve rules no later than this date.
May – July 2002	7B rules sit before General Assembly.
August 2002	New 7B rules go into effect.

Although this schedule extends the moratorium, it gives the CRC sufficient time to examine the proposed rules and DCM staff sufficient time to create the manuals and imple-

ment the public education program. It may be possible to start the Sustainable Communities program in the interim.

## **2. Approve concept of “how to” manuals**

The concept of “how to” manuals to complement the 7B rules should be approved by the CRC at its September 2000 meeting. These manuals are a integral part of the planning process and must be available to local planners at the same time that the new rules go into effect. Considerable lead time will be required to prepare these materials.

## **3. Implement public education program**

The DCM planning staff is working with the DCM Coastal Reserves staff to plan an educational program for the public, local elected officials, CRAC and CRC members. The development work for this project has already begun, and the first set of workshops can begin in the fall of 2000. These workshops will focus on the benefit of planning in general.

## **4. Seek additional planning resources**

The CRC should seek additional funds to provide financial support for enhanced land use plans and for planning and management projects to implement plans. Further, provision of expanded technical assistance for planning and the more extensive plan review process related to management objectives will require increase in DCM’s staff resources.

Authorization from the General Assembly to allow DCM to “carry over” planning funds from one fiscal year to the next for multiyear projects will assist in making more funds available for planning.

## **5. Seek legislative authority to require state program consistency with land use plans**

As a long range action, the CRC should create a local-state task force to recommend practical approaches to requiring the programs of state agencies, boards, and commissions be consistent with CAMA land use plans. State programs should include permitting, infrastructure development, and financial assistance.

**6. Support requirement for land use planning throughout river basins that drain to the coastal area**

The CRC should seek action by the General Assembly to establish an appropriate means by which local land use plans are developed for the non-coastal areas of river basins for rivers that drain to the NC coast. These land use planning processes should be consistent with the CAMA land use planning program.

At the same time, the CRC should support current efforts to establish statewide local land use planning through programs such as Smart Growth.

## APPENDIX ONE REVIEW TEAM

### Selection and Make up of the Review Team

The CRC approved the moratorium and the review process with the stipulation that the review be conducted by an external body. The Review Team was appointed by the Chair of the CRC, the Chair of the Coastal Resources Advisory Council, and the Director of the Division of Coastal Management. Because this team was tasked with developing specific changes to the planning program and guidelines, the Commission determined that this should be a small working group, even if that limited some stakeholder involvement.

Team members were chosen for their knowledge of the CAMA planning process, their area of expertise, and their geographic location. The team was not envisioned to be a true stakeholder group, thus appointments to the group did not include all interested parties, and selections were not made through a strict set of criteria. The following individuals were chosen to serve on the Review Team.

Anne-Marie Knighton	Town Manager, Town of Edenton	[municipal government]
J.D. Brickhouse	County Manager, Tyrrell County	[county government]
Dr. David Brower Bill Farris <sup>14</sup>	Research Professor, UNC Planning Consultant	[academic/ planner] [land use planner/city man- agement]
Wade Horne	Chair, Coastal Resources Advisory Council	[ex- officio member]
Lauren Kolodij	Program Manager, NC Coastal Federation	[conservation]
Donna Moffitt	Director, Division of Coastal Management	[ex-officio]
Bruce Payne <sup>15</sup>	Planning Director, City of Jacksonville	[land use planner]
Marion Smith	Executive Director, Neuse River Foundation	[conservation]
Linda Staab <sup>16</sup>	Planning Director, More- head City	[land use planner]
Gene Tomlinson	Chair, Coastal Resources Commission	[ex- officio member]

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<sup>14</sup> Bill Farris served on the Review Team from March 1999 through June 2000. He resigned from the team and assisted with preparation of the final report.

<sup>15</sup> Bruce Payne served on the Review Team from March 1999 through April 2000. He resigned from the committee when he relocated out of the area.

<sup>16</sup> Linda Staab joined the Review Team in May 2000. She filled Bruce Payne's seat upon his resignation.

John Stephens from the UNC Institute of Government acted as facilitator for the Team meetings.

The following DCM planning staff participated in team discussions and acted as support for the team

Steve Underwood	Assistant Director
Jane Daughtridge	District Planner, Washington Office
Alex Marks	District Planner, Wilmington Office
John Thayer	District Planner, Elizabeth City Office
Kathy Vinson	District Planner, Morehead City Office
Caron Whitaker	Community Planner, Staff Liason for Review Team