

NC COASTAL RESOURCES COMMISSION (CRC)

August 27-28, 2025

Tryon Palace History Center, New Bern

Present CRC Members

Renee Cahoon, Chair
Neal Andrew, 1st Vice-chair
Larry Baldwin
D.R. Bryan
Bob Emory
Jordan Hennessy
Robert High
Sheila Holman, 2nd Vice-chair
Steve King
Lauren Salter
Earl Smith

Present from the Office of the Attorney General

Sarah Zambon
Phillip Reynolds

Present from the Department of Environmental Quality, Office of the General Counsel

Christine Goebel

CALL TO ORDER/ROLL CALL

CRC Chair Renee Cahoon called the meeting to order at 1:30 p.m. on August 27, 2025, reminding the Commissioners of the need to state any conflicts due to Executive Order Number 34 and the State Government Ethics Act. The State Government Ethics Act mandates that at the beginning of each meeting the Chair remind all members of their duty to avoid conflicts of interest and inquire as to whether any member knows of a conflict of interest or potential conflict with respect to matters to come before the Commission. The Chair requested that if any member knows of a conflict of interest or a potential conflict of interest, they state when the roll is called. Commissioner Hennessy stated he would ask for recusal from the Bogue Banks Beach Management Plan. Commissioners Steve Shuttleworth and Robbie Yates were absent. Based upon this roll call Chair Cahoon declared a quorum.

CHAIR COMMENTS

Chair Cahoon thanked Commissioners for their willingness to change venues for this meeting and thanked Tryon Palace staff for hosting the meeting. She also welcomed Sarah Zambon from the Attorney General's Office who is serving as CRC Counsel.

MINUTES

Larry Baldwin made a motion to approve the minutes of the April 30 – May 1, 2025, Coastal Resources Commission meeting. Sheila Holman seconded the motion. The motion passed unanimously (Cahoon, Andrew, Baldwin, Bryan, Emory, Hennessy, High, Holman, King, Salter, Smith).

EXECUTIVE SECRETARY REPORT

DCM Director Tancred Miller gave the following report:

With Hurricane Erin, we witnessed an Atlantic storm grow from a tropical depression to a category 5 hurricane with remarkable speed within about 24 hours. Rapid intensification to major storms now seems fully more the norm than the exception. NC began feeling the impacts of Erin while the eye of the storm was about 600 miles from our coast, but thankfully we were spared catastrophic impacts since the eye stayed about 200 miles offshore. There were a few isolated hotspots particularly in Dare and Hyde Counties where three days of surge, waves, and high tides caused significant beach erosion, structural damage, and road closures, but no house collapses. DOT was forced to close Hwy 12 from Pea Island to Hatteras and much of Ocracoke due to overwash flooding, but pavement damage was minimal. The trapezoidal sandbags that you authorized for DOT at Pea Island by emergency variance did their job well and protected the road. Hardest hit appears to be Buxton, which experienced significant beach erosion and damage to structures along almost their entire oceanfront. Over 30 homes experienced damage to their stairways, septic systems, HVAC, utilities, and other accessory structures that was significant enough to require most of these homes to need repairs before they can be reoccupied. Some of these homes already have sandbags; if other owners need sandbags, we will get those permitted quickly so that the structures have some protection until the beach nourishment project is completed. More petroleum, asbestos contamination and abandoned structures were uncovered at the Formerly Used Defense Site in Buxton, and the Corps of Engineers is working to remediate the area. In non-oceanfront areas, impacts that did occur mirrored those of a high king tide. Let's hope this is the only hurricane report I'll have to give this year.

Regulatory

The application for the Mid-Currituck Bridge remains under review. It was placed on applicant hold by the NCDOT and Turnpike Authority 2 weeks prior to the June 6th statutory deadline to resolve issues related to SAV impacts and other resources. DCM anticipates the NCTA will take the project off hold within the coming weeks and we will have about 2 weeks to issue a final decision. Our DOT reps have issued a number of permits for the replacement of bridges on Joyce Creek in Camden and Currituck Counties, US264 on the Pungo River and a modification to allow the use of a noise containment structure on the new Alligator River Bridge. Outside of DOT the Major Permit staff has authorized modifications for Dare County for dredge work in Hatteras Inlet, and to Carteret County to revise the alignment on a large-scale living shoreline. Some of you may recall visiting the terminal groin at Ocean Isle Beach in February 2023. The beach east of the groin experienced a period of rapid erosion this summer, jeopardizing structures and leading to a number of accelerated erosion calls and sandbag permits for structures and the road right of way. The road was somewhat undermined by Erin, and we are working with town representatives to get the area stabilized as quickly as possible. The Corps of Engineers submitted a federal consistency determination for a proposed long-term maintenance plan for the Hatteras Inlet Navigation System, which includes the Rollinson Channel and the Hatteras Ferry Connecting Channel. The proposal includes a significant expansion of the dredge corridor footprint to provide flexibility in maintaining approved dredge depths by following natural shifts in deep water. Authorized channel dimensions would remain at widths of 100 feet and depths of

10–12 feet. Dredged material will be placed in existing and new locations, including nearshore and open water disposal zones.

Policy & Federal Consistency

DCM recently received the U.S Army Corps of Engineers’ proposed reissuance of their Nationwide Permits, including regional conditions. Any changes proposed during the five-year nationwide permit reissuance process are reviewed by coastal states through the Coastal Zone Management Act’s Federal Consistency process. The most recently proposed changes were found to be consistent to the maximum extent practicable with North Carolina’s approved enforceable policies.

Planning & Resiliency

The division certified one land use plan since April for the Town of Leland, and one land use plan amendment for the City of Havelock. We have four other land use plans in house for review and certification: Craven County, Pender County, Oak Island and Ocean Isle Beach. In grant program news, the Public Beach and Coastal Waterfront Access Grant Program, just awarded 10 grants totaling \$2.2 million for the 2025–2026 cycle. Some recently completed access projects include new dune crossovers in Atlantic Beach, Indian Beach, Kill Devil Hills, and Nags Head. ADA improvements were completed in Surf City, including the addition of ADA improvements to the existing parking and facilities, and the acquisition of an existing parking area at the south end of Topsail Beach. Applications for the 2026–2027 grant cycle will open in January 2026. The Resilient Coastal Communities Program (RCCP) this month awarded grants to 32 communities totaling nearly \$6 million to strengthen coastal resilience. Of this funding, \$1.9 million was provided to support risk assessment and resilience planning and the incorporation of resiliency strategies into CAMA Land Use Plans. The remaining \$4+ million was awarded to communities for project engineering, design, construction, and implementation. Funding for these awards comes from nonrecurring state appropriations and competitive federal grants. Funding is low after this round of grants, but we will continue to apply for federal awards so that we can continue to provide these important resources to our coastal communities. The Division recently received about \$227K from the U.S. Fish & Wildlife Service to administer the Boating Infrastructure Grant (BIG) Program previously administered by the Division of Marine Fisheries. The program supports the development of safe, accessible, and environmentally sound boating facilities for transient recreational vessels of 26 feet or longer. Staff are working to establish the program, become familiar with federal requirements, and anticipate accepting new grant applications in the Summer of 2026. Eligible activities will include construction, renovation, and maintenance of public and private tie-up facilities that are open to the public.

While DCM and CAMA are maybe more widely known for our regulatory work, staff take great pride in our nonregulatory programs. The other side of the orderly development and environmental protection coin is abundant and sustainable access to our resources. Public access grants, building local capacity for long-term resiliency, and a healthy coastal reserve system work hand in hand with balanced permitting to preserve of the quality and way of life that we enjoy here in eastern North Carolina.

Coastal Reserve

We hosted our fourth stop on the “Discover the N.C. Coastal Reserve” Tour at the Masonboro Island Reserve on May 16, joined by Commissioner & Mrs. Shuttleworth. The tour began with remarks by Secretary Reid Wilson and others, followed by a guided boat tour and walk on the site’s nature trail. Please be on the lookout for an invitation when the next stop is scheduled. The Division is also celebrating the 40th anniversary of N.C.’s National Estuarine Research Reserve this year. Reserve summer camps for 1st through 10th graders were well attended this summer at the Rachel Carson Reserve. Favorite activities included field trips and squid dissection. These camps are conducted in partnership with the NC Maritime Museum in Beaufort. The reserve hosted two workshops this summer. Educators participated in a “Teachers on the Estuary” workshop in June, and the training program hosted “Adaptation Planning for Coastal Communities” yesterday in partnership with NOAA’s Office for Coastal Management to build skills for incorporating adaptation strategies into planning processes. Participants at both workshops received continuing education credits. The reserve was selected for grant funding for several research projects. Research Coordinator Justin Ridge will lead a \$1M project in collaboration with Coastal Training Program Coordinator Whitney Jenkins, titled “Drone-Based Analysis of Intertidal Oyster Reef Condition to Enhance Fishery Management in the Southeastern U.S.” Unfortunately, that funding has been rescinded by NOAA. Reserve staff will also participate in 3 other funded projects focused on SAV, science utilization, and transferring our popular Realtor training program to other states. We had a fantastic group of interns working with the reserve this summer in Manteo, Beaufort, and Wilmington. The students worked on a range of hands-on research and natural resource management to help inform their future career paths. Thank you to Friends of the Reserve, the N.C. Internship Program, and UNCW for their support and partnership for the internships.

Staff News

Following a series of departures and transitions from the start of 2025, I can report that we are close to fully staffed. Many of our folks are new but they have hit the ground running and are learning fast. Here are some of the recent staff changes. Victoria Hampton joined the Elizabeth City office as a new field representative on August 18th. She came to us from the NC Division of Marine Fisheries, where she worked as a fisheries technician. Austin Turbitt joined the Wilmington Office in May, coming over from DEMLR. He has a degree from UNCW in Environmental Sciences Conservation and previously worked in Stormwater Compliance in the private sector. He will be covering Western Brunswick County including Sunset Beach, Ocean Isle Beach and Shallotte. Genny Ivec joined the Wilmington Office in June, having previously worked for the Division of Marine Fisheries as a Marine Fisheries Technician. She has a Masters Degree in Fisheries Science and a BS in Evolution & Ecology. Her territory will be Topsail Island and Pender County. Michelle Preast is the new receptionist in our Morehead City office, providing excellent customer service to the public. The Major Permit Program lost Wayne Hall to California on Monday. Wayne was the Assistant Major Permit Coordinator and processed applications coming into the Morehead City, Washington and Elizabeth City offices. The position is currently open to recruit his replacement. Cole Barrow joined us on March 24th as a field representative in Morehead City. His last day with us is today, as he is leaving to become the new planning director for the Town of Newport. We are thrilled for him and look forward to working with him in his new capacity. Yvonne Carver from the Elizabeth City office retired effective August 1st to enjoy time with her daughter and 3 grandchildren. Yvonne left with 29

years of Service, 22 of those years being with DCM. She started with DCM in 2003 right before Hurricane Isabel hit the area, then later transitioned to a field representative position. The Division will miss her, and we wish her a happy, loving and healthy retirement.

Budget

On the federal side I'm happy to report that our FY2025 grant has been awarded. As a reminder our federal funding is about \$3.8M per year, which is 50% of our annual budget and supports 31 of our 59 staff (52%). The federal FY26 budget process is underway and so far, the House and Senate committees have recommended level funding for coastal management grants. We will continue to track it. I'll speak more to this in a minute, but the General Assembly passed a "mini" budget earlier this month. We'll be paying attention to any further movement when legislators return to Raleigh. Pursuant to G.S. 143B-279.19 our permit fees went up on July 1st by about 18% in accordance with Consumer Price Index growth over the previous two biennia. Fees for Major permits and most General Permits are now \$474, and Minor Permit fees have increased to \$119. Fees will automatically adjust every four years going forward. The full schedule is available on our website.

Legislative Update

- **H125 (S.L. 2025-89)**, AKA the "mini" budget created the Division of Accountability, Value and Efficiency (DAVE). The law requires a report by October 1st on each state agency's use of state funds to execute our powers and duties under the law, and a description of any positions that have been vacant for 6 months or more. DAVE will assess the continued need for the agency and vacant positions within the agency and can recommend agency dissolution and position eliminations. Although not required DAVE can request a report annually from any agency until the division sunsets on 12/31/2028. We are working on our contributions to the report.

The "mini" budget further directs DEQ to achieve a \$2.26M reduction for FY25 and a further \$670K reduction for FY26 by eliminating vacant positions or shifting them off of state appropriations. This is definitely a challenge given our small size, low vacancy rate, and already tight budget, and our priority is to sustain our ability to serve the people and coast with a professional, well trained, and motivated staff.

- **H402 (S.L. 2025-82)**, is **Limitations on Rules with Substantial Financial Costs, AKA the NC REINS Act, (from federal Regulations from the Executive in Need of Scrutiny)**.

The bill introduces new approval requirements for proposed permanent rules based on specified tiers of "Aggregate Financial Cost" (AFC) over time. AFC is the monetary costs to all persons affected, not inclusive of the benefits of the rule. The previous "Substantial Economic Impact" standard was static and meant the cumulative financial impact on all persons affected of at least \$1,000,000 in a 12-month period. Thresholds and approval requirements are:

- A proposed permanent rule with an AFC of \$1M+ during a 5-year period must be adopted by a vote of at least 2/3 of the members present and voting (e.g. 9 of 13).

- A proposed permanent rule with an AFC of \$10M+ during a 5-year period must be adopted by a unanimous vote of the members present and voting.

- A proposed permanent rule with an AFC of \$20M+ in a 5-year period requires ratification of a bill by the General Assembly to approve the rule, unless the rule is required by federal law or adopted to implement a program delegated to the state by a federal agency.

Both standards are in effect and apply to all of the Commission's rulemaking going forward, including the periodic review and readoption process that Daniel will walk you through later on.

- **S472 (S.L. 2025-48) is Coastal Regulatory Reform** and includes two bills I mentioned in my last report that we were tracking. S665 related to permitting for upland marina basins and S734 concerned CRC jurisdiction in man-made ditches. These two bills were combined and passed as one bill and both have impacts to the program's permitting jurisdiction under CAMA and the Dredge & Fill law. Please note that we began implementing the changes once the bill became law on July 2nd, and we are working on a rulemaking package to bring to you to codify the new law.

First up are amendments to CAMA and the Dredge & Fill Law governing your authority in man-made ditches. Man-made ditches are now statutorily defined as: "constructed, altered, or excavated features used to convey water, including, but not limited to, artificial ponds, culverts, canals, swales, storm channels, minor-drainage features, and roadside ditches. The term "altered" does not include the alteration of a natural shoreline, natural stream, or natural wetland, and the term "excavated" does not include submerged lands that have been dredged for the purpose of navigation. The clarifications for the terms "altered" and "excavated" were very helpful in enabling the division to apply the law. The Commission may now not designate any man-made ditch meeting this definition as an AEC. Marshlands, as defined in Dredge & Fill, may now not include any area included in a man-made ditch. So, what is a man-made ditch? The best answer for now is you'll know it when you see it, since it comes down to form and function. Staff have been reviewing cases together to ensure that we are consistent with the law and across the district offices. When a feature is determined to fit the statutory definition, staff do not claim jurisdiction under any AEC category, including Public Trust or Coastal Wetlands. It would exempt development in all man-made ditches, canals, ponds, and other constructed, excavated, or altered features from CAMA and Dredge & Fill permitting jurisdiction. As currently written, this would include navigable waterbodies such as finger canals and dredged channels. The statutes and your rules for placement of structures like docks, pilings, and bulkheads, and dredging or filling would no longer apply in these areas.

- The **Upland Basin Marinas** provisions are a little more complex since the bill amended CAMA but includes new permitting requirements for DCM and the Division of Water Resources. The new provisions related specifically to CAMA permitting include:
 - A 60-day permitting clock once a project is accepted as complete, down from the

normal 75-day clock.

- A single opportunity to request additional information from the applicant, that must be made within 30 days of the accepted as complete date. The 60-day permitting clock restarts upon receipt of the additional information. Failure to make a permit decision within 60 days shall be deemed approval.
- Marina basins include all boat storage: wet slips, lifts, and dry storage.
- The marina basin may remove a total area of coastal wetlands that is no more than 5% of the total area of the marina basin waters.
- The marina basin may impact or remove a total linear footage of coastal wetlands fringe that is no more than 10% of the total existing linear footage of coastal wetlands along the applicant's property.
- There is no 30-foot buffer requirement along the newly-created marina basin shoreline. The 30-foot buffer will still exist along the property's non-basin shoreline.
- Stormwater management systems may be installed within the 30-foot buffer.
- Mitigation or mitigation credits are required for wetland impacts that exceed 125 linear feet of shoreline.
- If a project meets all of the statutory criteria it is presumed to have avoided significant adverse impacts to fisheries resources.
- As mentioned, several provisions in the bill relate to the Division of Water Quality's responsibilities and we are coordinating with DWR on implementation.

S665 would amend State permitting for upland basin marinas, allowing for elimination of 10% of the linear footage and 5% of the areal square footage of coastal wetlands, and requiring no buffer along the newly created shoreline. It would also reduce permitting time for upland basins from 75 days to 60. It also includes procedural changes for EMC/DWR permitting such as an exemption from stormwater runoff requirements and clarifying the standards for water quality protection.

A final note before I conclude is to recognize your Science Panel, led by Chair Laura Moore, for an incredible amount of work and countless hours spent preparing the IHA report. These professionals are invaluable to the state and the coastal management program, and no amount of thanks are enough for their dedicated service.

VARIANCE REQUESTS

Hreha-Caruso (CRC-VR-25-04), Frisco Covered Deck within Buffer Ron Renaldi, Christy Goebel/Pro-se

Sarah Zambon provided the Commission with a review of its quasi-judicial responsibilities for considering variance requests and reminded Commissioners of the need to consider conflicts, biases, or preconceptions and limit considerations to the stipulated facts found in the record.

Ron Renaldi provided an overview of the site of the proposed development. Christy Goebel represented staff and reviewed the stipulated facts of the variance request. Mr. Hreha was present and represented himself. Ms. Goebel presented Staff's positions on the variance criteria and stated staff and Petitioner agree on three of the four factors which must be met in order to grant the variance. Mr. Hreha reviewed the stipulated facts which he contends supports the granting of the variance request.

Jordan Hennessy made a motion that Petitioner has shown that an unnecessary hardship would result from strict application of the development rules, standards, or orders issued by the Commission. Larry Baldwin seconded the motion. The motion passed unanimously (Hennessy, Emory, Smith, Cahoon, Andrew, Baldwin, High, Bryan, Salter, Holman, King).

Jordan Hennessy made a motion that Petitioner has shown that hardships result from conditions peculiar to the Petitioner's property. D.R. Bryan seconded the motion. The motion passed unanimously (Hennessy, Emory, Smith, Cahoon, Andrew, Baldwin, High, Bryan, Salter, Holman, King).

Jordan Hennessy made a motion that hardships do not result from actions taken by the Petitioner. Sheila Holman seconded the motion. The motion passed unanimously (Hennessy, Emory, Smith, Cahoon, Andrew, Baldwin, High, Bryan, Salter, Holman, King).

Jordan Hennessy made a motion that the variance requested will be consistent with the spirit, purpose, and intent of the rules, standard, or orders issued by the Commission; will secure the public safety and welfare; and preserve substantial justice. Sheila Holman seconded the motion. Bob Emory offered a friendly amendment to include the stormwater management related conditions as proposed by staff. Commissioners Hennessy and Holman agreed to the amendment. The motion passed unanimously (Hennessy, Emory, Smith, Cahoon, Andrew, Baldwin, High, Bryan, Salter, Holman, King).

This variance request was granted with conditions.

PUBLIC INPUT AND COMMENT

Alyson Flynn, NC Coastal Federation, spoke in favor of revisiting rule amendments previously considered by the Commission in 2023 regarding septic tanks on the oceanfront and public trust beaches. (written comments provided)

Jim Cornelison, Carolina Real Estate of Topsail, spoke in favor of the 2,500 square foot footprint revision to 15A NCAC 07H .0309.

Lincoln Scott of North Topsail Beach spoke in favor of allowing the 2,500 square foot footprint as proposed in recent amendments to 15A NCAC 07H .0309.

ACTION ITEMS/RULEMAKING

Periodic Review of Existing Rules

15A NCAC 07A, 07H, 07I, 07J, 07K, 07L, 07M (CRC 25-35)

Daniel Govoni

Daniel Govoni stated prior to 2013 rules did not expire. 150B-21.3A now requires that every ten years an agency must review its rules to determine whether the rules are necessary or unnecessary. An unnecessary rule is a rule that is determined by the agency to be obsolete, redundant, or otherwise no longer required. Unnecessary rules will expire and be removed from the Administrative Code. The Rules Review Commission can determine that an unnecessary rule is necessary but cannot determine a necessary rule is unnecessary. The Division has received the report from the Office of Administrative Hearings for the CRC to begin the classification process for Subchapters 15A NCAC 07A, 07H, 07I, 07J, 07K, 07L, and 07M. Following DCM's initial review of each rule and simultaneously with the Division's Annual Review of Rules, staff recommends that the rules in these Subchapters be classified necessary. After the CRC approves the initial classification report, the report will be available for public comment for 60 days. The CRC will then make a final determination on the classification report based on public comments received. The final report is due to OAH no later than July 20, 2026. The RRC will review this final classification report at its August 2026 meeting. Pending the RRC's approval of the classification report, the report is submitted to the Joint Legislative Administrative Procedures Oversight Committee (APOC) for review. If the APOC does not meet, the report becomes effective on the 61st day after submittal. Any rules that are considered necessary by the CRC will go through the rulemaking process and need to be re-adopted.

Commissioner Hennessy requested the report be delayed for action until November to allow time for further review. Commissioner Andrew stated there would be additional time for the CRC to determine the final classifications during the 60-day comment period prior to approving the final classification report. Commissioner Hennessy asked who within DCM is reviewing the rules for the classifications. Daniel responded that the rules have been split for review between policy staff, District Managers, and planning staff.

Neal Andrew made a motion to approve the initial classification report for the Periodic Review of Existing Rules for public comment. Sheila Holman seconded the motion. The motion passed with ten votes in favor (Emory, Smith, Cahoon, Andrew, Baldwin, High, Bryan, Salter, Holman, King) and one opposed (Hennessy).

Consideration of Adoption of 15A NCAC 07H .0209 Urban Waterfront (CRC 25-26)

Daniel Govoni

Daniel Govoni stated the current rules limit new non-water dependent structures to pile supported, single-story decks and boardwalks that may extend up to 20 feet from the Normal High Water (NHW)/or Normal Water Level (NWL) and may be roofed but not enclosed. At the August 2024 CRC meeting, a variance was granted to allow removable plexiglass panels installed on a covered deck at an existing restaurant located over public trust waters in the urban waterfront. The CRC requested that rule language be proposed to allow installation of removable

enclosures on decks and boardwalks in urban waterfront areas. A public hearing was conducted on July 8, 2025. One comment was received during the comment period from the North Carolina Conservation Network expressing concerns allowing temporary structures to remain in place during storm events. The Conservation Network offered an addition to the proposed language which states that non-permanent materials shall be temporarily removed and safely stored when the National Weather Service issues a tropical storm watch, hurricane watch, or storm surge watch for a geographic area covering the structure.

Neal Andrew made a motion to adopt the amendments to 15A NCAC 07H .0209 as proposed. Larry Baldwin seconded the motion. The motion passed unanimously (Hennessy, Emory, Smith, Cahoon, Andrew, Baldwin, High, Bryan, Salter, Holman, King).

**Consideration of Adoption of 15A NCAC 07H .0508 Jockey’s Ridge AEC (CRC 25-27)
Daniel Govoni**

Daniel Govoni stated 7H .0508 designates Jockey’s Ridge as an Area of Environmental Concern, provides use standards within the boundary, and satisfies previous RRC objections. A public hearing was conducted on April 30, 2025.

Jordan Hennessy made a motion to adopt 15A NCAC 07H .0508. Steve King seconded the motion. The motion passed unanimously (Hennessy, Emory, Smith, Cahoon, Andrew, Baldwin, High, Bryan, Salter, Holman, King).

Consideration of Adoption of 15A NCAC 07H .0309 Use Standards for Ocean Hazard Areas Exceptions (CRC 25-28)

Ken Richardson

Ken Richardson stated that currently, the CRC’s rules allow for a small structure exception that allows a structure that cannot meet the current setback, a smaller structure is allowed if it can meet the conditions within 7H .0309(b). However, this rule only applies to properties that were platted prior to June 1, 1979. The proposed amendments remove the June 1, 1979 date, removes the 1,000 square foot footprint limitation, and increases the structure’s size limit to 2,500 square feet. A public hearing was held on July 8, 2025, and the public comment period closed on August 18. Of the seven comments that were received, four were in support of the proposed amendments, two were not supportive as proposed, and one was not supportive and suggested that the current policy and inadequate and the amendments place more structures at risk.

Jordan Hennessy made a motion to adopt amendments to 15A NCAC 07H .0309 as presented. Larry Baldwin seconded the motion. The motion passed unanimously (Hennessy, Emory, Smith, Cahoon, Andrew, Baldwin, High, Bryan, Salter, Holman, King).

Consideration of Approval of Fiscal Analysis 15A NCAC 07H .2300 General Permit for Replacement of Existing Bridges and Culverts (CRC 25-30)

Gregg Bodnar

Gregg Bodnar stated since the November 2024 CRC meeting, comments were received from OSBM asking DCM to incorporate additional staff costs and benefits for DCM and DOT. Under 7H .2305, the specific conditions were restored to the Administrative Code and OSBM requested the proposed rule language to be removed from the fiscal analysis. Additionally, updated permit

processing fees were included in the analysis as directed by G.S. 143B-279.19. The updated fiscal analysis considers fiscal impacts as compared to the version of 7H .2302 that was in place prior to October 1, 2022. It also considers fiscal impacts as compared to the current version of 7H .2302. Data included in the analysis includes the number of permits issued, staff time, and permit fees for NCDOT, local governments, and private property owners. Approximately 20-40 General Permits are issued to NCDOT under 7H .2300, approximately 5-10 of these General Permits are issued to local governments, and 5-7 are issued to private property owners. The permit fee for a General Permit .2300 is \$474. The proposed rule changes are expected to be well below the threshold for being considered substantial. There will be no significant positive or negative fiscal impacts to private property owners or federal agencies. There will be a positive fiscal impact for NCDOT and local governments due to reinstating the two-year timeframe to complete construction which provides adequate time for the authorized projects to be constructed. The updated fiscal analysis was approved by OSBM on July 3, 2025.

Neal Andrew made a motion to approve the fiscal analysis for 15A NCAC 07H .2302 for public hearing. Sheila Holman seconded the motion. The motion passed unanimously (Hennessy, Emory, Smith, Cahoon, Andrew, Baldwin, High, Bryan, Salter, Holman, King).

**Consideration of Approval of Bogue Banks Beach Management Plan (CRC 25-29)
Ken Richardson/Nicole Vanderbeke, Moffatt & Nichol**

Jordan Hennessy requested recusal from this agenda item. **Bob Emory made a motion to approve Commissioner Hennessy's request for recusal. Sheila Holman seconded the motion. The motion passed unanimously (Emory, Smith, Cahoon, Andrew, Baldwin, High, Bryan, Salter, Holman, King).**

Ken Richardson stated setbacks on the oceanfront are measured from one of three features: the first line of stable and natural vegetation; the pre-project vegetation line when projects over 300,000 cubic yards have been placed; or the measurement line which is usually associated with an unvegetated beach. Currently the primary erosion mitigation tool is beach nourishment. When a community plans a project that places more than 300,000 cubic yards of sand on the beach, a pre-project vegetation line is established. This line never expires and both setbacks and the ocean erodible area are measured from it unless the actual vegetation line is farther landward. In conjunction with a project, a community may also include planted vegetation. The CRC has long recognized that the vegetation on nourished beaches is not stable and natural and should not be used for measuring oceanfront setbacks. In 1995, the Commission codified a method of measuring setbacks on nourished beaches that utilizes the pre-project vegetation line, formerly referred to as the static line. The intent of the pre-project vegetation line provisions has been to recognize that beach nourishment is an erosion response necessary to protect existing development but should not be a stimulus for new development on sites that are not otherwise suitable for building. Without regular maintenance of the initial project, erosion will return the beach to pre-project conditions before continuing landward. Numerous examples in North Carolina have shown that large scale projects, paired with consistent maintenance and effective planting, have resulted in seaward vegetation growth and the formation of stronger dune systems. Realizing this benefit, communities approached the Commission seeking regulatory relief from the pre-project line. The CRC did recognize that some had demonstrated long-term

commitments, resulting in stable vegetation that had migrated seaward of the pre-project vegetation line, and while proposed development on some lots could meet setback requirements from the new vegetation line, they were often unpermitted because they did not meet setbacks from the pre-project line. In 2009, the CRC introduced the static vegetation line exception procedures as a way of supporting local government initiatives aimed at reducing erosion through sustained beach nourishment efforts. This initiative later evolved into the Beach Management Plan rules in 2022. Having a CRC approved Beach Management Plan enables property owners within the community to establish construction setbacks based on the first line of stable and natural vegetation rather than the pre-project line, subject to conditions. With a Beach Management Plan, setbacks are measured from the first line of stable and natural vegetation but are limited to the landward most adjacent neighbor. Structures greater than 5,000 square feet have a minimum setback of 120 feet or 60 times the setback factor. Grandfathering applies to all structures that are no greater than 10,000 square feet. The CRC's Beach Management Plan rules were based on three primary findings: nourished beaches can have higher erosion rates than natural ones; there is no assurance that funding for future projects would be available; and structures could be more vulnerable to erosion damage if its siting was tied to an artificially forced system. The effectiveness of a beach management plan depends on proper implementation. Without actively carrying out the plan, the shoreline will regress to its pre-project state, leaving existing structures vulnerable to continued erosion. Consequently, failure to implement the plan can not only undermine the initial investment in erosion mitigation but also potentially result in significant environmental and economic consequences. By having Beach Management Plan rules, the CRC has taken on the responsibility of reviewing the plans. Nicole Vanderbeke of Moffatt & Nichol presented the Bogue Banks Beach Management Plan with a review of all beach fill projects, review of maintenance plans for a period of no less than 30 years, review of the sediment sources identified, and financial resources.

Neal Andrew made a motion to approve the Bogue Banks Beach Management Plan. Bob Emory seconded the motion. The motion passed unanimously (Emory, Smith, Cahoon, Andrew, Baldwin, High, Bryan, Salter, Holman, King).

Commissioner Hennessy returned to the meeting.

Annual Review of Rules (CRC 25-32)

Daniel Govoni

Daniel Govoni stated NCGS 105B-19.1(b) directs the CRC to conduct an annual review of its rules to identify existing rules that are unnecessary, unduly burdensome, or inconsistent with the principles set forth in subsection (a) of 150B-19.1. The agency shall repeal any rule identified by this review. The Periodic Review of Existing Rules was codified in NCGS 150B-21.3A in 2013 which requires the Commission to review its existing rules at least once every 10 years and this process is overseen by the Rules Review Commission (RRC). NCGS 150B-19.1(b) remains in effect although there is no statutorily prescribed format for the review, no reporting requirements, and the agency has discretion on how to conduct this annual review. DCM Staff have developed a comprehensive master spreadsheet to ensure compliance with 150B-19.1. Staff will look at each rule to ensure consistency with recently enacted Session Laws, ensure they remain necessary, are required by law, serve the public interest, are clearly written, and are reasonably necessary to interpret federal or state law. As part of this review, Staff will also

review designated Areas of Environmental Concern which is required biennially by NCGS 113A-115(c). An update of this process will be provided at the November CRC meeting.

Neal Andrew made a motion pursuant to NCGS 143-318.11(a)(3) that the CRC go into closed session to consult with counsel in Ready v. CRC, Carteret County, 24 CVS 1000. Sheila Holman seconded the motion. The motion passed unanimously (Hennessy, Emory, Smith, Cahoon, Andrew, Baldwin, High, Bryan, Salter, Holman, King).

Periodic Review of 15A NCAC 07O North Carolina Coastal Reserve (CRC 25-31)

Rebecca Ellin

Rebecca Ellin, NC Coastal Reserve Program Manager, gave an overview of the NC Estuarine Research Reserve sites and purpose. Rebecca stated she is here to receive input from the CRC on the Department of Environmental Quality's Coastal Reserve rules as part of the Periodic Review of Existing Rules process. The 07O rules are Department rules. These rules are scheduled for review by the RRC in April 2026. The last Periodic Review was completed in 2017 with Local Advisory Committee and CRC input and were readopted effective February 2022. There are eight rule citations in Subchapter 07O. Rebecca reviewed the schedule of the review process. The draft initial agency classifications for all rules in 07O indicate all rules are necessary.

Inlet Hazard Area Overview (CRC 25-33)

Ken Richardson

Ken Richardson stated 15A NCAC 07H .0304(2) defines Inlet Hazard Areas (IHA) as natural hazard areas that are especially vulnerable to erosion, flooding, and other adverse effects of sand, wind, and water because of their proximity to dynamic ocean inlets. This area extends landward from the mean low water line a distance encompassing that area within which the inlet migrates, based on statistical analysis, and shall consider such factors as previous inlet territory, structurally weak areas near the inlet, and external influences such as jetties, terminal groins, and channelization. It is important to note that the current definition emphasizes migration which does not technically apply to most of North Carolina's inlets and may warrant updating.

Although work on updating IHA boundaries hasn't been a continual process, it's one that's been ongoing to varying degrees for decades now. To illustrate a summary of this timeline I'll start in 1978 and 79 when the current IHAs were developed and adopted in the Commission's rules, with progression over time stopping at present day. When initially developed, it was estimated that the current IHA boundaries would have a 10-year relevancy. So, in 1998-99 one of the first recommendations to the CRC from the newly formed CRC Science Panel on Coastal Hazards was that IHA boundaries should be updated. However, a few things were desperately needed, resources such as staff, data, and methodologies. In the early 2000's, DCM worked diligently on collecting data and working with the Science Panel to develop the methodologies that would be used for the 2010 IHA update proposal. For a variety of reasons, questions centered on the size of the proposed boundaries, degrees of risk throughout each boundary, and the need for rule amendments until temporarily giving way to other priorities of the time, specifically the terminal groin study and updating the next oceanfront erosion rates. In 2012, the General Assembly directed the CRC to study the feasibility of creating a new AEC for the lands adjacent to the mouth of the Cape Fear River. Session Law 2012-202 required the CRC to consider the unique coastal morphologies and hydrographic conditions of the Cape Fear River region, and to

determine if action is necessary to preserve, protect, and balance the economic and natural resources of this region through the elimination of current overlapping AECs by incorporating appropriate development standards into one single AEC unique to this location. During this study, the CRC found that while the Cape Fear River inlet did present a unique set of challenges, other inlets may have similar issues. The Commission therefore decided to undertake a comprehensive review of inlet-related issues and with the expectation of developing additional management tools that would allow the CRC to more proactively address the issues confronted by local governments in these dynamic areas. Much of the focus was based on the matter of terminal groins, but Inlet AECs were a significant part of that consideration. In 2014, DCM presented a report to the Commission that was prepared following a series of stakeholder meetings, entitled, “NC Coastal Resources Commission Inlet Management Study Findings and Policy Options.” Stakeholders made several recommendations to the CRC that pertained specifically to IHAs. First was that the CRC should task the Science Panel to complete the development of methods to define revised IHAs and potential inlet and near-inlet setback lines for CRC to review; and the second was that the IHAs should be eliminated and incorporated into the Ocean Erodible Area (OEA) while applying the same development standards currently utilized in the OEA. In 2016, the CRC acknowledged that inlet areas are different and are not under the same influences as the oceanfront and should be identified as a separate AEC. At that time, the Commission issued the following scope of work to the Science Panel: develop a methodology for calculating inlet shoreline change rates; and re-evaluate points along the oceanfront shoreline where inlet processes no longer influence shoreline position. In 2018, and after nearly two years of dedicated work, the Chair of the Science Panel, Mr. Bill Birkemeier, gave a very good and detailed presentation to the Commission on the IHA boundary update methodologies and results. In addition to the updated boundaries, the Panel also recommended that the IHA boundaries be re-evaluated every 5 years to coincide with oceanfront erosion rate updates. In 2019, the Commission approved amendments to rules pertaining to IHAs, the updated IHA boundaries as recommended in the CRC’s Science Panel’s report, and the IHA erosion rate setback factors. In 2019 – 2020, the fiscal analysis associated with these amendments and boundary updates were approved by Department of Environmental Quality (DEQ), Office of State Budget and Management (OSBM), and the CRC. DCM Staff then presented the proposed changes at public hearings in the seven affected counties: Brunswick; New Hanover; Pender, Onslow; Carteret; Hyde; and Dare Counties, followed by five workshops in Ocean Isle Beach, Holden Beach, Carolina Beach, Topsail Beach, and North Topsail Beach to allow for additional public discussion. The rulemaking process was deliberately extended to give the Commission, the public, and Staff the opportunity to work through all issues raised by local governments and the public. Comments were not limited to, but centered on, size of the updated boundaries at some locations, erosion rates, density and size limits, ability to replace existing structures, application of small structure exception and in current rule, and ability to build dunes in an IHA if needed. Progress was delayed due to Covid-19. In 2022, after carefully considering all public comments, the Commission made a few additional amendments to IHA rules and approved the fiscal analysis after it was approved by DEQ and OSBM. Most of these changes were for clarification purposes for the benefit of property owners who are not currently in an IHA but would be once effective. In April and May of 2022, DCM Staff presented the proposed rule amendments at the second round of public hearings in the seven affected counties of Brunswick, New Hanover, Pender, Onslow, Carteret, Hyde, and Dare Counties. That comment period closed on June 17, 2022. Given the lapse in time since the Science Panel

presented in 2018, and with the next oceanfront erosion rate update coming due in 2025, stakeholders asked the Commission to consider re-evaluating IHAs and to consider any new data and conditions as part of this effort. DCM staff agreed that this was a fair request given the timing. In 2023, the CRC issued a scope of work to its Science Panel on Coastal Hazards to re-evaluate the methodology and to consider new data collected since the last study. The Science Panel held its kickoff meeting in New Bern on Monday, October 2, 2023, and have met virtually since on a regular basis. Today, your Science Panel Chair, Dr. Laura Moore, will be presenting their updated IHA boundary recommendations.

Dr. Laura Moore is a Professor and Associate Chair of Research in the Department of Earth, Marine and Environmental Sciences at UNC-Chapel Hill where she directs the Coastal Environmental Change Lab and the Collaboratory for Coastal Adaptation over Space and Time. She serves as Chair of the CRC's Science Panel on Coastal Hazards. Dr. Moore is a leading global expert on the response of barrier island coastlines to sea level rise and storms; processes involved in the growth and erosion of coastal foredunes; and interactions between coastal management practices and natural processes, and their effect on barrier island landscapes. She is the lead editor of *Barrier Dynamics and Response to Changing Climate*, and has served on report and standing committees of the National Academy of Sciences, Engineering and Medicine. Much of her recent and ongoing work is collaborative with coastal stakeholders and relies on the merging of observational and computational approaches to produce information in support of coastal adaptation and management.

Along with Dr. Moore, the members of your Science Panel on Coastal Hazards who played a key role in this effort are:

- Drs Reide Corbett, Ph. D, *East Carolina University, Dean of Integrated Coastal Programs, Executive Director of Coastal Studies Institute*
- Andrea Hawkes, Ph.D, *University of North Carolina Wilmington, Associate Professor of Geology*
- Joseph W. Long, Ph. D, *University of North Carolina Wilmington, Director Coastal Engineering Program, Department of Physics & Physical Oceanography*
- Jesse McNinch, Ph.D, *US Army Corps of Engineers, Research Oceanographer*
- A. Brad Murray, Ph.D, *Duke University, Division of Earth and Ocean Science, Professor Nicholas School of the Environment*
- Martin Posey, Ph.D, *University of North Carolina Wilmington, Professor Department of Biology and Marine Biology*
- Mr. Spencer Rogers, *North Carolina Sea Grant, Wilmington (retired)*
- Mr. Greg "Rudi" Rudolph, *Maritime Program Director, Woolpert*

Science Panel Report

Dr. Laura Moore

Dr. Moore stated I will start with why Inlet Hazard Areas are important. The current IHAs were designated in 1979. These are dynamic areas that require different treatment from areas that are primarily affected by ocean processes. The CRC's charge to the Science Panel was to perform the -year re-evaluation of the IHA methods and boundaries incorporating data collected since the

2019 study; to evaluate end-point and linear regression methods and consider alternative methods for calculating oceanfront shoreline change rates; and present the results of its findings to the CRC. The Science Panel recommends using linear regression to measure setbacks and boundaries both within the IHA and the Ocean Erodible Area (OEA). Linear regression uses all available data, and the endpoint rates use the beginning and the ending value, and you lose all of the data in between. The Panel also recommends instead of using the existing vegetation line, the hybrid vegetation line should be used to measure setbacks and the landward boundary of the IHAs. The shoreline is variable in IHAs, and the vegetation tends to follow the shoreline. The Panel's update includes the delineation of the IHAs for 10 inlets. The Panel purposely followed a process that is very similar to the process used to identify setbacks and boundaries in the Ocean Erodible Area (OEA). The process includes mapping the shorelines, calculating the long-term erosion rates, identifying the existing vegetation line, and measuring the setbacks and OEA. Linear regression is the gold standard for measuring long-term trends because it uses all of the data and is not sensitive to start and end values. In the inlet hazard areas, we are working with the fact that the shoreline is variable in its position. This variability of the shoreline is what we use to define the IHA. Standard deviation provides a measure of differences from the mean which are greater near inlets. We took this a bit farther than the 2019 study. We used the area of ocean influence to calculate the standard deviation in shoreline position. After refinement, we found that this was the only objective and reliable measure that identified the transition from primary ocean influence to where inlet processes begin to dominate. The next thing to think about was the setbacks and the landward boundary and where we measure from. The shoreline is highly variable in and next to inlets and the vegetation follows the shoreline, so the vegetation is also highly variable. The Panel wanted that is more consistent over time and following the 2019 report, the Panel strongly agreed that the hybrid vegetation line is important to use in IHAs to define setbacks. The hybrid vegetation line is more consistent and a reliable measure of long-term risk and hazard. The hybrid vegetation line is the landward-most position of all vegetation lines during the period of study. Because the existing vegetation line fluctuates quickly in IHAs, the hybrid vegetation line is a more reliable reference for measuring risk. The 30-year risk line is then measured from the hybrid vegetation line by multiplying the erosion rate, or two feet if accretional, by 30. The 90-year risk line is measured by multiplying the erosion rate, or two feet if accretional, by 90 to get the proposed landward boundary of the IHA.

Chair Cahoon stated no action will be taken on this matter at this meeting, but if Commissioners have questions regarding the Science Panel's report, please send them to Ken to confer with the Science Panel and get answers back to the full CRC. The deadline to submit questions is September 15. Responses to all questions would be sent to whole Commission. This will be on the November agenda for discussion.

Oceanfront and Inlet Erosion Rates and Setback Factors (CRC 25-34)

Ken Richardson

Ken Richardson stated since the 2013 update study, North Carolina has started the process of updating the erosion rates every five years. These updates are intended to update the erosion rate setback factor based on current data, update the landward boundary of the Ocean Erodible Area based on current data, and provide communities in the Community Rating System program to receive an additional 50 credits under FEMA's National Flood Insurance Program which can serve to reduce flood insurance premiums. Since 1979, North Carolina's oceanfront setbacks

have been based on average annual long-term erosion rates. Beginning with the 2004 study, data acquisition and update procedures became less resource intensive as data were easier to obtain and improved mapping and analysis tools increased efficiency. The process of calculating erosion rates requires shoreline data and over 10,000 shore-perpendicular transects spaced 50-meters apart. The primary shorelines in DCM's database are mapped from aerial imagery and referred to as wet-dry shorelines. Imagery collected immediately after major storm events is not used and we try to avoid post-nourishment imagery. Given the frequency of projects and the number of communities installing projects, this can be challenging to avoid. While some early shorelines have been mapped using imagery from the 1930s and 40s, most of the earliest shorelines are comprised of mean high water digitized from National Ocean Service Topographic maps. This study compares two methods, end-point and least squares regression. The end-point method measures the distance between two shorelines, the earliest and the most recent, along each transect and then divides that distance by time to get the rate. The least squares regression method uses multiple shorelines. While the Commission has seen this method applied in the 2010, 2018, and 2025 IHA studies, this marks the first for an oceanfront update. Since 2004, the DCM shoreline database has grown significantly. Along the way, the intent was to transition away from the end-point method, and in October 2023, the Science Panel recommended the transition to least squares regression. Statistical smoothing helps filter out the influence of beach cusps, smaller sand waves, and landward migrating segments of offshore bar systems. Once the data are smoothed, they are blocked for the purpose of creating sections of beach that have similar erosion rates. Where two blocked boundaries meet and divide a property or parcel, the lower of the two blocked rates is applied in the direction of the higher rate to give the property owner the benefit of the lower rate. For this study, when comparing methodologies both least square regression and end-point methods produced similar results. Maps of each developed inlet were shown. The Commission can consider approval of the Ocean Erodible Areas and 2025 Science Panel IHA boundary update recommendations. The Commission can also consider approval of the 2025 Science Panel IHA boundary update recommendations and 2025 IHA erosion rate setback factors. If approved, DCM will begin the rulemaking process by completing a fiscal analysis, schedule the public comment period with multiple public hearings, and provide input received to the CRC in the spring of 2026.

Chair Cahoon stated this item will remain on the same track as the IHA update. September 15 is the deadline for questions to be submitted to Ken. He will provide the questions to the Science Panel and will provide those answers to the full Commission.

LEGAL UPDATE

Update on Litigation of Interest to the Commission (CRC 25-25)

Sarah Zambon

Sarah Zambon reviewed the legal update as outlined in memo CRC 25-25, provided to the Commission via email on August 26, 2025.

OLD/NEW BUSINESS

Chair Cahoon requested that when Commissioners have questions for staff, the questions should be relevant to Commission business, and the questions and answers should be shared with the entire Commission. This will ensure that everyone has the same level of information. Moving forward, the CRC's Executive Committee will provide public notice of meetings and minutes

will be taken to record the actions of the Committee. Commissioner Baldwin requested that staff provide an update on beach dune leveling that may be occurring near the Circle in Atlantic Beach. Commissioner Holman requested that septic tanks on the beach be brought back to the Commission for discussion as requested by the NC Coastal Federation and as heard in public comment today. By consensus, the CRC requested staff provide background information regarding previous rulemaking to the Commission and add to the agenda for the February meeting for discussion. Commissioner Holman stated staff work hard to get meeting information out to the Commission in advance of the meeting. Commissioners should review the materials prior to the meeting so they are prepared for discussion. Chair Cahoon stated that dates have been circulated for proposed meetings in 2026. Please review the dates and make note of any conflicts and be prepared to finalize these dates at the November meeting. The November meeting will be November 19-20 at the Beaufort Hotel.

Neal Andrew made a motion to adjourn. Sheila Holman seconded the motion. The motion passed unanimously (Hennessy, Emory, Smith, Cahoon, Andrew, Baldwin, High, Bryan, Salter, Holman, King).

With no further business, the CRC adjourned at 11:46 a.m.

Respectfully submitted,

Tancred Miller, Executive Secretary

Angela Willis, Recording Secretary