Inlet Hazard Area Boundary Update & Rule Amendments

**Current:**
- 1979 IHA boundaries
- Adjacent OEA setbacks applied in IHAs
- New Construction
  - Residential 4 units or less
  - Commercial < 5,000 sqft.
- Only 1 commercial or residential unit per 15,000 sqft. of land area

**Amended:**
- 2019 IHA boundaries
- IHA setbacks calculated
- New Construction
  - Only structures 5,000 sqft. or less (*existing grandfather rules apply*)
- Only 1 unit per 15,000 sqft. of land area
- IHA boundaries & Setbacks evaluated 1 every 5 years
Inlet Hazard Area Boundary Update & Rule Amendments

**Inlet Area Statistical Summary:**

- **425 lots** submerged or on dry/wet-sand beach
- **750 structures** within existing IHAs
  - 307 will be removed from Ocean Hazard Areas
- **931 structures** within updated IHAs (increase of 181)
  - 219 structures not currently inside OHA
  - 737 (79.6%) of structures – no change in setback req.
  - 137 (14.7%) of structures – will have increased setback req.
  - 57 (6.1%) of structures – will have decreased setback req.
- **113 vacant lots** (46% not enough land to meet setback)
  - 3,000 sqft. average structure size adjacent to vacant lots
15A NCAC 07H. 0312: Fiscal Analysis Summary

- Amended Rules do not prohibit development
  - 5,000 sqft. limit applies to new construction
  - 1 unit per 15,000 sqft of land area
  - **Existing** grandfathering rules & conditions still apply
  - 15A NCAC 07H.0104(a) – application of 2,000 sqft. structure limit

- National Flood Insurance Program:
  - OHA, OEA, and IHAs are not factors in calculating flood insurance premiums
  - Continued erosion rate updates = 50 CRS points

- Influence on Structure Value:
  - For property adjacent to the ocean, isolating evidence is difficult.
  - “Risk” overshadowed by amenities and buyer’s motivation
Recommendation:

- The Department and OSBM have approved the fiscal analysis
- Staff recommends approval for public hearing