



STATE OF WASHINGTON  
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DEVELOPMENT

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May 20, 2004

TO: Governor Gary Locke  
FROM: Sue Mauermann, Deputy Director  
SUBJECT: Final CTED comments on U.S. Ocean Commission's Preliminary Report

The Department of Community Trade and Economic Development (CTED) has the following comments on the preliminary report of the U.S. Ocean Commission. Please regard these as our final comments on the report.

General comments – Overall, CTED would like to commend the Ocean Commission for its work on this report. It should provide policy makers with a significant new source of information and ideas for better management of our oceans. We urge Congress to move forward with discussion of these issues and recommendations for solutions.

We have the following more specific comments.

Chapter 6 – *Coordinating Management in Federal Waters*

The Commission very briefly touches on the management of our nation's submerged cultural resources with a short paragraph that suggests there be further consideration of protecting underwater cultural resources from commercial salvors. We highly support that view and encourage the Commission to develop a strong preservation policy for cultural resources in the world's oceans. Washington State has a rich legacy of submerged historic vessels, aircraft and Native American archaeological sites that are significant to both Washington and the nation's history. For example, the USS Peacock, submerged along the Washington coast, represents the first American Scientific Expedition on the world stage, and documents the hardships that American scientists and sailors underwent to advance the frontiers to science and exploration. By developing a robust policy that protects underwater cultural resources, the United States will be a global leader in

protecting these unique archaeological and historic sites that are increasingly subject to plundering and looting as commercial salvor technologies become more sophisticated.

#### Chapter 9 – *Managing Coasts and Their Watersheds*

CTED concurs with the report that the pressures of growth have a significant impact in coastal areas. We also agree that state and local governments need more incentives and financial capacity to plan for and guide growth. State and local governments currently have the legal authority to plan for and guide growth – authority that has been exercised in the State of Washington through the Growth Management Act (GMA) and Shoreline Management Act (SMA). Washington State counties and cities have adopted and been implementing regulations to designate and protect critical areas over the last decade. Critical areas include wetlands, fish and wildlife habitat conservation areas, frequently flooded areas, geologically hazardous areas, and areas with a critical recharging effect on aquifers used for potable water. In addition, all but one of Washington’s coastal counties and the cities within them are planning to accommodate growth and limit sprawl consistent with Smart Growth principles under the state GMA. However, consistent with the report’s findings, Washington communities are lacking in sufficient financial resources to responsibly plan for and accommodate growth with concurrently provided infrastructure.

Support Recommendation 9-1: *Congress should reauthorize the Coastal Zone Management Act (CZMA) to strengthen the planning and coordination capabilities of coastal state and enable them to incorporate a watershed focus and more effectively manage growth. Amendments should include requirements for resource assessments, the development of measurable goals and performance measures, improved program evaluations, additional funding to adequately achieve the goals of the Act, incentives for good performance and disincentives for inaction, and expanded boundaries that include coastal watersheds.* Better coordination of planning and additional funding for planning is definitely needed. We would encourage the Commission to expand its recommendation to include funding for local land use planning consistent with shoreline planning in coastal communities, for implementation of regulatory and non-regulatory programs for protection and restoration of coastal resources, and for the infrastructure to support compact development in coastal communities.

Support Recommendation 9-3: Changes to federal funding and infrastructure funding programs to discourage inappropriate growth in fragile or hazard-prone coastal areas consistent with state goals to achieve economically and environmentally sustainable development would help with implementation of similar state policies.

#### Chapter 10 – *Guarding People and Property Against Natural Hazards*

Subsection – Changing Inappropriate Federal Incentives. This section appropriately but only briefly suggests that both federal and state programs may be inadvertently making the problem of coastal hazards worst. For example, state and federal programs support

and fund the armoring of beaches up and down the coast and, as a result, weaken the ecosystem's natural resilience to hazards by the cumulative impact of using hard barriers on the beaches. The Preliminary Report should discuss this problem in greater detail.

Support Recommendation 10-1: *The National Ocean Council should review and recommend changes to the U.S. Army Corps of Engineer's Civil Works program to ensure valid, peer-reviewed, cost benefit analyses of coastal projects, provide greater transparency to the public, enforce requirements for mitigating the impacts of coastal projects, and coordinate such projects with broader coastal planning efforts.*

Support Recommendation 10-3: *The National Ocean Council should recommend changes in the National Flood Insurance program (NFIP) to reduce incentives for development in high-risk areas.* According to the Preliminary Report, the Federal Emergency Management Agency (FEMA) has developed a plan to map erosion areas so that it can reflect actual risks in future National Flood Insurance Program (NFIP) insurance rates, but this plan has not been implemented. If implemented this change could discourage development in the riskiest areas.

Support Recommendation 10 – 4: *The National Ocean Council should encourage Congress to increase financial and technical assistance to state and local entities for developing hazards mitigation plans consistent with requirement of FEMA.* FEMA requires that state and local governments have developed and implemented hazard mitigation planning standards, which meet FEMA compliance by October 2004. Many jurisdictions do not have adequate funding to meet this timeline.

#### Chapter 12 – *Managing Sediment and Shorelines,*

Support Recommendations 12-1 through 12-5.

Under the section on Beach Nourishment and Special Use of Sediment, page 141, the Preliminary Report discusses the inherent deficiencies in the current beach nourishment process used throughout the nation, including its flawed and inadequate understanding of the physical and biological mechanisms of beach and littoral systems. The Benson Beach sediment and beach nourishment project funded through CTED illustrates the importance of funding beach and littoral systems research, particularly as it relates to decisions about whether beach nourishment and sediment reuse project makes sense in a given location or not. CTED would encourage the Commission to expand these Report recommendations in support of additional federal funding for more research and monitoring of beach nourishment projects.

#### Chapter 24 – *Managing Offshore Energy and Other Mineral Resources*

Section 108 of the National Historic Preservation Act of 1966 established The Historic Preservation Fund, from revenues due to the United States under the Outer Continental Shelf Lands Act. The National Park Service provides the Washington State Office of

Archaeology and Historic Preservation an annual grant from the Historic Preservation Fund that provides funding for the programs mandated by the federal government. The Historic Preservation Fund is authorized at \$150 million but has never been appropriated at the authorized level. Instead, historic preservation funding has been in continual decline, and as a result our state Office of Archaeology and Historic Preservation has seen a 30% reduction in three years. They can no longer provide adequate service to our public, and are having difficulties meeting their regulatory functions. We urge the commission to reconsider expanding access to these funds until programs such as the Historic Preservation Fund and LWCF are appropriated at their full levels.

General comments on the report regarding economic impacts:

As the report notes, significant funding will be needed to implement these recommendations. If Congress moves forward with these recommendations, it will be important to also provide funding to implement them at the local level, especially for natural resource dependent communities.

The report should include more discussion of the human component, including efforts to provide a sustainable living for those in coastal communities and dependent upon the oceans for their living. This is not limited to those who directly benefit from fishing, but those indirect industries and businesses; i.e. fish processing and tourism-related jobs.

The report would benefit from more discussion of economic diversification. For example, there is a recognition in the report “that fishing, tourism, and recreation provide economic benefit, and support ways of life that contribute to the social and cultural wealth of the nation.” The report should include discussion of alternatives in addition to the reduction of fishing through buyback programs. These programs do not always work and were not found to be effective in Washington State.

cc: Ron Shultz, Executive Policy Assistant, Office of Financial Management