

WCMAC Funding Recommendations

Discussion Guide

September 18, 2014

Issue:

The Washington Coastal Marine Advisory Council can provide recommendations on funding for Marine Spatial Planning, WCMAC operations and other coastal waters resource management issues (RCW 43.143.060). This discussion guide is focused on budget needs that have been specifically identified. The development of the biennial state budget, a two-year budget covering fiscal years 16 and 17, is underway. By identifying funding recommendations, the WCMAC will provide agencies and the Governor's office time to incorporate recommendations into the budget development process.

The goal is for the Council to identify funding priorities and recommendations for consideration in the state budget process for WCMAC operations and Marine Spatial Planning.

Background:

- The Department of Natural Resources has authority to spend \$3.7M in the marine stewardship account to support marine spatial planning on Washington's Coast for Fiscal Years 14 and 15 (July 1, 2013-June 30, 2015), including mapping activities, ecological assessment, data tools, stakeholder engagement, and other work identified by the Council. In October, 2013, WCMAC recommended moving forward with a variety of required and priority projects and has provided ongoing feedback on the deliverables for these projects.
- Funding provided in Fiscal Year 13 and in the current biennium (July 1, 2013-June 30, 2015) will complete the majority of required mapping and data elements for the Marine Spatial Plan.
- The state-funded MSP projects and analyses to support the plan development have deliverables due no later than June 2015.

Technical Committee Discussion and Recommendations:

- The Technical Committee met to discuss data gaps that need funding in order to be filled. The Technical Committee reviewed the data needs identified in the sector analyses, as well as the data needs identified by WCMAC members. The discussion is summarized in Table 1, attached at the end of the discussion guide.
- **The Technical Committee recommended including two primary items in next biennium's funding request: 1) Phase II of the economic assessment if desired information cannot be included in the current (Phase I) study; and 2) development of a Visual Resource Inventory/Viewshed Analysis.**

WCMAC Considerations:

1. Requirement for WCMAC to meet a minimum of 2 times per year (RCW 43.143050 (7))
2. Requirements for completing the marine spatial plan (RCW 43.372.040)
3. Status of projects and timeline for marine spatial planning process

Framework for discussion: Concur with or modify staff recommendation.

Staff recommendations:

- 1) Recommend that the Governor include \$800,000 in the proposed 2016-17 biennial budget to fund the following activities:
 - a) The continued operation of the Washington Coastal Marine Advisory Council (\$225,000).
 - This includes support for facilitation services (including assistance with committee meetings), and food and meeting space for up to six all-day meetings per year.
 - b) The completion of the Marine Spatial Plan: (\$575,000)
 - This will provide continued funding for the completion of the plan by a revised goal of December 2016.
 - While the majority of data and analytical products required by law will be completed by June 2015, staff recommends extending MSP development work into the next biennium to:
 - i. Incorporate MSP project information into the draft plan and mapping tool. (\$150,000)
 - ii. Complete projects underway before June 2015, but which may require additional analysis or work. (\$150,000)
 - **This includes completion of the economic analysis and viewshed analysis, as recommended by the Technical Committee.**
 - iii. Conduct additional outreach and public engagement in the planning process. (\$125,000)
 - iv. Coordinate and consult on plan with governments. (included)
 - v. Revise and finalize the plan, including research and writing. (\$150,000)
- 2) Recommend that the Chair of the WCMAC transmit the WCMAC recommendation to the Governor and the chairs of the legislative finance committees via letter, including the required budget form. Staff will prepare the budget form to meet the Office of Financial Management's requirements. The Steering Committee will review the budget form prior to final submittal to ensure it matches WCMAC's recommendation.

Table 1: Technical Committee Review of Data Gaps

Data Gaps Identified by WCMAC Members	Technical Committee Discussion/Recommendation
1. Visual Resource Inventory/Viewshed Analysis	Additional funding should be requested.

Data Gaps Identified in Sector Analyses	Technical Committee Discussion/Recommendation
1. Aquaculture	
<ul style="list-style-type: none"> Participation Information & Employment 	May be included in Coast-wide Economic Assessment; if not, funding should be requested for a Phase II Economic Assessment.
<ul style="list-style-type: none"> Harvest Volume, Value (Farm Gate), and Total Value 	May be included in Coast-wide Economic Assessment; if not, funding should be requested for a Phase II Economic Assessment.
<ul style="list-style-type: none"> Processing (type and markets) 	May be included in Coast-wide Economic Assessment; if not, funding should be requested for a Phase II Economic Assessment.
<ul style="list-style-type: none"> Multipliers for Economic Impact Analysis 	May be included in Coast-wide Economic Assessment; if not, funding should be requested for a Phase II Economic Assessment.
2. Fishing	
<ul style="list-style-type: none"> Economic impacts of ocean-based commercial fishing* <p><i>*This should include the economic inputs from catch to consumption. While this wasn't specifically identified as a data gap in the sector analysis, the Technical Committee discussed addressing this as part of the economic assessment.</i></p>	May be included in Coast-wide Economic Assessment; if not, funding should be requested for a Phase II Economic Assessment.
<ul style="list-style-type: none"> Economic impacts of ocean-based recreational fishing 	May be included in Coast-wide Economic Assessment; if not, funding should be requested for a Phase II Economic Assessment.
<ul style="list-style-type: none"> Processor data 	May be included in Coast-wide Economic Assessment; if not, funding should be requested for a Phase II Economic Assessment.

	Assessment.
<ul style="list-style-type: none"> Recreational Dungeness crab fishery 	May be included in Coast-wide Economic Assessment; if not, funding should be requested for a Phase II Economic Assessment.
3. Recreation & Tourism	
<ul style="list-style-type: none"> Participation levels for specific activities 	This will be addressed in the Surfrider study; no need for additional funding.
<ul style="list-style-type: none"> Data on local expenditures by recreational fishing 	May be included in Coast-wide Economic Assessment; if not, funding should be requested for a Phase II Economic Assessment.
<ul style="list-style-type: none"> Recent expenditure data for visitors to state park or Olympic National Park locations 	This will be addressed in the Surfrider study; no need for additional funding.
<ul style="list-style-type: none"> Additional research on recreation-related economics (e.g. Tribes, whale watching, and wildlife refuges) 	May be included in Coast-wide Economic Assessment; if not, funding should be requested for a Phase II Economic Assessment.
4. Shipping	
<ul style="list-style-type: none"> Data on domestic routes (tonnage and transits) not well documented 	The data may not exist. There may be a need for a policy recommendation to require better reporting of data.
5. Marine Renewable Energy	
<ul style="list-style-type: none"> Little economic data available on industry – none within the study area. 	There is no need to ask for additional funding on data gaps at this time; this may be needed in the future.

Washington Coast Marine Advisory Council Funding Recommendation

Requested Action:

- 1) The WCMAC recommends that the Governor include \$800,000 in the proposed 2016-17 biennial budget to fund the following activities:
 - a) The continued operation of the Washington Coastal Marine Advisory Council (\$225,000).
 - b) The completion of the Marine Spatial Plan: (\$575,000)
 - i. Incorporate MSP project information into the draft plan and mapping tool.
 - ii. Complete projects underway before June 2015, but which may require additional analysis or work.
 - iii. Conduct additional outreach and public engagement in the planning process.
 - iv. Coordinate and consult on plan with governments.
 - v. Revise and finalize the plan, including research and writing.
- 2) WCMAC recommends that the Chair of the WCMAC transmit the WCMAC recommendation to the Governor and the chairs of the legislative finance committees via letter, including the required budget form. Staff will prepare the budget form to meet the Office of Financial Management's requirements. The Steering Committee will review the budget form prior to final submittal to ensure it matches WCMAC's recommendation.

Reason for the Action:

- The Council will need budget resources in the next biennium to continue operating above the minimum number of meetings required by statute.
- Completing the Marine Spatial Plan requires additional activities beyond the current biennium (see discussion guide for details). This work is contingent on additional budget action in the biennial budget by the legislature.
- Making a budget recommendation on these items is consistent with the Council's authority. It is less likely these budget needs will be reflected in the state budget process without a recommendation from the WCMAC.

Timing Associated with this Action:

- The development of the biennial state budget, a two-year budget covering fiscal years 16 and 17, is underway. By identifying funding recommendations in September 2014, the WCMAC will provide agencies and the Governor's office time to incorporate recommendations into the budget development process. The Governor's proposed budget is typically released in December, prior to the start of the legislative session in January.

Format needed:

- Transmittal letter from Chair
- Required budget documents for OFM, prepared by staff

Date

TO: Governor Jay Inslee
Office of the Governor

FROM: Garrett Dalan
Chair, Washington Coastal Marine Advisory Council

RE: 2015-2017 Biennial Budget Marine Spatial Planning Recommendations

Dear Governor Inslee:

As the chair of your Washington Coastal Marine Advisory Council (Council), I want to thank you for your support for marine resource issues affecting Washington's Pacific Coast. At your direction, this diverse group of coastal stakeholders and state agencies has spent its first year focused on advising the state's development of a Marine Spatial Plan for Washington's Pacific Coast. The Council recommends providing \$800,000 in your 2016-2017 proposed biennial budget for completion of the Marine Spatial Plan on Washington's Pacific Coast and to support Council operations.¹

Marine resources are a critical part of the coastal economy – fishing, aquaculture, recreation, and shipping all rely on our marine waters. Increasing pressures from existing uses, changes in the marine environment, and potential for new uses, such as marine renewable energy, have increased the likelihood for conflicts and environmental harm. Developing a Marine Spatial Plan can ensure that future developments related to marine activities and uses are appropriately sited such that existing activities and new development can successfully coexist, while maintaining a productive, healthy marine ecosystem. Coastal communities will also be able to develop new economic opportunities and diversify marine-resource jobs while protecting the jobs they already have.

In 2010, the Washington State Legislature recognized the need to address marine conflicts comprehensively through this type of proactive planning and, especially, to address how and where new uses like marine renewable energy can best fit. They enacted a new law to guide the development of these plans in Washington's marine waters (RCW 43.372). The Legislature subsequently provided funding in the 2013 supplemental budget and the current biennium (FY 14-15) for the state to develop a Marine Spatial Plan specifically for Washington's Pacific Coast. Washington is one of a handful of coastal states in leading the way in pursuing this type of innovative marine planning.

Washington's Marine Spatial Plan is large and complex -- addressing marine waters along coast from Cape Flattery to Cape Disappointment, including the estuaries of Grays Harbor and Willapa Bay and extends approximately 50 miles offshore. The study area covers a total of over 7,730 square miles. The plan covers marine waters managed by local, state, federal and tribal governments. The marine resources in this area are vital to the state and support local jobs in such sectors as commercial and recreational fishing, shipping, aquaculture, and recreation and tourism. Commercial fishing ports on the coast account for 83 percent of statewide landings by weight and 63 percent of landings by value (DFW

¹ This is consistent with the Council's authority in RCW 43.143.060. The Council recommends these funds be provided to the Marine Stewardship Trust Account, which is set up for these purposes.

2008). In 2013, visitation to coastal state parks was over 9.2 million (WSPRC 2014), while the coastal strip of the Olympic National Park received over an estimated 780,000 visitors (NPS 2014).

In 2013, recognizing the importance of stakeholder and agency engagement on marine waters policy and planning issues, such as Marine Spatial Planning, the Legislature enacted Engrossed Senate Bill 5603, which created the Washington Coastal Marine Advisory Council (WCMAC) within the Office of the Governor. Over the past year, WCMAC members have advised the state on marine spatial planning, including priority information needs, deliverables for key projects, and the planning process.

With funding provided for marine spatial planning, the state has made significant progress. Major achievements over this period, include:

- Collected a variety of critical data on human uses and the marine environment, including spatial, or mapped, information and analyses.
- Developed online data tools, including accessing and viewing over 190 datasets through a web-based GIS tool and a central website.
- Developed ecosystem assessment, including ecological, social and economic indicators.
- Enabled public and stakeholder engagement through numerous workshops, meetings, and outreach materials as well as the convening and facilitation of the Washington Coastal Marine Advisory Council.
- Initiated plan research, writing and development.

While much progress has been made, work remains to complete the plan. Developing a plan of this size is complex and WCMAC recommends funding completion of the marine spatial plan by December 2016. Projects currently underway will be delivering valuable data and analyses by June 2015, but the state will need additional time and resources in the next biennium to:

- Incorporate MSP project information into the draft plan and mapping tool.
- Complete projects underway before June 2015, but which may require additional analysis or work. This includes completion of the economic analysis and viewshed analysis, as recommended by the WCMAC Technical Committee.
- Conduct additional outreach and public engagement in the planning process.
- Coordinate and consult on plan with governments (local, state, tribal and federal.)
- Revise and finalize the plan, including research and writing.

We thank you and the Legislature for giving our Council the opportunity and resources to advise the state's marine plans and policies and ensure its success. Thank you for the ongoing support to develop an innovative plan that enables coordinated, efficient management of our marine resources and a vibrant future on Washington's Pacific Coast. A small, continued investment in completing the plan now will pay dividends in providing predictability, improving information, and increasing efficiency.