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Washington State's  
Chamber of Commerce

February 11, 2008

Mr. David Dicks  
Executive Director  
Puget Sound Partnership  
P.O. Box 40900  
Olympia, WA 98504-0900

Mr. William D. Ruckelshaus  
Chair, Leadership Council  
Puget Sound Partnership  
P.O. Box 40900  
Olympia, WA 98504-0900

*RE: AWB Recommendations for 2020 Action Agenda*

Dear Mr. Dicks and Mr. Ruckelshaus:

On behalf of the Association of Washington Business (AWB) and our 6500+ members, I want to take this opportunity to thank you for working with the business community in the creation of the Puget Sound Partnership's (Partnership) 2020 Action Agenda. To provide a framework for our recommendations, I am also attaching a copy of AWB's Goals and Priorities for the Partnership and 2020 Action Agenda, which was delivered to the Partnership earlier this year.

As you know, the Partnership is charged with a daunting task: To define the steps for a healthy Puget Sound by 2020. AWB has been and will continue to be a partner in this quest. We are in receipt of copies of the Excel outline of activities and will be providing staff with our responses. But at the outset, and recognizing the specifics of the legislative guidelines set forth in Director Dicks' January 10, 2008 guidance memorandum, we believe the Partnership's focus on existing programs and activities may lead to entirely too narrow a view of both the problems and potential solutions faced in developing a workable program.

We suggest you **broaden the scope of your inquiry** to adequately address how we define Puget Sound, acknowledge the projected population growth in the Puget Sound region, and preserve a vibrant economy while protecting the health of the Puget Sound.

We will respond to the questions Director Dicks posed in his January 10, 2008 memorandum, but we first want to frame our concerns about the approach and scope undertaken thus far by the Partnership and highlight some important points, which we will elaborate on below:

- **The Puget Sound cannot be viewed in a vacuum, separate from the use of the area or the growing and vibrant economy that exists and continues to grow on its shores.**
- **The goal of saving Puget Sound needs to be addressed in the context of projected community growth of approximately 1.4 million people in the Puget Sound basin during**

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**the planned recovery period.**

- **It is critical to work through existing programs to develop a detailed inventory of the health of the Sound and create a priority list of mitigation, restoration, and enhancement opportunities that will help communities accommodate a growing population coupled with a vibrant economy.**
- **The Partnership is uniquely positioned to promote a coordinated, regional effort, which will be essential for success.**
- **We urge the Partnership to undertake a comprehensive review of current regulations to identify programs that may support or hinder efforts to achieve a healthy Puget Sound and to identify areas for further inquiry and improvement.**

In his January 10, 2008 memorandum, Director Dicks set forth the basic mandate as follows:

*“Fundamentally, the Action Agenda will answer the following four questions:*

- 1) *What is a healthy Puget Sound?*
- 2) *What is the current status of Puget Sound’s health and what are the biggest threats to it?*
- 3) *What actions must be taken to move us from where we are today to a healthy Puget Sound by 2020?*
- 4) *Where should we start?”*

Answering question number four (4) first, the Partnership is undertaking a major effort to define what is now an ongoing effort to see what is working and what is not. That is an appropriate and necessary beginning. As to the other three (3) questions, however, AWB believes the Partnership must expand its focus. As mentioned above, we applaud the Partnership’s efforts but, for the following reasons, raise the concern that the focus is too narrow.

**“What is a healthy Puget Sound?”**

The statute identifies six criteria by which to judge a “healthy Puget Sound.” But not until sub paragraph (f) is the consideration of the “use” of Puget Sound even referenced, and then only in passing:

- (f) Fresh and marine waters and sediments of a sufficient quality so that the waters in the region are safe for drinking, swimming, shellfish harvest and consumption, and other human uses and enjoyment, and are not harmful to the native marine mammals, fish, birds, and shellfish of the region.

Section (b) of the legislative mandate discussed by the director makes reference to a healthy Puget Sound in terms of a quality of life sustained by a functioning ecosystem, but is silent on the issue of use. It is our belief that Puget Sound cannot be viewed in a vacuum, separate from the use of the area or the growing and vibrant economy that exists and continues to grow on its shores.

AWB believes that if the goal of “saving Puget Sound” is to be meaningful, the Partnership must emphasize defining Puget Sound *for what it does*, as well as *what it is*:

- A focal point of commerce, trade, and transportation in the most trade-dependent state in the nation;
- A focal point of residences and recreation;
- A focal point of resource and industrial activity; and
- A focal point for habitat protection, restoration, and enhancement efforts.

If the plan to save Puget Sound is to be successful, it needs to acknowledge and address all four of these points, not just the latter. The Action Agenda must encompass meaningful steps respecting the historic interaction between the community and the Sound in support of a vibrant economy, a residential, commercial and industrial development, recreation, and a sustainable healthy ecosystem.

AWB also believes that the goal of saving Puget Sound also needs to be addressed in the context of 1.4 million new people in the Puget Sound basin by 2020. To put this number in context:

- 1.4 million people is approximately the population of King County.
- 1.4 million people translates to roughly 700,000 new residences and, at a suburban density of four units per acre, 300 square miles of new development is needed over the planned period, including new housing, roads, shopping and employment centers, and associated public services and facilities to meet the needs of the new population. To put that number in context, Kitsap County is approximately 300 square miles.

As the Partnership contemplates proposals to “save Puget Sound,” it must also preserve a vibrant economy to pay for the necessary changes and to enable our local communities to accommodate and provide public services for the anticipated growth, while preserving the essential attributes of a healthy Sound. Any plan that does not address both issues cannot possibly succeed.

**“What is the current status of Puget Sound’s health and what are the biggest threats to it?”**

It serves no purpose to either underestimate or overestimate the current status of the health of Puget Sound. The three programs listed below may be pulled together to help provide a detailed inventory of the health of the Sound and associated waterways and wetlands, as well as to create a priority list of mitigation, restoration, and enhancement opportunities that will enable communities to best address accommodating a growing population and vibrant economy in concert with achieving a healthy Puget Sound.

1. The inventory program ongoing with the Shoreline Management Act (SMA) Master Program updates already underway under Chapter 90.58 RCW;
2. The WRIA programs for each of the WRIA’s draining into Puget Sound, which can identify functions and needs on a priority basis and identify basin-wide opportunity for protection, restoration, and enhancement to assure that when mitigation occurs, it occurs in areas of greatest need and positive benefit; and

3. Coordinated critical area programs that recognize the need to accommodate growth in a manner that puts developed lands, particularly in urban areas, to optimum use, and does not unnecessarily promote sprawl or excessive development in rural and less developed areas.

Piecemeal planning, which may provide localized benefit but fails to address the larger picture of protecting and using Puget Sound, may be one of the biggest threats to long-term sustainability.

**“What actions must be taken to move us from where we are today to a healthy Puget Sound by 2020?”**

Washington State has long had a preference for local control in its land use planning. However, one consequence is a wide divergence of rules, regulations, and even an understanding of how Puget Sound works and how it can best be managed for a coordinated approach to a healthy and functioning ecosystem and economy. Both the SMA and the Growth Management Act (GMA) provide tools by which the objectives of a healthy Puget Sound may be achieved. But the tools need to be used in a more coordinated manner to provide a regional approach to a healthy Puget Sound, rather than the current piecemeal approach that brought us to where we are today. As a non-regulatory agency, the Partnership is in a unique position to take an overall look at regulations and identify areas for further inquiry and improvement.

We believe the Partnership needs to review current regulations to identify programs that may be supporting or hindering the effort to achieve a healthy Puget Sound. Several tools may warrant closer examination.

1. SMA Updates

SMA, Chapter 90.58 RCW, is a statewide regulatory program that is already in place with a goal to manage our state’s shorelines. The program goals are to identify and protect shoreline areas that require protection, while allowing priority uses in areas where appropriate.

The SMA updates now underway need to provide the inventory data that allows communities to identify areas where more protection is necessary, and areas where necessary and priority activities can occur. For example, efforts such as Pierce County’s shoreline inventory and segregation of waterfront areas into high, medium, and low impact habitat protection areas is to be commended and preferred to one-size-fits-all models, which may address certain forms of protection, but ignore entirely the reality of present and potential future use.

2. GMA Coordination

Communities are required to coordinate local land use plans to provide an overall matrix by which existing populations and planned growth can be accommodated in a cost-effective and sustainable manner. But all too often the coordination is honored in the breach or given only passing lip service. As local governments compete to keep densities low and buffers and open space high, the effect is to push population growth elsewhere to satisfy local demands to slow the pace of growth. The consequence of local actions discouraging growth is often to push growth to more rural or susceptible areas, less able to accommodate the growth or protect the environment. Frequently this contributes to an increase in the overall deforestation and increased impervious surfaces, with the long-term negative implications for

the Sound.

As noted above, if we continue down this path and do not find ways to encourage increasing higher densities in designated urban growth areas, we will inevitably be faced with an area the size of Kitsap County needed for “new growth” and in areas more difficult to develop and with more environmental consequence, as most of the easily developed land has already been used.

Accommodating new growth in areas already developed should include programs to support increased density, height, and traffic in our urban areas. Yet SEPA, concurrency rules, and local permit and appeal programs have the effect of encouraging sprawl at the regional level by discouraging density and intensity at any given location. While “lower density” and “lower intensity” are often viewed as the key to lower environmental impacts, such actions at the local level only serve ultimately to spread the impact of the coming growth.

The Partnership might also recommend that the Department of Ecology take a new look at SEPA and SEPA guidelines and ask, in the context of regional growth management plans, whether the program, as presently constituted, is achieving program goals on a regional basis. Reducing environmental process and appeals, in exchange for more certainty in density and development regulations, together with programs to fast track or otherwise encourage participation in priority mitigation plans developed through the GMA/SMA process, may well yield much greater overall benefit for long-run protection of Puget Sound than the piecemeal local focus process we have today.

The Partnership could ask the Legislature, the Department of Ecology (Ecology), and the Department of Community, Trade and Economic Development (CTED) to look at and report on the programs designed to encourage intensification and to avoid and reduce sprawl. Among the programs recommended for review include:

- a. **Shifting to a landscape approach (active management), rather than a buffer approach for critical areas and particularly urban and developed area wetlands and streams.** Too many communities have “in place, in kind” requirements for critical area mitigation, and big and bigger passive buffer programs, which are often not appropriate for either urban or developed shoreline areas:

1. Big passive buffers create swaths of nonconforming uses in which owners have little if any incentive to upgrade or improve existing conditions and often prevent development and redevelopment in areas often best served by urban transportation and infrastructure, which could be used and expanded to protect the Sound as further growth occurs.

2. Best available science does support landscape and non buffer based critical area protection, particularly for wetland and fish habitat, but many local jurisdictions are unaware or unsure how such programs can effectively be implemented.

AWB also recommends that the Partnership work with Ecology and CTED to identify alternatives under a Best Available Science program to provide meaningful landscape alternatives. The Partnership should draw on its science panel and others to develop landscape approaches to environmental mitigation that focus on setting and achieving priorities on a watershed basis,

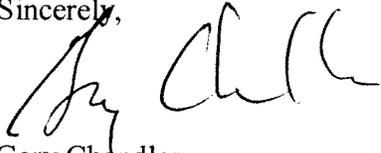
rather than piecemeal property basis. Such programs should be encouraged to identify how to inventory and designate waterfront lands that are suitable and appropriate, where trade, commerce, housing, resource, and recreation activities can be accommodated, consistent with protection of a healthy ecosystem. Local communities could be required to develop a buildable lands and suitability analysis for all priority shoreline activities, as well as critical area protection. Only by combining the twin demands of growth and proper use on the one hand and habitat protection on the other can a unified Action Agenda achieve long-term success.

- b. **Asking the Legislature to reexamine transportation concurrency rules, RCW 36.70.A.070(6)**, which tend to drive new development out to suburban and rural areas, compounding regional transportation problems and reducing density, with the resulting impact on Puget Sound and the watersheds by adding new impervious surfaces to the overall developed area in the region.
- c. **Working with CTED to identify barriers to increased density and intensity**, including urban area height, buffer, and on-site mitigation requirement that may be better served by a more regional approach, allowing the coming growth to be accommodated within the existing urban areas rather than spreading extensively to new undeveloped areas.
- d. **Encouraging state agencies and communities to fast track and reduce permitting obstacles for projects that fit a “Puget Sound friendly” mode.** Permitting and mitigating projects in Washington State can be a daunting and time-consuming task. State agencies and communities could be encouraged to fast track and reduce permitting obstacles for projects that fit a “Puget Sound friendly” mode. Such programs may be as simple as an overall general permit for work to improve storm water (culvert modification, stream and wetland enhancement, and other programs that often now require substantial study and process, including appeals) before implementation. Such “Puget Sound friendly” projects need not be given a pass, but the current regulatory program is consuming significant resources in time and money that would be better spent on mitigation, restoration, and enhancement.
- e. **Including information about the benefits of GMA required density and urban growth areas in the Partnership’s public outreach and education efforts.** Local builders fight battles over density and suffer through constant appeals from individuals seeking to stop growth. The public doesn’t want more density in their neighborhood, but they don’t see that rural and forestlands are being preserved as the other side of the equation. The state must be willing to help the public better understand the benefits of GMA required density.

The Partnership cannot solve the regulatory problems identified, but it can serve as a catalyst to ask the responsible agencies to rethink the approach to the regulatory process presently serving Puget Sound and to use the Action Agenda as a vehicle to cause a review of present practices and consideration of the options supporting a better way.

Again, we thank you and the Partnership for allowing the business community to provide suggestions for creation of the 2020 Action Agenda. We look forward to a continued partnership as we head toward 2020.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Chandler". The signature is fluid and cursive, with the first name "Gary" written in a larger, more prominent script than the last name "Chandler".

Gary Chandler  
Vice President of Governmental Affairs  
Association of Washington Business

cc: Sam Anderson, Ecosystem Coordination Board Member  
Bill Dewey, Ecosystem Coordination Board Member  
Martha Neuman, Action Agenda Director  
Kathleen Drew, Governor's Executive Policy Office  
Bruce Beckett, Senior Advisor to the Governor

