

Dear County Council and State/Federal agencies (this will be individualized before sending)

11.12.09 Discussion Draft

We are honored to convey this final report and recommendations of the San Juan Initiative Policy Group. Thank you for your sustaining interest, leadership and commitment to this project. As the (add agency type here), the actions you take are critical to the protection of the San Juan ecosystem.

This letter summarizes the Initiative's recommendations for what is needed for successful protection of the San Juan ecosystem and what we have learned from working as a team with diverse perspectives and responsibilities. It describes the San Juan Initiative's background, its key findings and accomplishments to date, details what is necessary to continue this work, identifies implementing organizations, and provides a rough cost estimate.

We hope this summary provides you with the information and inspiration to enhance your efforts to protect some of the most valuable remaining habitat in Puget Sound. We encourage you to continue to work collaboratively to bridge the interests, skills and perspectives of governments, property owners, scientists and the San Juan community.

1. Background

The San Juan Initiative is a pilot effort to improve ecosystem protection in a manner that supports community values, respects property owner rights, and builds local capacity to ensure that vital ecosystem processes and habitats are protected. To advance the issue of protection, the San Juan Initiative assessed current shoreline protection programs and recommended improvements where gaps in protection were found. The effort was funded by the National Fish and Wildlife Service, Bullitt Foundation, the Community Salmon Fund and the Puget Sound Partnership.

The heart of the San Juan Initiative is a 24-member Policy Group. This group includes 11 County Council appointed local citizens, as well as representatives from federal and state agencies and tribes with land management responsibility in the Islands. The group includes builders, real estate agents, , environmentalists, government officials and landowners. The San Juan Initiative was also supported by a Science Team of local and regional scientists as well as a Trade Group Work Team made up of builders, realtors, excavators and landscapers and the County Planner Work Team. Policy Group

members, County staff, citizens, scientists and others contributed countless hours to inform our process and improve our recommendations.

2. Key Findings of the San Juan Initiative

Together with the community, we set out to accomplish two key goals: (1) Assess the effectiveness of programs aimed at protecting the San Juan ecosystem; and (2) Recommend specific ways to improve protection in a manner that supports other community interests and respects the rights of property owners. We focused the majority of our work on understanding marine shoreline protection. Within shorelines, the Initiative focused on the maintenance of shoreline trees, ground cover and natural sedimentation and erosion processes. We worked with local and regional scientists, policy makers and community members to understand the challenges facing our ecosystem and to develop solutions. We held over 25 public workshops and also engaged land owners, real estate and construction industry professionals, and our science advisory team in intensive small group workshops.

In summary, we found the following regarding the shoreline ecosystem:

1. Management programs and the community have made some positive improvements over the last 30 years of environmental management; there is a lot to build on. Permit conditions have become more specific and for the most part reflect current science.
2. Some of the most sensitive parts of the marine shoreline are being altered and there is a high risk of losing more. For instance, along the San Juan Initiative case study areas, 30% of our feeder bluffs have already been bulkheaded and most of the bulkheads are low enough on the beach to possibly impact forage fish spawning areas.
3. There is a lack of accountability to ensure that people and governments successfully carry out their responsibilities in a way that results in ecosystem protection.
4. Current regulatory protection programs are turning people off, and education and incentive programs are not meeting the needs of the ecosystem or shoreline property owners.
5. Through scientific advancements and the ethic of stewardship within the San Juan community, there is tremendous opportunity to improve protection of the ecosystem.

To address these findings and ensure effective preservation programs for shoreline vegetation and sedimentation processes, we developed the following overarching recommendations:

1. Tailor protection efforts to match the level of ecological function and sensitivity. For instance, focus incentives and education efforts on beaches and bluffs.

2. Increase consistency in permitting requirements and certainty that the regulations will be interpreted consistently throughout the permit process. Property owners and builders need predictable outcomes from the permitting process that they can account for in building costs and timelines.
3. Foster a collaborative approach involving both the public and private sectors in order to increase communication and effectiveness. Continued forums are necessary for builders, real estate professional and contractors to discuss issues and develop common solutions with county and state decision-makers.
4. Provide information to decision-makers, whether county planners or property owners, in an accessible, relevant and timely manner. This recommendation builds on the need for predictability in the permitting process. It also focuses on ensuring that the information needed by property owners, planners and elected officials is available and accurate.
5. Reward actions that protect ecosystems and discourage actions that are damaging or not in compliance. Implement programs that recognize people for good stewardship and provide financial incentives for private conservation actions like soft shore beach restoration projects.

In December 2008, the San Juan County Council and partner agencies unanimously endorsed these findings and recommendations. The Initiative continued through 2009 to help implement these recommendations and explore an assessment of the protection programs for the terrestrial ecosystem.

3. 2009 Accomplishments

Throughout 2009, the San Juan Initiative instigated and supported actions by the County and other parties to implement the above recommendations. To date, the following has been accomplished:

1. Tailored protection:
 - a. Ongoing community dialogue established with shoreline property owners, realtors, builders and the general public to explore creation of a tailored approach to house setbacks and maintenance of shoreline trees and vegetation within buffers.
 - b. New regulatory language was drafted to reflect a tailored approach for setbacks and protecting shoreline trees and ground cover. These issues will be addressed through the Shoreline Master Program update. New regulatory language was drafted for protecting natural shoreline erosion processes.
2. Increased consistency in building, buying and permitting:
 - a. Staff served on the Citizen's Committee for the update of the Critical Areas Ordinance which was intended to clarify regulations and increase consistency in interpretation.
3. Fostered a collaborative approach:

- a. Co-hosted a series of field trips and public workshops with the County on the update of the Critical Areas Ordinance.
 - b. Continued to develop a tailored approach with the help of builders, realtors, landscapers and others in the development industry.
- 4. Provided relevant information
 - a. Developed new San Juan County web-based information for property owners on shoreline protection (www.sanjuanco.com/shoreline). Encouraged and assisted in the revision of technical assistance provided by the Conservation District to include shoreline concerns.
 - b. Created a map showing various shoreline types.
 - c. Mapped feeder bluffs in San Juan County.
- 5. Rewarded actions that protect and discourage actions that are not in compliance
 - a. The County Council increased permit fees to fund post construction inspections.
 - b. Submitted a letter of support to County Council and Planning Commission to improve enforcement of shoreline permits.
- 6. Established a method to measure progress toward increasing marine shoreline protections in the San Juans.
- 7. Improved protection of terrestrial ecosystem
 - a. Developed a preliminary proposal for how to assess and improve protection of terrestrial ecosystems in San Juan County.
 - b. Assessed protection effectiveness for two coastal prairie species of local and regional importance: island marble butterfly and golden paintbrush with recommendations for improved protection that builds on existing education and support of local landowners.

4. Continuing the Work

The County and other parties have made substantive progress in implementing the Initiative's recommendations of December 2008. Yet there remains considerable work to be done to improve the effectiveness of shoreline protection. The following section describes the key next steps, the implementing organization, and the likely cost of conducting the work. The following work is necessary to meet the 2010 and 2012 outcomes described below.

1. There continues to be insufficient technical assistance for shoreline property owners from either the County or any other institution. There is also a lack of ongoing technical support for county planners. This need was identified by virtually all property owners, builders and county planners. Improved technical assistance and support would improve the ability to protect our marine shoreline areas prior to the building process through the strategic providing of technical assistance.

- Organize and implement technical assistance to land owners:
Conservation District
Estimated cost: approximately \$50,000- \$100,000/yr
- Implement organization to improve technical assistance for county planners: County Planning Department
Estimated cost: Unknown. Needs to be decided if this would be funded through grants or through an increase in permit fees.

The Policy Group requests that the San Juan Island Conservation District raise the funds necessary to implement a technical assistance program by June 2010. We suggest the state and other funding communities see this as a high priority to protecting the marine shorelines of San Juan County.

2. Lack of key enforcement mechanisms, such as penalties and inspections, limit our protection efforts by encouraging non-compliant actions and the perception that the County's enforcement program is arbitrary and weak. Fees were increased in 2009 to allow for the post construction inspections. Though work is needed on the new permit tracking system to be sure that structures are inspected, conversations with planning staff show that recently approved exemption permits are conditioned to require inspections after building. Unfortunately, a new draft ordinance instituting penalties for non-compliance has not yet been adopted.
 - Implementing organization: County Planning Department with support from the County Council.
 - May require training of building inspectors and additional staff time to address violations and some refinements to the EDEN permit tracking system.
 - Estimated cost: additional training for inspectors, \$5,000/yr.
 - Unknown costs: implementing the new enforcement ordinance will likely require additional time from the Prosecuting Attorney's office and additional time from inspectors.

We request that the County Council, County Administrator and Prosecuting Attorney finish the proposed code enforcement ordinance by February 2010, ensure adequate training for compliance inspectors to work on shoreline permits, and establish a realistic process with the ability to conduct enforcement actions in a timely and thorough manner.

3. San Juan County is in need of a coordinated system for tracking and monitoring shoreline development within the County Planning Department and between the County Planning Department and WA Department of Fish and Wildlife's Hydraulic Permit Approval Process. There is potential to create a State/County process where the Department of Ecology periodically monitors beaches and bluffs for new activity and notifies the County of any changes. This would allow

the County to check on shoreline activity and be sure that activity in these sensitive areas is permitted and is complying with permit conditions.

- Implementing organization: County Planning Department
- Expected cost: Planning Department is currently updating its permit system. State /County partnership for periodic monitoring: start-up cost \$5,000; ongoing monitoring \$7,000 per year.

We request that WA Department of Fish and Wildlife find a system to coordinate the permit tracking between County permits and HPA permits by the end of 2010.

We also request that WA Department of Ecology work with the County to monitor beaches and bluffs in San Juan County and have a process to communicate shoreline changes to the County Planning Department by the end of 2010.

4. Shoreline protection lacks effective incentives. Property owners sometimes need positive recognition and incentives to act on behalf of the ecosystem. The San Juan Preservation Trust, The Land Bank and the Assessor's office have readily available tools to provide stronger incentives, but the current system is targeted for large parcels. Tax incentive tools need to be modified and a pilot incentive project developed for smaller parcels with valuable habitat needs. In addition, a recognition program that encourages individual stewardship action by property owners would benefit not just the ecosystem but support a shift in shoreline developing norms.

- New Incentives: Implementing organization: San Juan Preservation Trust/Land Bank/Assessor in partnership
- Costs: To create program: \$35,000
 - i. Ongoing implementation: depending on the number of properties involved, tax rolls would be reduced by some amount. More information needs to be gathered to understand the impact of this program on county revenue.
- Recognition Program like "Green Shores": Implementing organization: Conservation District
- Costs: To create program: \$125,000
 - i. Ongoing implementation costs need to be developed.

We request that the San Juan Preservation Trust, Land Bank and County Assessor's office provide conservation incentives to owners of small shoreline parcels that have valuable habitat features. These incentives should be presented to the County Council.

We request that the Conservation District, in partnership with the Marine Resources Committee, seek funding for a "Green Shores" program to target

information and recognition of good stewardship by shoreline property owners by the end of 2010.

5. New regulatory language that results in the following (details on this recommendation can be found in the Aug 24th, 2009, San Juan Initiative Recommendations):
 - Tailored approach to setbacks.
 - Better approach to protecting vegetation and maintaining views and shoreline access.
 - Placement of shoreline armoring on beaches and bluffs should be allowed only when the home, road, driveway or septic is threatened by erosion.

Details on this recommendation can be found in the Aug 24, 2009 San Juan Initiative Recommendations, available at: www.sanjuaninitiative.org

We request that the County Council include these recommendations in the scope of work for the Shoreline Master Program Update.

6. A culture shift in the relationship between the County government and building and real estate professionals is needed in order to foster efficiency and maintain the economy of the Islands. Through the Initiative we convened a number of large public meetings with building professionals to identify common issues and then brought these issues to a smaller working group of private professionals and the county staff.

We recommend that the effort to engage the building community continue in a formalized fashion. We suggest two members of the Council chair a group with Public Works and Planning Directors and several building, realtors, excavators and landscapers to discuss planning and land use challenges.

7. Measuring success of the Initiative: Reconvene Initiative Policy Group in 2010 and 2012 to review the measures of success developed by the Initiative. The result of our work needs to be monitored to determine its success. Details of this request are outlined in the following section.
 - Implementing organization: MRC and the Local Integrating Organization (Puget Sound Partnership)
 - Costs: \$5,000 in 2010 and \$5,000 in 2012

We request that the Puget Sound Partnership, through the Local Integrating Organization, work with the Marine Resources Committee to measure the success of the Initiative and reconvene the Policy Group to report the findings to the Council, state and federal agencies and tribes.

8. Advance protection of the terrestrial ecosystem through a three-pronged approach
- Terrestrial Ecosystem Working Group: Initiated to identify ecosystem wide issues and ensure periodic review of actions. An outcome of this group could be similar to the Marine Stewardship Areas Plan that resulted in identified targets, strategies and key threats for the marine environment. The working group would be charged with gauging the effectiveness of actions and determining responsibilities for specific conservation actions, communicate with land owners and the public in a way that is consistent and supportive. The group should include but not be limited to the Land Bank, Preservation Trust, The Nature Conservancy, Department of Natural Resources, WA Department of Fish and Wildlife, the US Fish and Wildlife Service, the National Park Service and relevant State and County Parks
 - Oak Woodland and Coastal Prairie Conservation: There is a strong effort by several organizations to protect the small areas of remaining intact oak woodlands and coastal prairies, but the magnitude of funding is not sufficient to achieve the conservation needs. Additional funding should be sought to increase the immediate conservation of these areas. In addition, “rapid assessment” should be conducted to acquire a better sense of what we have and its current level of function in order to confirm and establish priorities.
 - Wetland Inventory and Restoration Potential: There are many acres of wetlands across the San Juan Islands. The current inventory provides limited information about specific locations and existing wetland functions. A robust inventory would benefit the overall protection of wetlands and would clarify protection and restoration priorities for both the County and property owners. The inventory should also identify historical changes to wetlands and potential for future positive and negative changes to the ecosystem function of these important landscape features.

Terrestrial Ecosystem Working Group:

- Implementing Organization: San Juan County creates a working group focused on terrestrial protection. The scope of work of this group would need to be developed based on existing resources.
- Estimated Cost: \$30,000-\$100,000 annually depending on the scope of work.

Oak Woodland and Coastal Prairie Conservation:

- Implementing Organization: Land Bank and Preservation Trust with the help of Department of Natural Resources and the National Park Service

convene a working group to ensure protection of coastal prairies and oak woodlands.

- Costs: Convening of a working group: \$5,000 annually. Costs of increased conservation needs to be determined.

Wetland Inventory and Restoration Potential:

- Implementing Organization: San Juan County, the Conservation District and the Department of Ecology develop a wetland inventory.
- Costs: Wetland Inventory and protection and restoration prioritization: \$100,000.

We request that the County Council consider creating a Terrestrial Work Group and direct that group to begin raising funds to improve protection of the terrestrial ecosystem.

We request that the Land Bank and the Preservation Trust jointly convene the working group that includes all relevant partners and seek additional funding for conservation of oak woodlands and coastal prairies and key species such as Golden Paintbrush and Island Marble Butterfly.

We request that San Juan County, San Juan Islands Conservation District and the Department of Ecology jointly develop a scope of work for a wetland inventory and restoration recommendations.

9. Funding: Although the total funding needed to implement the recommendations for on-going action is not large, county and state agencies have limited to no capacity for expanded efforts as they currently struggle to fund basic services. Additional funding is needed on an on-going basis if the recommendations are to become a reality. The recommendations of the San Juan Initiative are specifically mentioned in the Action Agenda as a high priority for the health of Puget Sound. Support from private foundations should also be sought to assist in the funding needs of the nonprofit organizations that play a vital role in implementation of these recommendations.

We request that the Puget Sound Partnership and Environmental Protection Agency consider funding these recommendations and commit to measuring the success of the Initiative as part of their joint responsibility for protection and restoration of Puget Sound.

We also encourage local nonprofit organizations to seek funding from private foundations to support their role in tracking and implementing the actions we recommend.

4. Measuring Our Success

The San Juan Initiative Policy Group and staff feel that the true test of our work needs to be measured in the outcomes over time. To ensure that our efforts to stay the course and deliver the outcomes we desire, the Policy Group established detailed measures of success that are posted on our website. Specifically, the Policy Group believes that we need to measure the success over time of achieving the following objectives:

1. Retain the current percentage of native vegetation, trees and ground cover along the shoreline.
2. Reduce the number of bulkheads/armoring along feeder bluffs and beaches.
3. Encourage builders, realtors, community leaders, county officials and the public to appreciate a strong working relationship in which each party is respected for their role in protecting the environment.
4. Provide property owners and county planners with convenient access to technical assistance for maintaining views, creating access to the shoreline, and protecting the shoreline. Provide property owners of beaches and bluffs and other important shoreline features with financial incentives to protect their stretch of shoreline.
5. Provide the County with effective and efficient ways to track permits and compliance. Create a system for builders and property owners who have submitted permit applications to know where they are in the system..
6. Stay current with new science that explores the effect of hard shore armoring on beach processes.
7. Stay current with new science that explores the effect of shoreline vegetation loss on water quality and other shoreline processes. This information is applicable to the San Juan Islands specifically.

We recommend the County and the Puget Sound Partnership convene the implementing agencies and the Policy Group in 2010 and 2012 to review the results and determine if the objectives listed above are being achieved and, if not, take corrective action.

5. The Applicable Lessons Learned by the San Juan Initiative?

The San Juan Initiative provided a valuable assessment on whether the combined efforts and environmental protections are working to maintain the health of the shoreline in a way that works for the community. In our opinion it was a good and productive step in the on-going need to ensure accountability, an essential ingredient for the recovery of Puget Sound. The overall process is documented in “Key Steps,” available at www.sanjuaninitiative.org. Below are a few of the important lessons to be considered for similar efforts in the future.

1. To understand what is working in regard to environmental protection requires an assessment of whether ecosystem functions, processes and services are improving or diminishing. Unfortunately, there is little quantitative baseline information available. This limited our ability to make an accurate assessment. Consequently, we were forced to measure actions and activities that have been shown to impact the ecosystem. For instance, we documented presence of bulkheads as an indication of near-shore health but we did not measure the change in beach substrate and biological communities post bulkhead. Without baseline information and trend information on the ecosystem, it is difficult for people to believe their personal choices make a difference.
2. To determine what was working and what wasn't, we involved the scientific community, landowners, land development professionals and government managers/permit staff in individual meetings. Once we had the assessments from each group individually, we integrated the results to help us refine the overall picture. This provided significant insights about the success of environmental protection and created helpful relationships for identifying solutions.
3. It takes a holistic look to understand what is working and what isn't. Assessing the effectiveness of protection required a look at all three types of tools: regulation, incentives and education. It also required looking at three scales--- countywide, shoreline reach and individual parcel--- to know what was intended, and what was achieved, by the various programs. We also looked at what effect these programs had on property owners, the most important sector in determining success. If the programs did not make sense, significantly inhibited the basic interests of landowners, or were confusing, then the ecosystem outcomes were diminished.
4. A smaller scope of work that could be advanced and implemented was preferred over a broader scope of work. At each stage of the Initiative, the Policy Group focused on key elements to advance to the next stage. This constant pruning was difficult yet yielded tangible results. It was at times difficult for the Policy Group to stay focused on initial stages without jumping ahead. However, the careful exercise of figuring out what's working and what's not allowed a deeper understanding of the problems and therefore a more holistic approach to the solutions.
5. The audit function of the pilot program was successful because the Policy Group, while comprised largely of citizens from the community, also included representatives of most of the implementing organizations whose programs were being evaluated. The Policy Group was not aligned with any one organization. This structure gave the Policy Group the credibility for success by having the authority of the organizations and the objectiveness of citizens' independence. It was helpful to have the participation of many different layers of decision-makers: elected officials, state and federal agency officials. The Initiative suffered towards the end when the

agency participation dropped off. The lack of director engagement led to a stalling of assistance from agency staff and their ability to work with SJI to implement the recommendations.

6. The diversity of perspectives, responsibilities and experiences of the Policy Group was key to its success. As with many stakeholder groups, the Policy Group consisted of people from the environmental, development and business communities. Often these groups are not successful because each person feels responsible to represent only the hardened position of their interest. Policy Group members brought their interests to the table, but not their hardened positions, and consequently were often able to reach agreement quickly.

6. Conclusion

The work of the San Juan Initiative is now concluded but the work to protect the San Juan ecosystem is on-going. We believe our work and its results have affirmed the importance of landowners, governments, businesses and nonprofit organizations working together to achieve a healthy environment and a supportive community. We hope the County continues to provide the leadership necessary to bring the community together and successfully foster the relationships and management needed. We hope the State continues to provide leadership to fill gaps in the science and funding necessary for doing the much needed work. We hope more information and better incentive and enforcement structures encourage property owners to continue to steward their land in a way that contributes to ecological health and sustainability of a variety of wildlife species. Collectively, all levels of government must continue to find ways to be accountable and demonstrate to the local community their support for effective and inclusive governance. No one tool or group can assure protection of our environment. It has to be a collaboration where all parties are respected for their role and mutually held accountable to successfully contribute their part.

In regard to the pilot nature of the San Juan Initiative, we believe this process should be duplicated across the rest of Puget Sound. In the final analysis, it is what happens locally that will determine if we have managed our land and water successfully regionally. The strength of our work is that local people assessed what was working and what wasn't, providing ultimately the tangible conclusions necessary to encourage our community to act, right now and into the future.

Thank you to the San Juan County Council for taking the risk of having their programs audited.

Thank you to the state agencies for their willingness to join us in our community effort.

Thank you to the many citizens and organizations who contributed their time and their hearts to participating in this process and helping us make a difference.

Thank you to the National Fish and Wildlife Foundation, Bullitt Foundation, US Fish and Wildlife Service and the Puget Sound Partnership for funding the work and believing in its importance.

Sincerely,
The Policy Group (members