THEODORE R. KULONGOSKI
Governor

September 14, 2009

Kai Lee, Program Officer
Conservation and Science Group
The David and Lucile Packard Foundation
300 Second Street
Los Altos, California 94022

Dear Dr. Lee:

Thank you for your interest in Oregon's ocean management efforts. The state of Oregon is making great strides towards achieving ecosystem-based spatial management of our marine resources by initiating improvements to the Oregon Territorial Sea Plan (TSP), our primary tool for managing those resources. The advances being made in ocean management in Oregon are aligned with the goals identified in the *West Coast Governors' Agreement on Ocean Health*. As you know, the State is currently in the process of amending the TSP to incorporate a new section for managing renewable energy projects in state waters, and is also implementing the first marine reserves in Oregon. Both of these examples underscore the need for Oregon to better understand the impacts and trade-offs involved with introducing new uses into the marine environment, as they would affect both coastal communities and natural resources.

The David and Lucile Packard Foundation, working together with other donors, could make a major contribution to these efforts and play an instrumental role in assisting state agencies, local governments, and the many stakeholders involved in the process by providing resources needed to make critical decisions. We hope that through a collaborative process the Packard Foundation will be able to make strategic grants that will lead to the generation of sound data Oregon needs to continue its marine spatial planning (MSP) efforts and to conduct work that will reinforce our state as a leader in MSP. Oregon's MSP efforts could serve as a model for other coastal states as they respond to President Obama's recent call for action in this field.

There are seven "Needs" that the Packard Foundation and its philanthropic partners could fund that would provide the state of Oregon with products to inform both the TSP drafting and the Marine Reserves implementation and evaluation process. It is critical that this work be conducted by grantees that are credible in Oregon's coastal communities, so that the knowledge gained in meeting these needs is seen to be legitimate and is utilized and implemented. The needs loosely fall into two categories: socioeconomic impacts and natural science data collection. While state agencies have made advances in both areas, there is much that we have been unable to fund at a rate that meets our decision-making schedule. Below, each need is explained in brief detail and listed in Table 1.

STATE CAPITOL, 900 COURT STREET NE, SALEM OR 97301-4047 (503) 378-3111 FAX (503) 378-6827
WWW.GOVERNOR.OREGON.GOV

Socioeconomic Impacts

Needs 1-4 are of fundamental importance to the state, helping us better understand the socioeconomic reality of current ocean uses by quantifying dollar amounts and the shoreside impacts of those dollars on coastal communities:

- Need 1 involves mapping commercial and recreational fishing efforts (currently the most significant economic use of marine resources) by the second quarter of 2010, and determining the shoreside impact of those activities on coastal communities. Ecotrust has been a leader in conducting this type of mapping in Oregon and would be a credible grantee to the state and stakeholders for this work.
- Need 2 involves similar work to map the non-consumptive ocean uses, also to be completed by the second quarter of 2010. Surfrider, a group that has been active in many aspects of recent MSP efforts in Oregon, would be a credible grantee to the state and stakeholders for this work. Surfrider's knowledge of the coast and non-consumptive uses and shoreside impact of those activities on coastal communities will make it possible to produce an outcome similar to the fishing mapping effort.
- Need 3 uses the data collected in Needs 1 and 2 to inform decisions involving tradeoffs among ecosystem services. For example, knowing the value of crabbing in an area identified for potential energy development will enable the Land Conservation and Development Commission to make educated management decisions affecting these potentially conflicting uses. Such information will be particularly valuable for considering the shoreside effects on individual port communities. Assessment of ecosystem service values and conducting cost-benefit analyses would be needed by state decision makers by the third quarter of 2010.
- Need 4 involves encouraging coastal communities (specifically commercial fisherman and charter fleets) to develop fishing effort maps for the TSP that will also be used for the marine reserve siting. Significant public vetting of the process and study results is essential to the success of this effort. Oregon Sea Grant would be one of the credible grantees to receive funds to work collaboratively with the Oregon Department of Fish and Wildlife (ODFW) and local coastal advisory groups to fulfill this critical need.

Currently, the state of Oregon does not have the resources to fully address the state-wide socioeconomic effects of MSP policy options. Needs 1-4 will provide for the data collection and data analysis required to fully understand the management options we face and the results of choosing particular options. State agencies are facing several deadlines in the next 6-18 months, including developing the TSP renewable energy chapter (December 2009, with maps due during 2010), and Marine Reserves Implementation (November 2010). The socioeconomic analysis outlined in Needs 1-4 will make these deadlines feasible and the subsequent decisions well-informed.

Need 5 will build on the baseline information provided by the socioeconomic analysis to aid the state in understanding the cumulative effects of diverse uses, as Oregon partitions the ocean into particular use areas. In recognition that Oregon was becoming a potential location for multiple wave energy development sites, the Ocean Policy Advisory Council acknowledged the value of being able to assess the collective impacts of the potential projects on existing uses and on the marine environment. A Cumulative Impacts Framework model was subsequently developed by Parametrix and Aquaterra to address wave energy impacts. We wish to now expand the framework to include other uses, as well as to populate the model with actual data. Oregon's TSP requires developers and agencies to determine cumulative impacts for projects and to adaptively manage. However, what is lacking is clear guidance on how to do this type of complex analysis. Upon development, such guidance would be transferable to other states as they consider methods for obtaining cumulative impact data.

Natural Science Data Collection

In order to inform MSP efforts, the state is in need of additional natural science data:

- Need 6 involves streamlining nearshore research efforts and coordinating related funding strategies by empowering the new Task Force on Nearshore Research. Multiple academic, community and governmental groups conduct research in Oregon's nearshore ecosystem, but additional research is needed to effectively inform management decisions. Coastal infrastructure to support increased nearshore research is currently lacking, and greater coordination of research activities is needed to reduce duplication of effort and competition for funds. The 2009 Oregon Legislature passed House Bill 3106 which creates a Task Force on Nearshore Research to grapple with these issues. Because of the economic recession and critical budget shortfalls, the Task Force was institutionalized without any accompanying funding. The Nearshore Task Force will identify needs and priorities for marine research, institutional capacity, and long-term funding to support nearshore ocean planning and management through revisions to the TSP and agency regulations. The Task Force is required to report to the legislature by August 1, 2010, although the Task Force can continue to convene through 2011. Funding from the Packard Foundation and its partners to complete the Task Force report, together with associated contracted work, will give the Task Force the resources it requires to succeed and to outline the type of research and public resources needed for solid scientific input to MSP efforts into the future.

- Need 7 involves developing methods for assessing biological information in marine areas. Oregon currently lacks a tool to quickly and effectively inventory biological data in a given location. Such data is critical for establishing a baseline of information prior to a new use or designation of a site. Need 7 could be fulfilled by a grant to ODFW to develop a rapid area assessment methodology and subsequently use the tool to evaluate proposed marine reserve and renewable energy sites.

Because of the complex and time-urgent need to integrate different kinds of information from different sources, straining the capacity of the state, the State of Oregon welcomes assistance in project management, convening, and integrating information from T.C. Hoffmann & Associates, which will also be advising the Foundation.

Oregon is committed to working closely with coastal users and to making management decisions using sound natural and social science. I appreciate the Packard Foundation's interest in assisting the state in that endeavor. I am personally committed to timely and effective use of the knowledge gathered with philanthropic support in the major decisions to be made in ocean management in 2010 and beyond, including maps and policies for the Territorial Sea Plan, and decisions with respect to the state's marine reserve system. To that end, I understand that you and State Senator Betsy Johnson are meeting to discuss the needs outlined in this letter. Senator Johnson and the caucus of Oregon's legislators who represent our coastal region have worked very hard with their constituent communities to achieve consensus and build support for our common approach to ocean and coast management. Her perspective and insights should prove invaluable to the Foundation as you consider our needs.

Please feel free to contact Jessica Keys in my office if you would like to discuss Oregon's ocean management efforts further.

Sincerely,

Theodore R. Kulongoski

THEODORE R. KULONGOSKI
Governor

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Enclosure

Table 1. Proposed Needs

Need	Purpose	Outcome / Products	Timeline
1	Commercial/ recreational fishing grounds mapping	Maps available for the TSP revision process for alternative energy; will also inform evaluation of potential marine reserve sites. DLCD will integrate and upload information for use in TSP revision and mapping.	Completed May 2010
2	Non-consumptive use analysis/mapping	Maps available for the TSP revision process for alternative energy; will also inform evaluation of potential marine reserve sites.	Completed May 2010
3	Socioeconomic analysis	Establishes values for multiple ecosystem services thus enabling informed trade-off decisions by managers; information will be shared with public; will inform decisions on specific permitting requests for renewable energy and marine reserves.	Data available by June 2010; analysis complete by September 2010
4	Local coastal advisory group facilitation	Supports fishing community advisory group participation in the mapping effort (*Note: without full participation of these groups, the mapping effort will be incomplete*).	Completed May 2010
5	Cumulative Impact Framework	Expand Parametrix/Aquaterra's wave energy framework to include multiple uses; information will guide regulatory decisions and adaptive management; product can serve as a model guidance document for other states striving to determine cumulative impacts.	2010-2011
6	Nearshore Task Force report and supporting studies	Nearshore Task Force will identify research priorities, coordinate multiple institution efforts and identify funding streams for nearshore research, monitoring, and management; coordination effort will inform TSP revision as well as future needs in permit review and use choices.	Completed by August 2010
7	Rapid area assessment methods for marine reserve sites and approach for energy sites	Methods and baseline inventory of 3-4 evaluation sites for marine reserve siting.	Completed by September 2010

Oregon Coastal Caucus

Sen. Betsy Johnson, Chair
Sen. Jeff Kruse
Sen. Joanne Verger
Sen. Doug Whitsett
Rep. Deborah Boone
Rep. Jean Cowan
Rep. Wayne Krieger
Rep. Arnie Roblan
Rep. Brad Witt

October 1, 2009

Kai Lee, Program Officer
Conservation and Science Group
The David and Lucile Packard Foundation
300 Second Street
Los Altos, California 94022

Dear Dr. Lee:

The State of Oregon currently faces increasing demands for a variety of ocean resource uses, and uncertainty about how to balance new demands with existing uses. The Coastal Caucus is composed of nine legislators- Republican and Democrat, both House and Senate- who represent the full length of the Oregon Coast and the inland Klamath River System. We operate on a consensus model and, while we don't always agree, we attempt to meet these competing demands in a balanced way. We recognize these challenges and would like to ensure that the State has the best possible information to help analyze the "trade-offs" associated with ocean uses.

To avoid the perception or risk of outside funding being used to promote advocacy agendas, the Coastal Caucus prefers to see funding be directed to state agencies so that the uses of that funding are vetted through a transparent public process. However, given budgetary and time constraints it may not be possible for agencies to receive and mange outside grants. Because new spending limitation is not available to state agencies until February 2010 at the earliest, we are aware that alternate funding strategies may be necessary to assist with our data gathering needs. We understand that the Packard Foundation is interesting in making a short-term commitment to help Oregon's efforts in marine spatial planning by providing funding to inform the drafting of the Territorial Sea Plan amendment on renewable energy and the implementation of the Legislature's recent bill on marine reserves (HB3013). If this is in fact the case, we would encourage the Packard Foundation to work with state agencies and third-party grantees to develop grant proposals that address the State's needs for ecological and socio-economic data collection and analysis. We are adamant that third-party grantees who receive funds from Packard commit to collaborate with Oregon's coastal communities and respect the tradition of transparent public process in this state.

The issues that ODFW believe need to be studied are:

- Capacity for Nearshore Research (facilities, collaborative infrastructure, research priorities, long-term funding strategies)
- Socioeconomic data collection and analysis (consumptive and non-consumptive uses)
- Coastal community engagement and vetting of socioeconomic analysis process (consumptive and non-consumptive users)
- Biological data collection and analysis
- Cumulative impacts analysis of multiple uses, to use in futuring exercises
- Community-based fisheries management

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The Coastal Caucus appreciates the interest of the Packard Foundation in Oregon's efforts to meet the demands of multiple ocean uses and we know that through collaboration we can make Oregon a model for other states on how to use a community-up approach to balanced and informed decision making.

Sincerely,

State Senator Betsy Johnson

State Senator Jeff Kruse

State Senator Joanne Verger

State Senator Doug Whitsett

State Representative Deborah Boone

State Representative Jean Cowan

State Representative Wayne Krieger

State Representative Arnie Roblan

State Representative Brad Witt

Grant Amount	Grantee	Title	Description
$247,000	Ecotrust	Fishing ground mapping/impact	Commercial & recreational fishing ground mapping; impacts on shoreside communities of these efforts; Ecotrust would hold data for fishing groups (no issues of breach of confidentiality)
$35,000	ODFW to Sea Grant	Commercial fishing community group facilitation	Brings together the fishing community groups to address fishing ground mapping issues including concerns about confidentiality, data ownership, data sharing, etc.; facilitator of umbrella group (Sea Grant would not harbor any of this confidential data)
$150,000	Surfrider	Non-consumptive use mapping	Track other uses of marine resources such as kayaking, wildlife viewing, diving, whale watching, surfing, etc.
$75,000	POORT	Community Based Fisheries management	This grant plus a $25,000 match from ODFW will be used for the implementation of community-based fishing mangement model testing
$100,000	OSU-COMES	Nearshore Taskforce	Funds short-term taskforce, which will make recommendations to the legislature on potential ways to coordinate research needs, ensure coordinated management, and develop funding strategies for the nearshore; this provides for staff support for meetings and targeted analysis needed by taskforce