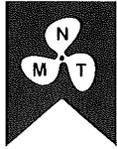


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December 20, 2011

Ms. Maggie Glowacki
Senior Land Use Planner
Department of Planning and Development
City of Seattle
700 5th Avenue, Suite 2000
PO Box 34019
Seattle, WA 98124-4019

Re: Comments on the second draft of the 2012 Seattle Shoreline Management Program (SMP)

Dear Ms. Glowacki:

As you may know, the Northwest Marine Trade Association (NMTA) represents almost 700 businesses in the recreational boating industry, including about 150 members who reside in the city of Seattle. Of these members, we represent 44 marinas and boatyards on Seattle's shoreline. Additionally, boat brokers, boat dealers and all the businesses that envelop recreational boating in Washington state are most likely members of NMTA.

These comments will provide a general overview of the policy ramifications many marine businesses could face as a result of the update to the Shoreline Master Program. Please consider this letter as an overarching perspective to complement the more specific comments you will receive from individual marine businesses, such as Salmon Bay Marine Center, Fremont Tug, Salmon Bay Marina, Seattle Yacht Club, Nautical Landing and the Port of Seattle among others.

Thank you for extending the timeline to review and comment on the proposed changes to the SMP. The sheer magnitude of the draft necessitated the need for additional time. We can see the great strides in this second draft. That said, significant concerns remain. We request a third draft from your office to review.

To provide a backdrop for you, NMTA members have consistently taken the extra steps to protect shorelines and water quality in Puget Sound. To support that general statement, here are some concrete examples of how we have taken appropriate actions to protect Washington state's water quality and ecological habitat:

- NMTA launched the Clean Marina Program with Puget Soundkeeper Alliance (PSA) to certify marinas that have taken the extra steps to keep their property clean and green. This program, built around the implementation of best management practices, has become a national model and 65 marinas are now certified, many of which reside in Seattle.
- NMTA, PSA and Department of Ecology (DOE) evaluated the best available technology to remove copper from stormwater runoff from boatyards in 2008. Our goal was to replace litigation with agreed action to meet the goals of the Clean Water Act.
- NMTA championed legislation in Olympia (Senate Bill 5436) that phases out copper-bottom paint on recreational boats. Washington state became the first state in the nation to take this step. Governor Gregoire signed this bill into effect on April 14, 2010.
- Boatyards continue to make progress on reducing copper even before this bill passed. Specifically, an independent study put forth by Arcadis Engineering studied the amount of copper runoff from boatyards in Puget Sound. They found that .03% of the copper in Puget Sound is due to boatyard outflow.
- NMTA spun off the Clean Boating Foundation and received seed money from The Russell Family Foundation that will be spent on certifying boatyards as "clean", which is similar to the Clean Marina Program.

Why marine trades matter

NMTA would be remiss if we did not remind you of the fragile nature of small businesses in the economic climate. Recently, NMTA commissioned an economic impact study that focused on marine businesses. Here are a few key findings:

- The average size of marine businesses is 11.5 employees.
- The average wage is \$56,000.
- The overall sector employs 28,000 people statewide.
- The economic impact of the recreational boating industry is \$3.9 billion.

Consider where we have come in the last two years, however. In 2010, there were 92 boatyards in Puget Sound and now there are 66. This industry remains troubled that new boats sales continue to flat line. NMTA is very mindful of what future regulations on par with what's laid out in DPD's update will have on an industry that continues to struggle during the Great Recession.

Waterfront businesses serve an important purpose in Seattle's maritime community and operate as one line of business in a larger operation that may include a marina, a boat launch, waterfront facilities, boatyard and other public services. These small businesses often serve as an economic engine in local pockets of Seattle and are economic anchors for local businesses that include grocery stores, hardware

stores, and restaurants. This is particularly true in an area like Seattle that has transitioned successfully from a resource-based economy to an economy that includes tourism and is service-based. Put another way, maritime trades provide jobs for many families not directly connected to the waterfront. Please do not underestimate our ripple effect.

If the cost of running a business, such as a boatyard, becomes too great, business owners will leave the industry. Additional regulatory costs are not limited specifically to businesses on the shorelines as other lines of business must respond to added costs. For example, more stringent regulations on dock replacement material will push up the price on retrofitting, passing along this cost to the owner at a time when businesses are barely able to survive.

If you have tracked the recent Boatyard General Permit, then you know that the benchmarks and best management practices are pushing boatyards toward the purchase of infrastructure upgrades necessary to meet Ecology's Permit guidelines. A recent report sponsored jointly by Ecology, NMTA and PSA show the significant investment boatyards will incur to meet compliance at \$110,000/acre. It is worth noting that for boatyards larger than two acres, the cost per acre will decrease and for boatyards smaller than two acres, the cost per acre will increase. Therefore like many regulations found with DOE and this update, the cost will disproportionately impact smaller boatyards. This is another reason why a more usable solution for economically distressed yards is necessary.

Economics aside, marine businesses are critical to meeting the public's environmental health interests. Enforcement becomes difficult or impossible without businesses that service recreational boats on the water's edge. Anyone can walk down to their local boatyard and already see what precautions are being implemented to keep trace levels of copper and other heavy metals out of the state's waterways. However when boatyards close, as they have been in droves, where will bottom painting and other work get done? Some boat owners will likely go to other yards as consolidation occurs, but other others will resort to practices we have seen in the not too distant past – painting their boat's bottoms covertly in backyards and garages or through fly-by-night operations. There is no doubt that such a result would derail efforts to preserve and protect the city's environmental resources and public health.

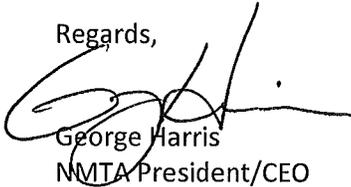
Before I close, I would like to bring your attention to several key points in the update that are confusing and/or troubling our members:

- The inability to no longer sell boats bigger than 16 feet in a conservancy waterway. While renting a boat is permissible, the sale of the same boat would no longer be allowed.
- Public access seems to differ from the state and Seattle's interpretation. Why is there a discrepancy?
- We would like to see a holistic public access plan. Currently, there appears to be a piecemeal approach to providing public access. We certainly support public access on public land but would like to see more consideration given to private businesses when discussing the need for public access.

- Dredging: It's very hard to look to the future when thinking about growing a business. To no longer allow for dredging for water dependent businesses will tie the hands of many of our members. It seems unclear as to what businesses will be allowed to dredge in the future.
 - Mitigation: We would like to see a mitigation plan developed by all stakeholders that would then go through a standard city council public process.
 - View corridors: CSR Marine, an NMTA member on the Ship Canal has a large boatyard. It's very difficult to get a view to the water's edge from their property. Reading the draft, it seems that this component is very subjective and would be difficult to implement.
-
- Vessel repair: To no longer allow for major vessel repair will hamstring many of the 16 boatyards that call Seattle home. We ask you to amend the language to allow major vessel repair to meet SMA goals.

In conclusion, we respectfully submit these comments for your consideration and look forward to further discussion. Unfortunately, the city's two draft updates impart new restrictions at an unprecedented time in American history. Furthermore, there is little consideration of the economic hardship that NMTA members face. Additionally, public access, setbacks and view corridors fall disproportionately on the shoulders of these small businesses. Instead of spending time drilling down on the specifics of the update that cause us unease, I'd like to elevate our message to you: In order for the city to achieve the goals of the SMP, we ask you to engage our community in a more meaningful dialogue than what has occurred thus far in the process. In particular, we would like to see a third draft from DPD.

Regards,



George Harris
NMTA President/CEO