

## **From Policy to Practice: Implementing Market Mechanisms for Reducing Land Use Impacts on Watersheds**

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Remaining Puget Sound Georgia Basin upland habitats are fragmented and becoming more so as a result of increasing development pressure, further compromising the ability to restore/protect regional ecosystems and the ecosystem services they provide. Traditional regulatory and planning mechanisms, such as Washington State's Growth Management Act and Shoreline Management Act, provide some protection of important resources but are neither coordinated nor well-structured to restore, at a watershed scale, complex and highly interdependent natural systems. Furthermore, traditional funding sources for environmental restoration and protection (grants and loans) are inadequate to fully address restoration within a watershed or ecosystem context. Funds are only likely to decrease given the global economic downturn and the current fiscal problems at all levels of government.

In response to these challenges, innovative market mechanisms such as Transfer of Development Rights, In-Lieu Fees, and mitigation markets can place development in areas with the least impact to a watershed and direct mitigation to areas where restoration and protection will provide the most benefit. These mechanisms can reduce the cost and time of permitting, reduce impervious surfaces, and provide new funding to protect, restore, and re-connect habitats. Governments are taking steps to implement policy frameworks to support these market-based mechanisms for reducing land use impacts on watersheds in the Northwest. New technology tools offer opportunities for facilitating the exchange of mitigation and ecosystems service credits between buyers and sellers in the marketplace.

This presentation will review the status and effectiveness of existing markets in the Northwest and around the country and will offer recommendations for expanding the scope and effectiveness of market mechanisms that support ecosystem-based management.

### **Dan Stonington**

Dan Stonington, Conservation Policy Director, joined Cascade Land Conservancy in November 2006 after working as a field organizer for the "NO on Initiative 933 Campaign." Prior to the campaign, Dan worked for 3 years as an environmental consultant for Ross and Associates in Seattle. He has a bachelor's degree from University of Washington and a master's from the Yale School of Forestry and Environmental Studies. Dan is a member of the High Country News board of directors.

### **Dennis Canty**

Dennis Canty, President of Evergreen Funding Consultants, is a specialist in water-related environmental issues and strategic fundraising for regional initiatives. He has more than 20 years of experience in water resources planning and program administration, including assignments managing federal river programs, coordinating local government projects in complex watersheds, and advising officials on water policy. He has written grants and proposals that have raised more than \$80 million in public and private funding for environmental projects. Dennis received his master's degree in Regional Planning from the University of Pennsylvania.