

One Benefit of the Proposed Chumash Heritage National Marine Sanctuary

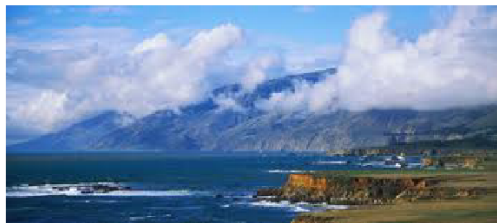
It pencils out for the regional economy

By Ashlie Pak, Santa Lucia Chapter Intern

With the imminent release of draft environmental review and management documents from the National Oceanic & Atmospheric Administration (NOAA), it is important to understand the economic impacts on the Central Coast of the proposed Chumash Heritage National Marine Sanctuary (CHNMS).

**The Potential Economic Impacts of the
Proposed Central Coast National Marine Sanctuary**

**Prepared for the Sierra Club of California
By Jason Scorse, Ph.D. and Judith Kildow, Ph.D.
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Sanctuary designation is desired for many reasons, including cultural and natural resource preservation, offshore oil and toxic waste prevention, and support for local economies. In September 2014, economists with the Center for the Blue Economy produced a report for the Sierra Club titled *The Potential Economic Impacts of the Proposed Central Coast National Marine Sanctuary*. This is a good time to review its findings.

The report projects that the new Sanctuary will be an economic advantage to the local economy, generating \$23 million and creating around 600 new jobs while preserving marine and cultural resources and safeguarding the area from offshore oil expansion, toxic waste dumping, and seismic testing. The report describes the CHNMS as a low risk, high reward opportunity for the Central Coast.

There are three primary ways in which Sanctuary designation can impact local economies. The first is through government expenditures on Sanctuary staff and infrastructure. The Monterey Bay National Marine Sanctuary Visitor Center and Education Facility, which opened in 2012, has contributed \$10.9 million to the local economy. In 2005, the Channel Islands National Marine Sanctuary contributed \$8.2 million to its community through building new infrastructure

at UC Santa Barbara's campus. This sanctuary continues to receive funding for its public education and outreach center. Sanctuary staff raise additional money from foundations and other nongovernmental organizations (NGOs) for ocean and coastal research.

The second way that Sanctuary designation supports local economies is through tourism, a vital contributor of the local economy in the 14 existing National Marine Sanctuaries. Visitors are drawn to these Sanctuary areas for the various recreational activities available such as fishing, diving, snorkeling, surfing, wildlife watching, and visiting museums or aquariums. Sanctuary



regulations and management practices can improve the conservation of the area's coastal resources which, over time, can maintain or increase tourism rates. In addition, the prohibition of oil drilling and toxic waste dumping will eliminate the costs and risks associated with the potential environmental impacts of these activities.

Sanctuary designation is relatively rare; a statement that the marine resources in that area are unique and valuable, which provides a market signal that may attract more tourists. The researchers found that if the new designation is utilized to increase the visibility of the central coastal region, potential tourism

impacts could be significant. Looking again at the Monterey Bay National Marine Sanctuary, 63% of outdoor recreational businesses on the coast advertise the Sanctuary in their materials and 14% of coastal hotels list the Sanctuary as a reason to visit. With the CHNMS, the benefits may be even greater due to its unique cultural and historic significance. Researchers estimated that the Sanctuary could increase tourism on the Central Coast by at least 5%, with a much greater increase if specialized marketing was prepared to promote sites of historic and cultural significance.

The third primary way in which the CHNMS can impact local economies is through increased property values and tax revenues. Sanctuary designation and the factors associated with it, such

as cleaner beaches, abundant wildlife and lack of oil rigs, would lead to higher property values in turn, adding value to regional real estate and additional tax revenues.

To summarize, the economic benefits to local communities in San Luis Obispo and Santa Barbara Counties from designation of the CHNMS can be generated through the following sources:

1. Government expenditures on Sanctuary staff and infrastructure, as well as research funds raised by Sanctuary staff and money raised by local NGOs to conduct Sanctuary-related research.
2. Increased tourism and the increases in business revenues due to both market signaling and improved coastal conservation.
3. Increased property values, property taxes, and business, local, state, and federal tax revenues due to proximity to the Sanctuary.

As the release date of NOAA's draft documents for the CHNMS nears, it is important for the public to understand the ways in which the Sanctuary will affect the local economy. National marine sanctuaries build stronger communities and maintain coastal resources and cultures. And



the Chumash Heritage National Marine Sanctuary's unique and attractive features can support the local people, businesses, and industries on the Central Coast.

On Jan. 24, Kai Train, Earth Echo CHNMS Fellow, and Ashlie Pak, Santa Lucia Sierra Club CHNMS Intern, gave a presentation on the Chumash Heritage National Marine Sanctuary to Cal Poly Eco Rep and answered students' questions, reminding them that this is the start of the defining year for the sanctuary.