

FISCAL YEAR 2010 – 2011
OFFICE OF PLANNING
REPORT TO THE TWENTY-SIXTH LEGISLATURE
REGULAR SESSION OF 2012



Prepared by
OFFICE OF PLANNING
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
STATE OF HAWAII

This report satisfies Section 205A-3(10), Hawaii Revised Statutes

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**ANNUAL REPORT TO THE TWENTY-SIXTH LEGISLATURE
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I. PURPOSE

Section 205A-3(10), Hawaii Revised Statutes (HRS), requires the Office of Planning (OP) to prepare an annual report on the Hawaii Coastal Zone Management (CZM) Program for submittal to the Governor and Legislature. Due to the integrated nature of statewide planning, this report describes the Office of Planning's office wide activities and accomplishments for the period July 1, 2010 to June 30, 2011. The report represents a vehicle for informing the Legislature of programmatic accomplishments, issues, and needs. The report also provides the community with descriptions of programmatic activities.

II. INTRODUCTION

The State of Hawaii, Office of Planning (OP), gathers analyzes, and provides information to the Governor to assist in the overall analysis and formulation of state policies and strategies. The purpose of the OP is to (1) provide central direction and cohesion in the allocation of resources and effectuation of State activities and programs, and (2) effectively address current or emerging issues and opportunities. OP works closely with local, State, and federal governmental agencies, the University of Hawaii; and various community stakeholders to achieve these objectives.

Although OP is divided into two divisions, the Land Use Division and Planning Division, the programs within each division interact extensively. This sharing concept is necessary for expediency, consistency and extends beyond the purchase and use of general office supplies and equipment rentals. The various programs within the different divisions of OP work together and rely on the expertise of each program to provide a comprehensive bank of resources and to ensure an integrated statewide planning system. In a comprehensive planning manner, all programs within OP share the responsibility of preparing legislation and testimony on bills and resolutions, ensuring program integration within OP and the State; coordinating with local, state, and federal governments and community stakeholders; and providing the administration with land use planning expertise.

The Land Use Division (LUD) of OP represents the State's interests and position on quasi-judicial proceedings before the State Land Use Commission (LUC) regarding boundary amendment petitions. The LUD evaluates boundary amendment petitions to assure that it (1) is consistent with State regulatory requirements and (2) provides mitigation that addresses reasonably foreseeable impacts of a proposed project on State resources. The LUD also reviews and comments on special permit petitions involving land less than 15 acres in which a county planning commission rules on "unusual and reasonable uses" within agricultural and rural districts other than those for which the district is classified.

The Planning Division of OP, includes the Coastal Zone Management (CZM) Program, Special Plans Program, and the Geographic Information Systems (GIS) Program. The CZM Program was enacted as the State's policy umbrella for facilitating and assuring interrelated and

comprehensive coastal resource management. The CZM Program is the guiding perspective for the design and implementation of allowable land and water uses and activities throughout the State. The Hawaii CZM law, Section 205A, HRS, is the State's framework for assuring good resource management practices. Rather than duplicating or usurping the authorities and responsibilities of the State and county agencies, the Hawaii CZM law builds upon them to form a team or network. The CZM Program network has working relationships with over 30 federal, State, and county agencies, as well as businesses, environmental organizations, educational institutions, non-profit organizations, special interest organizations, and the general public. To effectuate the network concept, the CZM law requires legal and operational compliance. Within the scopes of their authorities, all State and county agencies must assure their statutes, ordinances, rules, and actions comply with the CZM Program objectives and policies. In this way, the State and county agencies are bound by the CZM statute and must help carry out the multi-functional purposes and requirements of the CZM Program.

The Special Plans Program, at the discretion of the Director of OP, is tasked with carrying out the functions of OP related to statewide planning under the Hawaii State Planning Act. This Program conducts statewide planning and coordination and policy analysis to address critical areas of concern affecting the direction, rate and character of growth (primarily land use and economic growth). Various tasks include preparation of legislation and testimony on bills and resolutions; preparation on the Hawaii Statewide Comprehensive Economic Development Strategy and other policy reports; and reviews and comments on proposed changes to the Hawaii State Plan.

The Geographic Information System (GIS) Program leads a coordinated, multi-agency effort to create a digital library of geographic data of Hawaii to improve government efficiency by facilitating data accessibility and eliminating the development of redundant databases. The GIS Program provides leadership and coordination among the various state agency GIS users. The GIS Program maintains the State's centralized GIS database, which consists of approximately 180 data layers, over 100 of which are available for download at the State GIS web site, also maintained by the GIS Program (www.hawaii.gov/dbedt/gis). The GIS Program has coordinated or participated in the acquisition and/or licensing of a variety of data sets, including SPOT, IKONOS and WorldView 2 satellite data, Digital Ortho Quarter Quads, and a neighbor island parcel database. The CZM Program contributed funding for several of these key datasets, most recently, the WorldView 2 data, which was delivered in April, 2011. These and other data layers housed on the GIS server are available for use by all State agencies, and in fact the system has over 200 registered users (assigned logons and password) from 10 State agencies. Finally, the GIS Program has created several interactive web mapping services, which are available to the public via the Statewide GIS web site.

III. PROGRAM ADMINISTRATION

Office of Planning provides a guide to the development of Hawaii through a continuous process of comprehensive, long-range, and strategic planning. The purpose of this planning process is to meet the physical, economic, and social needs of Hawaii's people, and provide for the wise use of Hawaii's resources in a coordinated, efficient, and economical manner. This includes the conservation of natural, environmental, recreational, scenic, historic, and other limited and irreplaceable resources which are required for future generations. The State statutory authority of the Office of Planning is derived from Chapters 205, 205A, 225M and 226 of the Hawaii Revised Statutes (HRS).

HRS Chapter 205, Land Use Commission. The Commission is an independent board of nine members who make quasi-judicial determinations about what lands in the State should be placed into one of the four State land use districts: urban, rural, agricultural, and conservation. OP is required to appear in every case as a party to make recommendations based on the criteria for boundary designations. OP also comments on petitions for special use permits and important agricultural lands designations.

HRS Chapter 205A, Coastal Zone Management. OP is the lead agency under the federal Coastal Zone Management Act of 1972, as amended. The CZM Program is funded through a cooperative agreement with the National Oceanic and Atmospheric Administration (NOAA), Office of Ocean and Coastal Resource Management (OCRM). The CZM Program provides guidance and funding to counties to support their administration of the special management area permitting process, prepares and updates the Ocean Resources Management Plan, administers the Coastal Estuarine and Land Conservation Program, and evaluates federal actions for compliance with the Coastal Zone Management Act (CZMA).

HRS Chapter 225M, State Planning. This statute spells out the core functions of OP. OP is charged by the legislature with eight specific activities: (1) state comprehensive planning and program coordination, (2) strategic planning, (3) planning coordination and cooperation, (4) statewide planning and geographic information system (GIS), (5) land use planning, (6) coastal and ocean policy management, (7) regional planning and studies, and (8) regional, national, and international planning.

HRS Chapter 226, Hawaii State Planning Act. Under this Act, OP is charged with providing technical assistance in administering the Act. The Hawaii State Planning Act was adopted in 1978 for the following purposes: (1) improve the planning process in the State, (2) increase the effectiveness of government and private actions, (3) improve coordination among different agencies and levels of government, (4) provide for wise use of Hawaii's resources, and (5) guide the future development of the State.

A. Grant Funding and Management

OP manages federal and State funds in order to implement the statutory requirements of OP. During the reporting period, approximately 80 percent of OP's budget was comprised of federal funds. In order to receive these funds, OP leverages general funds appropriated by the

legislature and in-kind contributions of general funded staff. Due to the reduction of general funds and general funded staff over time, OP cannot leverage additional federal grant opportunities without addition general fund appropriations or in-kind contributions from third-party, non-federal partners.

These funds are dispersed annually through federal CZM cooperative agreement awards from the NOAA for basic program administration, program enhancement, and implementation of approved polluted runoff management measures.

1. **Section 306 Program Administration:** During this reporting period OP received approximately \$1,844,000 in NOAA Section 306 grant funds. These funds are mainly utilized to underwrite most Hawaii CZM Program administration costs. The funds require a one-to-one non-federal match and support State and county CZM Program personnel and important projects. A limited amount of State funds to help match the federal funds is provided in the State budget. However, due to the significant reductions in State funds, Hawaii requires the use of other non-federal funds and services-in-kind to meet the match requirement. The decline in State matching funds has been raised as a concern by the federal government. The State's reliance on federal funds for State civil service positions is a major federal concern, because it detracts from using federal CZM funds for priority Program-related projects.
2. **Section 309 Coastal Zone Enhancement Grant Program:** During this reporting period, OP received approximately \$174,000 in NOAA Section 309 enhancement grants. This grant program encourages states to develop program changes in one or more of the nine designated coastal zone enhancement areas to achieve certain national objectives. The enhancement areas include wetlands, public access, coastal hazards, cumulative and secondary impacts, energy and government facility siting, marine debris, ocean resources, special management planning, and aquaculture. Although Section 309 funds do not require a state match, they must be used for activities that enhance specified CZMA objectives which result in a measurable program change (i.e., amendment of rules, laws, etc.).
3. **Section 310 Technical Assistance for the Coastal Nonpoint Pollution Control Program (CNPCP) Implementation:** Through the Section 310 Technical Assistance grant, Congress appropriates 1:1 matching funds to help state CZM Programs implement their CNPCP. Although OP did not receive any Section 310 program funds during this reporting period, the CZM Program continued to expend funds for the implementation of federally-approved management measures of the State's CNPCP.
4. **U.S. Economic Development Administration (EDA).** Special Plans Branch of OP is working with the State Department of Agriculture to address food self-sufficiency through a \$100,000 grant award from the U.S. Economic Development Administration (EDA). With OP's completion of the 2010 Hawaii Statewide Comprehensive Economic Development Strategy (CEDS), the State of Hawaii now has a planning process to develop a framework required for projects applying for EDA funding to strengthen the economic environment in communities of the State.

5. **Hawaii Brownfields Cleanup Revolving Loan Fund.** The Hawaii Brownfields Cleanup Revolving Loan Fund (HBCRLF) is a \$2 million federally funded program administered by the Special Plans Branch of the OP that provides low-cost loans to eligible public and private entities to cleanup brownfield sites where economic or community development projects show the greatest need, exhibit long-term project viability, and demonstrate the capacity of repayment.

B. Special Management Area (SMA) and Shoreline Area

The CZM Program is responsible for monitoring and enforcing State and county SMA. Under Part II and III of Chapter 205A, HRS, the counties administer the SMA permit and shoreline setback variance (SSV) approval systems. Development in the SMA requires a permit from the county authority, except in a Community Development District (CDD) where the SMA Use Approval is administered by OP (Kakaako in urban Honolulu and Kalaeloa in West Oahu). The SMA permit or Use Approval is a management tool to assure that development in geographically designated SMAs are designed and carried out in compliance with the CZM Program objectives and policies and SMA Guidance.

During this reporting period, OP conditionally granted six SMA Minors and four SMA Use Approvals for developments within the CDD. The four SMA Use Approvals were issued for the following proposed developments in Kakaako makai area: (i) phase II of University of Hawaii Cancer Research Center; (ii) replacement of harbor-front restaurant (John Dominis Restaurant) and multiple-purpose building with restaurant and multi-use assembly and hospitality uses, with parking and support facilities; (iii) construction and installation of modular office building for the Sheriff Division, the State Department of Public Safety; and (iv) installation of Ala Moana wastewater pump station force mains #3 and #4.

To ensure the consistency of the SMA permit system, the CZM Program continues to strengthen partnerships with the counties and network agencies through coordination and collaboration in coastal and ocean planning and management activities. The CZM Program's statewide program coordinator is dedicated to oversee SMA matters by serving as the liaison to the counties and communicating with the public. The CZM Program has prepared an SMA permit guidance for the county authorities and county planning departments for their SMA permit decision-making. This guidance does not supersede State or county laws and rules related to the CZM Program but provides guidance to: (1) explain the purpose of the SMA permit; (2) maintain consistency in the application of the SMA permit process; and (3) emphasize the need for an essential nexus and proportionality between development impacts addressed under the CZM law and SMA permit conditions. The guidance also provides the counties with the criteria for determining significant effect and cumulative impact by referring to Chapter 343, HRS and the corresponding administrative rules. During the reported fiscal year, the CZM Program provided SMA presentations to various groups including the State Department of Transportation and federal government.

C. Federal Consistency Program

The CZMA requires federal agencies to conduct their planning, management, development, and regulatory activities in a manner consistent with federally-approved state CZM programs. The informational and procedural requirements for CZM federal consistency reviews are prescribed by federal regulations.

Because there is a significant federal presence in Hawaii, federal consistency is a valuable State management tool. Federal planning, regulatory, and construction activities have direct and significant effects on land and water environments statewide. The range of federal activities and permits reviewed is extensive and includes harbor projects, beach nourishment projects, military facilities and training exercises, fisheries management plans and regulations, open ocean aquaculture, and dredge and fill operations. In addition, projects funded by certain federal grant programs are reviewed for potential impacts to CZM resources and uses.

During this reporting period a total of 99 federal consistency reviews were conducted. Public notices for all federal consistency reviews are published in the Office of Environmental Quality Control publication *The Environmental Notice*. Noteworthy federal consistency activities include reviews for Iroquois Point Beach Restoration and Stabilization, Ewa, Oahu; Waikiki Beach Maintenance Project, Honolulu, Oahu; Kaena Point Satellite Tracking Station De Minimis Activities, Waianae, and the Oahu; Ahi Open Ocean Aquaculture Project Test Phases, North Kohala, Hawaii.

The CZM Program also took advantage of three streamlining opportunities involving U.S. Army Corps of Engineers general permits: GP2011-001 Maintenance Clearing of Rivers, Streams, Storm Drains and Beach Areas; GP2011-003 Hawaii Kai Marina and Entrance Channel Maintenance Dredging; and the 2012 Nationwide Permits. General permits streamline the federal consistency review process because only the establishment of the general permit is reviewed, then subsequent individual authorizations or continued actions do not need to be reviewed.

Efforts to encourage and increase pre-application consultations for federal consistency reviews are ongoing. Pre-application consultations help to identify potential concerns and informational requirements early in the process. This allows time for proposals to be modified, if necessary, to ensure consistency with the CZM Program's enforceable policies. Both the applicant and the CZM Program benefit from early consultation because reviews encounter fewer problems, are more predictable, and are often completed faster. During the report period 99 consultations were conducted.

The CZM Program continued to coordinate with resource and regulatory agencies at the federal, state and county level of governments on federal consistency reviews. Agency coordination is a regular and important part of our federal consistency program. For example, the CZM Program is an active participating member of the Navy's working group for its Integrated Natural Resources Management Plans (INRMP) updates. During the report period the Navy's INRMP for the Pacific Missile Range Facility on Kauai was finalized after review and input by the

working group. Cooperating with federal agencies in a non-regulatory capacity significantly improves working relationships and benefits the federal consistency program.

D. Land Use Reviews

As a mandatory party in State land use district boundary amendment proceedings of the State Land Use Commission (LUC), the Land Use Division (LUD) prepares the State's position on land use proposals involving a change in district classification. This usually involves the question of whether hundreds of acres of land in the State agricultural district should be moved into the State urban district for development. According to the 2010 Hawaii Data Book, in 2006 approximately 95% of all land in the State is within the agricultural and conservation districts, less than 5% of all land in the State is within the urban district. Between 1987 and 2006, less than 1% of the land in the State was added to the urban district.

In this capacity, LUD consults with affected State agencies and the petitioner to assure that a boundary amendment petition (1) is consistent with State regulatory requirements, and (2) provides mitigation that addresses reasonably foreseeable impacts of a proposed project on State resources. LUD coordinates with affected State agencies to ensure that the LUC's decision and orders include terms and conditions that protect the State's interest in long-term, sustainable use of limited State resources, such as land, water, and State infrastructure facilities.

In developing the State's position on proposed boundary amendments, LUD is guided by objectives, policies, and priority guidelines of the Hawaii State Plan, Chapter 226, HRS, Coastal Zone Management objectives and policies in Chapter 205A, HRS, and administrative priorities set forth in the Administration's New Day Plan, 2010. These policies and priorities have a strong sustainability theme:

- Directing growth to urban areas or areas planned for growth where there are adequate public facilities or where they can be provided with reasonable public expenditures;
- Directing growth away from resource lands that perform other important functions, such as agricultural lands, watersheds, or coastal resources, and away from areas vulnerable to hazards, such as tsunamis, flooding, rockslides, sea level rise, or storm surges;
- Reducing resource consumption and environmental impacts of proposed development; and
- Promoting the provision of affordable housing and livable communities supported by multiple modes of transportation.

In support of the State's climate change and Hawaii Clean Energy Initiatives, LUD has increased its efforts to advance the incorporation of sustainable design and building practices and best practices in petitioners' project proposals to ensure that future development minimizes its demand on natural resources, enhances environmental quality and sustainability, and supports active and healthy lifestyles.

To meet these goals and objectives, OP actively reaches out to potential petitioners and encourages early consultation with OP and affected State agencies. During this reporting period, LUD worked on matters related to twenty dockets that were heard by the LUC or will be heard

by or filed with the LUC at a later date. Of these, thirteen were dockets related to land use district boundary amendments, three were petitions for the designation of important agricultural lands pursuant to Section 205-45, HRS, and four were related to amendments of prior actions.

LUD supported approval of the three dockets for district boundary amendments that were approved by the LUC in FY 2011 (one is under appeal), as well as the three petitions for designation of important agricultural land approved by the LUC. The three district boundary amendments resulted in a total of over 1,100 acres on Hawaii, Lanai, and Oahu being reclassified for urban use. Based on petitioners' representations, these projects are anticipated to produce over 7,750 single-family and multi-family housing units over the next twenty years, and create over 3,000 full-time-equivalent jobs during development and over 3,000 full-time-equivalent jobs at full buildout.

E. Geographic Information Systems

During this reporting period, the GIS Program continued to provide computer and technical guidance to all of OP including the CZM Program and its network of partners. The GIS Program's maps, products, and applications assisted in the assessment of environmental and ecological impacts from proposed uses and developments and helped illuminate important issues and concerns positively impacting decision on permits and approvals.

F. Citizen Participation

Public participation and outreach is an ongoing OP activity. For example, participation in numerous organizations, events, and conferences continue to educate others of the CZM Program's perspective about public involvement in integrated ocean and coastal resource management. Citizen involvement is important because stewardship is essentially a community function, and success in resource planning and management is enhanced with community partnerships.

Office of Planning Website: The OP website (<http://hawaii.gov/dbedt/op/>) was redesigned and reorganized to be more consistent and user-friendly. The site is continually updated and provides important information and resources about OP's initiatives and projects. OP now has a Twitter feed (HawOfcPlanning) and Facebook page (State of Hawaii Office of Planning). These social media tools are used for posting announcements about projects that OP is working on or documents that are available online. This is an efficient and effective way to interact with local, state, and federal governments, public stakeholders, and supporters and to let people know about OP and its programs.

Sponsorship and Participation: OP utilizes resources to sponsor and participate in various projects to enhance citizen participation and encourage compliance with the statutory mandates. The following are a list of the various events and projects that were completed during this reporting period:

- "Get the Drift and Bag It!" cleanup event – the CZM Program funded the annual Ocean Conservancy's International Coastal Cleanup event, which is held worldwide on the third

Saturday of each September. The project attracts hundreds of volunteers statewide and removes thousands of pounds of trash from the shoreline areas. Tabulated data are displayed on the Ocean Conservancy website (www.oceanconservancy.org).

- *My Hawaii Story Project 2011 - An Anthology* – the CZM Program funded the printing of this annual publication of the Hawaii Conservation Alliance Foundation. This collection of stories and poems is about Hawaii’s environment written by Hawaii middle school students. The project supports the ORMP Perspective 3 on promoting collaboration and stewardship by developing education and outreach programs to educate residents and visitors on natural and cultural resource values, regulations, and best practices.
- “Homeowner’s Handbook to Prepare for Natural Hazards”, - the CZM Program funded the reprinting of this UH Sea Grant College Program (Sea Grant) publication, in preparation for the start of this year’s hurricane season, and for use at hazard preparedness trainings that UH Sea Grant conducts statewide. There has been steady and strong interest in the book since the first printing in 2007, and the interest continues today, partly driven by the recent natural hazards locally, in the United States and worldwide. For example, the recent near misses in Hawaii, such as Hurricane Felicia, which hit the Hawaiian Islands as a Tropical Depression in 2009, and the tsunami warning on February 28th, 2010, and the March 11, 2011 Tohoku (Japan) earthquake and tsunami that resulted in infrastructure and commercial damages have raised interest in hurricane and hazard preparedness. The book has had 4 print runs with over 30,000 copies distributed. In addition, Wal-Mart has printed their own copies at their cost and is selling the publication at their stores. A version of this book is now being developed for Mississippi, Alabama and Florida.

Outreach, education, and presentations on the CZM Program and its initiatives were presented to a wide variety of audiences at various events, some of which include:

- Marine and Coastal Zone Advocacy Council
- The Nature Conservancy
- NOAA’s Annual Western Coastal Managers Meeting
- Coastal States Organization 40th Annual Fall Membership Meeting
- 2010 Hawaii Conservation Conference
- Graduate courses at University of Hawaii

Marine and Coastal Zone Advocacy Council (MACZAC): Section 205A-3(6), HRS, established a formal public participation component in the Program. To further this aim, MACZAC was established as a public advisory body to identify coastal management problems and to provide advice and assistance to the CZM Program and the Office of Planning.

Mandated under Section 205A-3.5, HRS, MACZAC is to work toward implementing an integrated and comprehensive management system for marine and coastal zone resources. MACZAC is tasked with supporting OP by providing advice regarding marine and coastal zone management planning, coordination, and facilitation of functions of the CZM Program. MACZAC is statutorily charged with the following functions: evaluating the CZM Program, including activity of the network agencies, and making recommendations for improvements;

advocating for the CZM Program to the public and the executive and legislative branches of government; and advocating, providing for, and acting upon citizen input.

MACZAC is composed entirely of community members recruited from each of the main Hawaiian Islands. Members have diverse backgrounds in business, environment, native Hawaiian cultural practices, terrestrial and marine commerce, recreation, research, and tourism. The members (maximum of twelve members) serve as volunteers, and provide both broad subject matter representation as well as statewide distribution. MACZAC activities are coordinated by a project administrative assistant and CZM Program staff.

MACZAC hold meetings quarterly, while its working groups meet more often, as needed. During the current reporting period, MACZAC held meetings on October 25, 2010; April 25, 2011; and June 1, 2011. Typically, three to four meetings are held on Oahu each year, while one to two meetings are held on another island. Conference attendance and site visits are often incorporated into the neighbor island meetings. As MACZAC activities are governed by the State's Sunshine Law codified at Chapter 92, HRS, MACZAC meetings are open to the public and follow the publicly noticed agenda. Members of the general public along with employees of nongovernment (NGO) and government agencies regularly attend MACZAC's meetings, and are provided the opportunity for public comment. MACZAC's meeting agendas and meeting minutes are posted on the MACZAC page of the CZM Program's website (<http://hawaii.gov/dbedt/czm/maczac/maczac.php>), as well as widely distributed in electronic and hardcopy form.

MACZAC members have also agreed to play a key role in spearheading public participation in the implementation phase of the ORMP through outreach and educational activities, thereby helping to bridge the gap between State government and local communities on these issues. MACZAC's Chair serves on the ORMP Policy Group and attends its semi-annual meetings, while MACZAC's Vice-Chair (or designee) serves on the ORMP Working Group and attends its monthly meetings. MACZAC will continue to participate in the ORMP update process that is scheduled to take place during 2012.

Additional areas that the CZM Program and MACZAC plan to collaborate on include input on a climate change adaptation policy for Hawaii, testimony on legislative bills affecting marine and coastal issues and CZM law (Section 205A, HRS), and locally celebrating the upcoming 40th anniversary of the national CZM Act of 1972 statewide throughout 2012. Of particular note is the new creation of the annual MACZAC Douglas Tom Thumbs Up Award (MACZAC Recognition Award for Outstanding Support of Hawaii's CZM Program), which was awarded to this year's recipient during the Hawaii Congress of Planning Officials Conference in September 2011 and publicized on the MACZAC page of the CZM Program's website. Beyond its own initiatives and those of OP and the CZM Program, MACZAC members have also been engaged in activities supportive of marine and coastal issues at the national level as well, having attended various events sponsored by the National Ocean Council (NOC), including MACZAC member participation in the NOC's National Coastal and Marine Spatial Planning Workshop's public participation plenary session held on June 21, 2011 in Washington DC, and member participation at the NOC's Pacific Islands Regional Listening Session held in several locations throughout Hawaii and the Pacific on June 16, 2011. In these and many other ways, MACZAC

is able to provide advice and citizen input to the CZM Program, as well as serve as an advocate of the CZM Program to the general public, and to the executive and legislative branches of government.

G. Ocean Resources Management Plan (ORMP)

The ORMP sets forth guiding principles and recommendations for the State to achieve comprehensive and integrated ocean and coastal resources management. Section 205A-62, HRS, charges the CZM Program with the review and periodic update of the ORMP, as well as coordination of the overall implementation of the plan. The ORMP is an integrated, place-based approach to management of ocean resources in the islands, based on recognition of the ecological connections between the land and sea, the link between human activities and its impacts on the environment, and the need for improved collaboration and stewardship in natural resources governance.

Charged with coordinating meaningful interagency and multi-sectoral engagement for plan implementation, the CZM Program established an ORMP Policy Group and an ORMP Working Group in the summer of 2007. The Policy Group consists of the Directors of State and county resource management agencies, the University of Hawaii, federal partners, and the Marine and Coastal Zone Advocacy Council. The Working Group consists of managers and staff of the same offices that are tasked with coordinating their respective agency's implementation efforts. These groups have been meeting consistently since they originated in 2007, and have continuously reached out to new partners and grown stronger as it becomes more evident that collaborative governance is essential for effective natural and cultural resource management. An executive-level Policy Group and a manager/staff-level Working Group were established to oversee and coordinate the implementation and further development of the ORMP. The Policy Group meets twice annually to recommit staff time and support for ORMP implementation, to guide the Working Group, and to approve their work tasks and recommendations. The full list of agencies and groups represented and participating in the ORMP to date are:

Federal Partners include NOAA Office of National Marine Sanctuaries, Pacific Islands Region (ONMS); NOAA Office of Ocean & Coastal Resource Management (OCRM); NOAA Pacific Services Center (PSC); United States Army Corps of Engineers (USACE); United States Coast Guard (USCG); and United States Environmental Protection Agency (EPA).

State Partners include State of Hawaii Departments of Agriculture (DOA), Civil Defense (SCD), Health (DOH), Land & Natural Resources (DLNR), Transportation (DOT), and Office of Hawaiian Affairs (OHA).

University Partners include University of Hawaii, School of Ocean & Earth Science & Technology (SOEST); University of Hawaii, Sea Grant College Program (UH Sea Grant); University of Hawaii, Center for Island Climate Adaptation & Policy (ICAP); and Pacific Islands Ocean Observing System (PacIOOS).

County Partners include City and County of Honolulu, Department of Planning and Permitting; County of Hawaii, Planning Department; County of Kauai, Department of Planning; County of Maui, Department of Planning; and Honolulu Board of Water Supply (BWS).

Community Partners include the Marine & Coastal Zone Advocacy Council (MACZAC).

In the collective groups' efforts to improve the conservation and management of our ocean and coastal resources, it became evident that streamlining of the groups' efforts, resources, and time would be crucial for success. As a result, the members prioritized critical strategic actions to move the ORMP forward in the next 3-5 years and begin developing action plans to achieve their goals. The top two strategic issues for action plans were: 1) education and outreach; and 2) implementation of the ORMP.

During this reporting period, the major topics of discussion and development, in addition to outreach and ORMP implementation, have been climate change adaptation policy, collaborative governance, regional ocean partnerships, and coastal and marine spatial planning - a national priority objective of the National Ocean Policy, which are described below.

1. ORMP Outreach. The CZM Program and the NOAA Pacific Services Center collaborated to develop a new ORMP outreach product: a 2-page handout on the ORMP. The handout provides a quick summary of what the ORMP is and why it is important, who is involved, and what has been accomplished as a collective group. The handout has been distributed to the ORMP Policy Group, the ORMP Working Group, MACZAC, and the Lieutenant Governor, who supports the ORMP group's effort to work on climate change adaptation planning. The handout will be used at future conferences and workshops, public meetings, outreach tables, and is available on the HCZM website: http://hawaii.gov/dbedt/czm/ormp/outreach/ORMP_Flyer_June2011.pdf.

2. Promoting Collaboration and Stewardship: ORMP Implementation & Demonstration Projects.

Kawainui Marsh Levee Certification Project

The CZM Program executed and completed a contract with the City and County of Honolulu (C&C of Honolulu) to assist in the certification of the Kawainui Marsh Levee. The US Army Corps of Engineers constructed the original Kawainui Flood Control Project in 1966 and subsequently modified it in 1997. The project protects the Kailua area against flood events while perpetuating the Kawainui Marsh as a wetland. Kawainui Marsh, estimated at 830 acres in size, was once the largest cultivated freshwater fishpond on Oahu. Rimming the district are numerous heiau (religious temples) some have been known for years and others have yet to be found. The pond is home to four endangered marsh bird species and over 60 other birds, fish and aquatic animal species.

Heeia Watershed Plan

The CZM Program continued to work on the Heeia Watershed Plan. The Plan is a collaborative effort between the Hawaii Community Development Authority's (HDCA), The Nature Conservancy, and a community-based non-profit, Kakoo Oiwi, to implement a project in the Heeia wetlands on the windward coast of Oahu. In order to restore the

Heeia wetlands and reduce non-point source pollution at the shoreline, the partners are incorporating a traditional Hawaiian ahupuaa concept to land management. The planning and training phase of the project, for which CZM Program funds were requested, is a model implementation project for the ORMP. The CZM Program is currently researching options to continue support of this long-term ORMP project.

3. **Climate Change Adaptation.** OP has been developing a process in which to work with the ORMP Policy and Working Groups, the Pacific Islands Climate Change Cooperative (PICCC), local members of the Pacific Risk Management Ohana (PRiMO) and the Pacific Climate Information System (PaCIS), as well as the Lieutenant Governor's Office and public stakeholders to develop a statewide climate change policy, to be included as a Priority Guideline in Part III of the Hawaii State Planning Act (Hawaii Revised Statutes (HRS) Chapter 226). The process has been vetted through the various partners listed and resulted in a 2-day climate change workshop shortly after this reporting period, which was funded by the CZM Program and through the U.S. Army Corps of Engineers (USACE) Silver Jackets Initiative.

The CZM Program partnered with the University of Hawaii's Center for Island Climate Adaptation and Policy to develop and submit a proposal in response to the NOAA Coastal Services Center's Federal funding opportunity for Coastal Resilient Communities (CRest). The proposed project will build a foundation for the upcoming climate change adaptation planning process, focusing on outreach and social marketing to help coastal communities understand and adapt to changing sea levels and to build political will through a series of symposia. The target audiences include the general public and elected officials.

The USACE Honolulu District invited the ORMP Policy and Working Groups to partner in the Silver Jackets Initiative to support the continued development of synergies between agencies to help reduce risk associated with an array of issues, including environmental degradation, natural disasters, and climate change. Through funding received from the USACE, the Honolulu District will continue to support interagency collaboration through engagement in key interagency working groups, the ORMP, and the Pacific Risk Management Ohana (PRiMO). The goal of the project is to enhance opportunities to bring together multiple collaboration initiatives and multiple federal, State and local agencies to learn from one another and facilitate partnering capabilities to reduce risks in the Pacific that could affect or impair holistic water resource management.

If ample funding is allocated to the USACE's Planning Assistance to the States Program (PAS Program), the ORMP Groups will partner with the PAS Program in 2012 to develop a Climate Change Vulnerability and Risk Assessment for Hawaii. The work of the climate change caucus will be instrumental for the early success this effort.

4. **National Ocean Policy (NOP).** Governor Abercrombie designated the Director of OP as his representative for initiatives of the National Ocean Council (NOC) and the designated US Pacific Islands region (American Samoa, Guam, CNMI, and Hawaii). From June 21-23, 2011, twenty representatives from the US Pacific Islands region participated in the

NOC's National Coastal and Marine Spatial Planning Workshop at Yates Auditorium in the US Department of Interior in Washington, D.C. Participants learned about coastal and marine spatial planning (CMSP), one of the nine national priority objectives of the National Ocean Policy. The workshop included opportunities to dialogue in breakout sessions on framing the development of CMSP in each region. The Director of OP attended this workshop on behalf of the State of Hawaii and our ORMP partners, as well as the Chairperson of the DLNR, the Dean of the UH's School of Ocean and Earth Science and Technology, a representative from the Office of Hawaiian Affairs, and a representative for indigenous interests.

5. **Regional Ocean Partnerships**

Hawaii Sub-Regional Ocean Partnership. OP submitted two project proposals to NOAA's Coastal Services Center in response to the Federal Funding Opportunity (FFO) for Regional Ocean Partnerships. The two projects build upon current collaborative efforts of the existing ORMP Policy and Working Groups. The proposals submitted aimed to strengthen and expand partnerships throughout the Hawaiian archipelago to promote a safe, healthy, productive ocean and resilient coastal zone.

One proposal, *Implementing Priorities of the Hawaii ORMP*, requested \$3.5M and laid out a two-year project to implement priorities of the ORMP, including designing a Coastal and Marine Spatial Planning (CMSP) process for the State. This proposal was developed through a collaborative effort among partners. Using the existing ORMP partnership as the foundation for a Hawaii Sub-Regional Ocean Partnership (SOP), the partners proposed that the first two years of a planned five year effort (as suggested in the SOP) would be spent enhancing the existing planning efforts via the ORMP Group efforts and building capacity at the state and local level by addressing specific national goals and principles in the guidance for CMSP. This project was based upon the clear linkages between the established goals and objectives in the ORMP and the NOP. The ORMP Group saw potential in CMSP as a public policy process for Hawaii to better determine how our coasts and ocean are sustainably used and protected – now and for future generations. The second proposal, *Further Development of the Hawaii Sub-regional Ocean Partnership (SOP)*, requested just over \$400,000 and focused on the steps that need to occur over the next two years to formalize the partnership in Hawaii and ensure successful implementation of priorities.

Pacific Regional Ocean Partnership. In response to the same FFO mentioned above, the Pacific Island jurisdictions of American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands (CNMI) also submitted a project proposal during this reporting period to develop an official Pacific Regional Ocean Partnership (PROP). During this reporting period, the State of Hawaii has joined in with the other Pacific Islands to develop the PROP.

While awaiting the announcement of funding from NOAA, the four jurisdictions decided it was important to move forward in any way they could, leveraging existing resources, and have met twice in Honolulu in coordination with other meetings/travel. They also met in Washington, D.C. during the National Ocean Council's CMSP Workshop. To

date, the jurisdictions have discussed the benefits of forming an official partnership, a draft vision for the partnership, organizational structure, membership, and a tentative schedule for meetings and conference calls.

In Washington, D.C., the Pacific Island jurisdictions met in order to develop an understanding of the National Ocean Policy's CMSP Framework and to discuss essential elements of the planning process for the Pacific Islands Region. The group discussions enabled the jurisdictions to identify next steps for developing a regional CMSP in the Pacific

H. Coastal Nonpoint Pollution Control Program (CNPCP)

Section 6217 of Coastal Zone Act Reauthorization Amendments (CZARA) requires states and territories with federally-approved CZM Programs to develop a Coastal Nonpoint Pollution Control Program (CNPCP). Hawaii's CNPCP is jointly administered by the U.S. Environmental Protection Agency (EPA) and NOAA. Locally, its development and administration are the responsibilities of the State Department of Health's (DOH) Polluted Runoff Program and the Hawaii CZM Program. The CNPCP primarily focuses on pollution prevention through the implementation of management measures.

CNPCP established management measures are the best available, economically achievable practices or combinations of practices that can be used to address nonpoint source pollution. The management measures are designed to control runoff from six main sources: forestry, agriculture, urban areas, marinas, hydromodification (shoreline and stream channel modification), and wetlands and vegetated shorelines, or riparian areas. These measures are backed by enforceable state policies and actions that will ensure implementation of the program.

The CNPCP continued supporting efforts of the Maui County Department of Public Works. Maui has been developing stormwater ordinances which would bring the county in line with the requirements for CZARA 6217 New Development. Maui's stormwater ordinances, introduced to Maui County Council by Councilmember Elle Cochran, are currently under consideration for final adoption of rules.

The central point of CNPCP activities for the year 2011 were the roll out and marketing associated with the Hawaii Watershed Planning Guidance (Guidance) document, and completion of two ORMP/management measure implementation projects.

- 1. Hawaii Watershed Planning Guidance.** The Guidance was created to help local community organizations understand and prepare watershed plans in compliance with EPA guidelines for funding through Section 319 of the Federal Clean Water Act and serve as a means to reintroduce all CNPCP management measures.

The ultimate goal of the Guidance is to present a user friendly, step by step guide to ensure that as watershed plans are developed and updated in Hawaii, appropriate CNPCP management measures will be considered to achieve water quality improvements. The target audience of the Guidance consists of a number of government and quasi-governmental organizations where existing relationships must be utilized for cost-

effective and successful implementation. Multiple agency support and coordination is required for the various types of projects that occur simultaneously in watershed planning.

2. **Maunalua Bay.** Though solicitations for projects to implement the ORMP, two projects were selected that also implement federally-approved management measures of the CNPCP. The first of these projects is titled, *Building Community Capacity through Education and Outreach to Address Land-Based Pollution in Maunalua Bay*. This project is a partnership between the UH Sea Grant Program and Malama Maunalua and implements Pollution Prevention Management Measure that apply to urban areas. The project involved collaboration with the National Nonpoint Education for Municipal Officials (NEMO) Network and local partners to conduct a workshop on low impact development and tools the community can use to reduce nonpoint source pollution.

During this reporting period, the contractor conducted the Hawaii Rain Garden Workshop which provided education and training for community-based organization staff, agencies and landscape professionals whom would implement pollution prevention the strategies within the community. The workshop also provided a venue for community groups and agencies to engage with landscape professionals and learn from their expertise in design and plant selection. In conjunction with the Hawaii Rain Garden Workshop, the UH Sea Grant Program developed a Hawaii-specific rain garden plant guide to be posted on the CZM Program website.

The Rain Garden technique is low tech and low cost, but highly effective as a strategy for managing runoff and restoring some of the hydrologic function of urbanized watersheds impacted by excessive impervious cover. As a tool, it serves to slow water down and allow it to be naturally filtered by plants and soil microorganisms as it soaks into the ground instead of becoming runoff. This technique is also an excellent way to engage volunteers or neighborhoods in highly visible and attractive areas to demonstrate watershed management. For these reasons, Rain Gardens are an ideal tool for communities to promote among residents as well as schools and commercial centers. Rain Gardens are a commonly used practice in many locations throughout the U.S.

Also during this reporting period, UH Sea Grant Program and Malama Maunalua wrote and published 5,000 copies of *E Malama I Na Aina Kumu Wai O Maunalua: A Watershed Handbook for the Residents of Maunalua*, a 48-page manual for residents of the Maunalua watershed. Hard copies of this handbook will be distributed by Malama Maunalua and the UH Sea Grant Program. It is also available at the UH Sea Grant Program website and will be uploaded to the CZM Program website. Although the document targets the region of Maunalua on Oahu, it has potentially broad application elsewhere in Hawaii as well.

3. **Honuapo Estuary.** Another ORMP implementation project conducted during this reporting period was a partnership project between the County of Hawaii and the community group Ka Ohana O Honuapo. The partners developed an integrated habitat restoration plan for Honuapo estuary, a significant natural and cultural feature of the county's Honuapo Park. The *Wetlands Habitat Restoration Plan for Honuapo Estuary*,

provides baselines surveys, topographic/ bathymetric mapping, and GIS mapping of important wetland features and planned restoration activities. The final plan contains several restoration alternatives that were developed in collaboration with the restoration team and others to meet project objectives, solve natural resource problems, and take advantage of opportunities to improve or protect the resources of Honuapo Estuary. The *Wetlands Habitat Restoration Plan for Honuapo Estuary* will be posted to the CZM Program website.

I. Coastal Hazards

Hawaii is threatened by numerous hazards, many of which affect the near shore area. These hazards include coastal erosion, earthquakes, tsunamis, hurricanes, sea level rise, flooding, subsidence, lava flows, and wildfires. These hazards can result in significant loss of life, property and environmental damage, business loss and interruption, and damage to historical and cultural resources.

An objective of the Hawaii CZM law is to reduce hazard to life and property from tsunami, storm waves, stream flooding, erosion, subsidence, and pollution. A related objective deals with the improvement of the development review process in the management of coastal hazards. The hazard mitigation work of the Hawaii CZM Program is focused on meeting these objectives to achieve greater community resilience to natural hazards.

- 1. State Building Code adopted with Hawaii Wind Design Standards.** A new State Building Code with Hawaii Wind Design Standards was adopted by the State of Hawaii as administrative rules, and became effective as of April 16, 2010 (Hawaii Administrative Rules, Title 3, Subtitle 14, Chapter 180 State Building Code). Appendix W of the Code consists of the Hawaii wind design standards developed through Section 306 and 309 funds and FEMA hazard mitigation grant funds and cover all counties in the State of Hawaii. One year after adoption, all state buildings will be constructed in accordance with the Code. During this reporting period, CZM Program staff continued to work with the four counties and State Building Code Council to ensure that the new wind speed amendment are adopted, no later than two years after adoption of the State Building Code, unless a county acts to specifically amend the code.
- 2. International Building Code Training.** During this period our training goal was to offer a second round of training on the neighbor islands, at least once in each of the counties of Kauai, Maui, and Hawaii. Training sessions have progressed from fundamental courses to courses that target specific areas of need, most notably the performance of building plan reviews. In most cases, training has been extended to county building officials and private sector design professionals, with venue, equipment, and related costs contributed by participants.

During April of this reporting period, the CZM Program co-sponsored the 42nd Annual Hawaii Association of County Building Officials (HACBO) Conference, which was held in Hilo, Hawaii. The HACBA Conference was attended by all four counties and featured six educational sessions on various code topics.

3. **Design Guide to Hawaii Wind Design Standards.** During this reporting period the Design Guide to the State of Hawaii Wind Engineering Provisions was completed. The Guide instructs and provides direction to users of the Hawaii-specific wind engineering standards found in Appendix W of the State Building Code. The Guide includes explanation of the technical bases of the standards and numerical, structural, and glazing community storm shelters and residential safe rooms. Inclusion of the sheltering provisions results in a complete package of Hawaii's customized wind standards.

J. Coastal and Estuarine Land Conservation Program

Coastal and Estuarine Land Conservation Program (CELCP) has assisted the CZM Program in protecting and preserving coastal scenic and open space resources and valuable coastal ecosystems. The CZM Program supplemented the funds provided by NOAA for the development of a State CELCP plan. The plan provides an assessment of priority land conservation needs and clear guidance for nominating and selecting land conservation projects within the State. By utilizing the State CELCP Plan in partnership with interested government, private for-profit and not-for-profit organizations, and the public, the CZM Program has been able to identify and develop proposals to submit for annual competitive NOAA CELCP grants.

In April 2010, an application to acquire Paukukalo Wetlands in Kihei, Maui was submitted for FY 2011 CELCP funding. During this reporting period, the project was accepted and ranked for funding at Number 18 on the list of "Ready and Eligible CELCP Projects" by NOAA . The project, proposes to purchase a 63.701 acre parcel, which includes 4,500 lineal feet of shoreline. The project was developed for submittal by the Trust for Public Lands and the State Department of Hawaiian Home Lands (DHHL). Acquisition of the property by DHHL will protect the property as a community asset for the island of Maui and the State. The Paukukalo coastal wetland property is one of the few remaining undeveloped shoreline parcels with *loi* and fishponds. Its sand dunes, beaches, and fringing coral reef are crucial habitats for many endemic aquatic species that are Aquatic Wildlife Species of Greatest Conservation Need, as determined by Department of Land and Natural Resources (DLNR). These resources include oopu and aholehole (native fish) and hihiwai and hapawai (native snails) that spawn in Paukukalo estuary areas, kumu (whitesaddle goatfish), wawaeiole (a federally listed endangered edible seaweed), and at least three kinds of rare coral. An endangered Hawaiian monk seal has been observed resting on Paukukalo's beaches, which have provided nesting grounds for threatened green sea turtles. Restoration efforts of the wetlands and springs could provide critical habitat for endangered and threatened native shorebirds.

Also during this reporting period, the Lapakahi project (which was awarded \$1,250,000 in CELCP 2010 grant funding) was finalized and acquired on March 18, 2011, by the DLNR Division of State Parks. The project added 17 shoreline acres to Lapakahi State Historical Park in North Kohala on the Island of Hawaii, located in an area traditionally known as Nuuanu. The acquisition was assisted by a diverse public-private partnership of Kohala community organizations, the Trust for Public Land, the NOAA, CZM Program, the State Legislature, and the State Legacy Land Conservation Program. The purchase protects dozens of significant precontact Hawaiian cultural sites associated with the cultural and archaeological complex

within Lapakahi State Historical Park, and protects and provides access to the adjacent Lapakahi Marine Life Conservation District, which serves as habitat for over 116 marine species. The \$2.35 million purchase of the land was made possible by matching grants from NOAA's Coastal Estuarine Land Conservation Program and the State Legacy Land Conservation Program.

K. Special Projects

During this reporting period, the Special Plans Program of OP oversaw the completion of three important projects: the 2010 Hawaii Statewide Comprehensive Economic Development Strategy (CEDS), Rural Economic Development Report, and a Master Plan for the Agricultural Resource Center of Hoesa. The Special Plans Branch also continues to administer the Hawaii Brownfields Cleanup Revolving Loan Fund (HBCRLF) program for coalition partners, the State of Hawaii, the City and County of Honolulu, and the County of Maui.

- 1. 2010 Hawaii Statewide Comprehensive Economic Development Strategy (CEDS).** Accepted in March 2011 by the United States Economic Development Administration (EDA), the 2010 CEDS (Report) is an economic development strategy document for the State of Hawaii to increase Hawaii's economic competitiveness. The Report supports key industry clusters through proposed strategies and projects for implementation. Completion and acceptance of the Report demonstrates that the State of Hawaii has gone through a deliberative and thorough planning process to provide a framework for recommending projects for EDA funding. A CEDS is a precondition to obtain funding under most EDA grant programs. This Report is an update of the 2005 CEDS which was also prepared by the Program.

The 2010 CEDS was a collaborative effort with OP, the State Department of Business and Economic Development & Tourism (DBED&T); the Economic Development Alliance of Hawaii (EDAH); Enterprise Honolulu, Economic Development Boards; County Economic Development Agencies; community, business, non-profit and other organizations; and the public.

- 2. Planning for Rural Economic Development.** Planning for Rural Economic Development (Rural Report) examines rural economic development in Hawaii. Prepared by SMS Marketing and Research Services, Inc., the Rural Report defined "rural", identified rural communities statewide, and developed a baseline of socio-economic conditions of rural communities. Best practices were then identified through a nationwide and statewide review of rural communities who have successfully integrated economic development while maintaining rural character. Lastly, recommendations to support rural economic development in Hawaii were provided.
- 3. Master Plan for Agricultural Resources at Hoesa.** Master Plan for Agricultural Resources at Hoesa (Master Plan) is comprised of an environmental assessment and a site plan for the development of an agricultural resource center and processing facility in North Kohala, Island of Hawaii. The Master Plan provides the basis for moving forward with land acquisition, design, and construction of this facility. It will help the residents of North Kohala move closer to their goal of strengthening this rural area's local economy.

The resource center envisioned in the plan will support small farmers and ranchers to ensure the future of agriculture and ranching in the region. Kahua Paa Mua, Inc. and the Hawaii Future Farmers of America Foundation prepared the plan for OP and County of Hawaii.

4. **Hawaii Brownfields Cleanup Revolving Loan Fund (HBCRLF) Program.** The HBCRLF program provides a source of low-cost financing to eligible public, private, and non-profit borrowers for the cleanup of contaminated sites across the State. The program was established through a \$2 million grant from the EPA. A loan for up to \$1.97 million was executed with the Department of Hawaiian Home Lands (DHHL) for the cleanup of a former pesticide mixing and loading facility site on the island of Oahu. The EPA grant ended in April 2011, and OP negotiated a closure agreement with EPA for the program to continue to solicit and fund cleanup loans for eligible properties and borrowers as funds from HBCRLF loans are repaid. The Special Plans Program continues to monitor remediation activities at the East Kapolei site with the Department of Health Office of Hazard Evaluation and Emergency Response (DOH-HEER) providing technical oversight of the remediation. Remediation is expected to be complete by July 2012, and DHHL will make a lump-sum loan repayment in FY 2013.

Lastly, the Special Plans Program is an active participant in the “Grant Hui” of the Fair Share Initiative (FSI) headed by the Office of the Lt. Governor. FSI is working to secure and expend external sources of funding for the State of Hawaii and is a component of “transforming government” in the New Day Plan.

V. NEW DAY PLAN ACCOMPLISHMENTS

A. Climate Change Initiatives

The CZM Program coordinates the ORMP Policy Group and Working Groups in which Climate Change was identified as one of two top priority issues by these groups. The ORMP Working Group partnered with the UH Center for Island Climate Adaptation and Policy (ICAP) to develop *A Framework for Climate Change Adaptation in Hawaii*. The Framework lays out a proposed step by step process by which the State can begin to conduct studies, develop plans and make informed decisions on climate change adaptation.

OP has also developed a Hawaii Climate Change Adaptation Policy to be included as a Priority Guideline in the State Planning Act for legislative consideration. OP drafted this bill in consultation with county, state, and federal agencies as well as business and community stakeholders.

The LUD ensures that all LUC petitions and their supporting environmental documents are reviewed with respect to measures to be taken to adapt to climate change and climate-related hazards, as well as measures to be taken to reduce greenhouse gas emissions related to development and operation of the proposed development.

B. Agricultural Renaissance

During this reporting period OP was awarded a federal grant of \$100,000 from EDA to develop a strategic plan to increase food security and self-sufficiency in Hawaii. The Special Plans Program has begun work on the development of this plan in cooperation with the State Department of Agriculture.

The LUD supported three voluntary petitions for LUC designation of Important Agricultural Lands (IAL) that led to the designation of a total of over 59,200 acres on the islands of Kauai, Oahu, and Hawaii as IAL. IAL designation provides a higher level of protection for lands so designated; helping to assure that the lands will be available for agricultural use for the near future. Designation also allows the petitioner and lessees of lands designated as IAL to be eligible for tax incentives and other agricultural development program incentives to offset the cost of improvements to agricultural investments such as irrigation systems, agricultural processing facilities, etc.

The GIS Program has assisted in initiatives to determine and designate important agricultural lands. The GIS Program staff assisted in the development of preliminary base maps of agricultural resources lands that the State could use to guide and inform: (1) land use decision-making by the LUC and other State agencies; and (2) public investments in agricultural infrastructure and agricultural development programs. This pilot project involved not only GIS mapping of high-value agricultural resource lands, but also the mapping of lands that were unlikely to be available for long-term agricultural use because they were planned for urban use by the counties, under the control of the federal government, or were already subdivided into small lots. The preliminary maps could be further developed to assist in identifying spatial components of programs to increase agricultural and food self-sufficiency.

C. Workforce

The LUD supported land use projects proposed before the LUC that included a workforce housing component that comply with or exceed the respective County affordable housing requirements. In FY 2011, these projects included Maui County's Lanai affordable housing project, Forest City/HCDCH's Kamakana project, Kula Ridge Maui project, Koa Ridge Makai/Castle & Cooke Waiawa project, and the Hoopili mixed-use residential project. It is estimated that these projects will provide over 6,600 affordable housing units for sale or rent to households with incomes less than 140% of the median income for the respective county.

OP in partnership with the Economic Development Boards, county Economic Development Agencies and the Economic Development Alliance of Hawaii prepared the 2010 Statewide Comprehensive Economic Development Strategy (CEDS) to make job creation infrastructure projects eligible for federal EDA funds from 2010 through 2015. The CEDS involved a broad-reaching community goal-setting process and generated project proposals to grow preferred industry clusters on all islands. This project was made possible by grant funds from the US Department of Commerce, Economic Development Administration (EDA).

D. Energy Independent Hawaii

The GIS Program, in cooperation with the DBEDT Energy Office, provided mapping and analysis for potential siting of wind farms, mapping of areas with warm ground water potential and wave energy potential, and helped to analyze areas with potential for biofuel crops. One result of these efforts is the development of a web mapping application for renewable energy resources in Hawaii.

In support of the Hawaii Clean Energy Initiative, LUD continues to work with petitioners to identify measures that could be incorporated into projects to increase energy efficiency and energy conservation, and promote greater use of alternative renewable energy sources for projects. Two petitioners have committed to making all or a portion of their residential units capable of installing photo-voltaic (PV) systems; one of these has committed to installing PV systems in at least ten percent of their residential units. At least two other petitions have indicated that they will offer PV systems as an option for interested purchasers.

E. Sustainable Use and Management of Natural Resources

The CZM Program determines the acceptable activities and use of resources for Hawaii's valuable land and water resources in the State's coastal zone. The CZM Program works to ensure a balance between competing demands for limited and often fragile coastal and marine resources and provides the policy umbrella for designing and carrying out uses and activities that affect these resources. The CZM Program is in alignment with the New Day theme of stewardship of our natural resources and is undertaking many projects and activities such as the ORMP which support this theme.

OP worked with the UH Public Policy Center for the passage of Act 181 (2011), which made the Hawaii 2050 Sustainability Plan a Priority Guideline under the Hawaii State Planning Act.

OP coordinated and facilitate the two-day workshop by the Governors' Institute on Community Design to allow Administration decision-makers to consider how to implement sustainability under the New Day agenda, Hawaii 2050 Sustainability Plan, and State Planning Act.

The LUD recommends to petitioners before the LUC to prepare sustainability plans for their land use projects to identify specific mitigation measures for energy, resource use, sustainable site design and building practices, etc. that the petitioner will commit to incorporating in the development and operational phases of their projects. LUD now routinely requests imposition of a condition of approval that requires petitioners to implement sustainability plans and/or practices for their proposed projects.

The LUD also recommends to petitioners the use of low impact development (LID) practices in project design and development, which provides alternative approaches for managing stormwater and runoff onsite as opposed to channeling runoff and drainage offsite to streams and coastal waters. LUD now routinely requests language incorporating the use of LID to the extent feasible as a condition of approval.

OP is also in receipt of previously awarded federal grants to develop a natural disaster economic recovery strategy as well as developing an economic development strategy for Native Hawaiian communities. Work will commence upon the completion of the current project to develop a strategic plan to increase food security and self sufficiency in Hawaii.

V. CLOSING

Hawaii is a beautiful place, a unique environment composed of an intimate connection between land and sea. The quality of life is derived from a vibrant and healthy sea, a rich and resourceful ocean. However, through generations of continuous ocean harvesting and land development, the ocean and coastal environment is being rapidly degraded and depleted. Regional and global circumstances create new challenges such as climate change, sea level rise, ocean acidification, and increased frequency and severity of coastal hazards. Land is becoming less available because population growth and economic expansion require more land for homes, work, infrastructure, and food production.

The need to achieve a sustainable balance for the island ecosystem is more pronounced than ever. Developing and maintaining a strong and healthy economy, protecting the environment, educating the people, and creating new conservation tools to protect the land and coastal resources are worthy pursuits and need to be effectuated. The goal is to make Hawaii a better place to live, for today and future generations. Everyone must work together to achieve this goal. It is by respecting and taking care of nature that nature, in return, can provide the rich resources for everyone to enjoy.

VI. LEGISLATIVE PROPOSALS

Global warming is evident in Hawaii: surface temperature is rising, rainfall and stream flow has decreased, drought has prolonged, rain intensity has increased, heavy rainfall amounts have increased, sea level and sea surface temperatures have increased, and the ocean is acidifying. Because these trends are likely to continue, (1) scientists anticipate growing impacts to Hawaii's water resources and forests, coastal communities, and marine ecology; (2) it is timely to consider adaptation and mitigation strategies; (3) there is significant need for sustained and enhanced climate monitoring and assessment activities; and (4) there is a compelling requirement for focused research to produce models of future climate changes and impacts. Even if greenhouse gas emissions are reduced to 1990 levels, Hawaii will still be significantly impacted by global climate change well into the future.

Therefore, OP proposes a bill that focuses on preparing for and adapting to the expected impacts of climate change. The proposed bill amends the Hawaii State Planning Act (HRS Chapter 226) by adding a climate change adaptation priority guideline under Part III. Priority guidelines focus state and county resources on major areas of statewide concern that merit priority attention to improve the quality of life for Hawaii's present and future population through the pursuit of desirable courses of action. The priority guideline will serve as a guiding policy for adapting to the expected impacts of climate change through the existing implementation provisions of the Hawaii State Planning Act, which include guiding all major state and county activities, programs, budgetary, land use, other decision making processes, and county general plans and development plans, pursuant to part II of the Hawaii State Planning Act.

The bill will encourage collaboration and cooperation between county, state, and federal agencies, policy makers, businesses, and other community partners to plan for the impacts of climate change and avoid, minimize, or mitigate loss of life, land, and property of future generations. The public will benefit from the State's increased resilience to the effects of climate change and the improved efficiency of state and county agencies working toward this end.

The priority guideline will serve as a guiding policy for adapting to the expected impacts of climate change through the existing implementation provisions of the Hawaii State Planning Act, which include guiding all major state and county activities, programs, budgetary, land use, other decision making processes, and county general plans and development plans, pursuant to part II of the Hawaii State Planning Act.

VII. ACRONYMS

CBRM	Community-Based Resource Management
CDD	Community Development District
CEDS	Comprehensive Economic Development Strategy
CELCP	Coastal and Estuarine Land Conservation Program
CNPCP	Coastal Nonpoint Pollution Control Program
CZARA	Coastal Zone Act Reauthorization Amendments (CZARA)
CZM	Coastal Zone Management
CZMA	Coastal Zone Management Act
DBEDT	Department of Business, Economic Development and Tourism
DLNR	Department of Land and Natural Resources
DOH	Department of Health
EDA	United States Economic Development Administration
HAR	Hawaii Administrative Rules
HBCRLF	Hawaii Brownfields Cleanup Revolving Loan Fund
HCDA	Hawaii Community Development Authority
HRS	Hawaii Revised Statutes
IAL	Important Agricultural Lands
ICAP	Center for Island Climate Adaptation
INRMP	Integrated Natural Resources Management Plans
GIS	Geographic Information System
LUC	Land Use Commission
LUD	Land Use Division
MACZAC	Marine and Coastal Zone Advocacy Council
NGO	Non-governmental Organizations
NOAA	National Oceanic and Atmospheric Administration
NOC	National Ocean Council
NOP	National Ocean Policy
OCRM	Office of Ocean and Coastal Resource Management
OP	Office of Planning
ORMP	Ocean Resources Management Plan
PMS	Performance Measurement System
SMA	Special Management Area
SOP	Sub-Regional Ocean Partnership

SPA Shoreline Public Access
SSV Shoreline Setback Variances

WPGH Watershed Planning Guidance Handbook

UH University of Hawaii