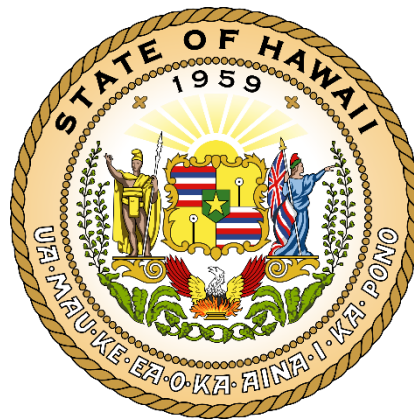


FISCAL YEAR 2013 – 2014

OFFICE OF PLANNING

**REPORT TO THE TWENTY-EIGHTH LEGISLATURE
REGULAR SESSION OF 2015**



Prepared by

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

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

Honolulu, Hawaii
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**ANNUAL REPORT TO THE TWENTY-EIGHTH LEGISLATURE
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I. PURPOSE AND HIGHLIGHTS

Hawaii Revised Statutes (HRS) § 205A-3(10) 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, 2013 to June 30, 2014. The report serves as a vehicle for informing the Legislature of programmatic accomplishments, issues, and needs. The report also provides the community with descriptions of programmatic activities.

The following are highlights of activities and accomplishments for the period July 1, 2013 to June 30, 2014.

The following reports were completed:

1. *Koreatown Project: report was transmitted to the Legislature by the Governor's Office on January 21, 2014.*
2. *Report on Statewide Meetings to Assess Implementation of the 2010 Hawaii Statewide Comprehensive Economic Development Strategy (CEDS), October 2013.*
3. *Alternative Funding Mechanisms for Acquisition, Improvement, Maintenance of Shoreline Public Access (July 2014).*
4. *National Estuarine Research Reserve System (NERRS): Site nomination document was forwarded to the Governor for his formal nomination to the National Oceanic and Atmospheric Administration (NOAA) on May 21, 2014.*

Activities and accomplishments included:

- Conducted a Green Industry Permitting Training Workshop funded by a U.S. Department of Commerce, Economic Development Administration (EDA) grant, on October 15, 2013.
- Conducted statewide meetings to assess implementation and the needs of projects contained in the 2010 Hawaii Statewide CEDS.
- Conducted two public meetings on January 9, 2014, and February 27, 2014, respectively, to further information gathering and analysis, for incorporation into the NERRS site nomination document.
- As the state lead, participated in NOAA's Hawaii Ocean Uses Atlas Participatory Geographic Information System (GIS) workshops statewide to assist in the collection of expert community knowledge on ocean uses through participatory mapping. The workshops were funded by the U.S. Department of the Interior's Bureau of Ocean Energy Management (BOEM).

- Completed an update of the Hawaii Ocean Resources Management Plan (ORMP), which was endorsed by Governor Abercrombie on July 25, 2013.
- Adopted a governance agreement establishing the Hawaii Ocean Partnership, which was tasked with implementing the ORMP. The Partnership is comprised of (1) the Council on Ocean Resources (formerly ORMP Policy Group), (2) the Coordinated Working Group (formerly ORMP Working Group), and (3) Action Teams.
- Monitored and testified in support of the Hawaii Climate Change Adaptation Initiative Act (Act 83), which was signed into law onto June 9, 2014. Act 83 tasks OP with co-chairing the Interagency Climate Adaptation Committee (ICAC) along with the Department of Land and Natural Resources (DLNR) and with establishing and implementing strategic climate adaptation plans and policy recommendations using the ICAC Sea Level Rise Vulnerability and Adaptation Report as a framework for addressing other statewide climate impacts.

II. INTRODUCTION

The State of Hawaii, 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 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 county, 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 (LUD) and Planning Division, the programs within each division interact extensively. This integrated collaboration concept is necessary for expediency and consistency in meeting OP's mission and responsibilities. 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 LUD 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 ensure that they (1) are consistent with State regulatory requirements and (2) provide 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 LUD is also the lead on periodic Land Use District Boundary Reviews as required in HRS § 205-18.

The Planning Division of OP includes the CZM Program, Special Plans (SP) Branch, and the GIS Program. The CZM Program was enacted as the State's policy umbrella for facilitating and ensuring interrelated and comprehensive coastal resource management. The CZM Program provides the guiding perspective for the design and implementation of allowable land and water uses and activities throughout the State.

The Hawaii CZM law, HRS Chapter 205A, is the State's framework for ensuring 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 that 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 SP Branch is tasked with carrying out the functions of OP related to statewide planning under the Hawaii State Planning Act. The SP Branch conducts statewide planning and coordination as well as policy analysis to address critical areas of concern affecting the direction, rate and character of growth (primarily land use and economic growth). One major responsibility of the SP Branch is to guide the implementation of the 2010 Hawaii Statewide CEDS. Completion and acceptance of 2010 CEDS by the U.S. EDA demonstrates that the State of Hawaii has gone through a deliberative and thorough planning process to provide a framework for recommending projects to receive federal funds. Further, a CEDS is a precondition to apply for and receive EDA grant monies. The SP Branch also applies for EDA grant monies to carry out projects. Another major SP Branch responsibility is to review, comment and monitor proposed changes to the Hawaii State Plan. Lastly, SP Branch continues to administer the Hawaii Brownfields Cleanup Revolving Loan Fund (HBCRLF) program, which provides a source of low-cost financing to eligible public, private, and non-profit borrowers for the cleanup of contaminated sites across the State.

Hawaii Revised Statutes Chapter 225M, tasks the OP with leading and coordinating a State GIS. In carrying out its statutory mandate as the lead agency for GIS in Hawaii State government, the GIS Program supports and coordinates GIS efforts across state agencies and conducts spatial analysis and mapping for projects and initiatives in OP, Department of Business, Economic Development, and Tourism (DBEDT), and other State agencies. In addition, OP is responsible for collecting, integrating, analyzing, maintaining and disseminating various forms of geospatial data and information to further effective state planning, policy analysis and development and the delivery of government services. OP encourages data sharing among agencies to minimize stove-piping of data, reduce costs, and minimize duplication of effort.

The GIS is an effective analysis and decision support tool that provides a graphical and location-based or spatial context to statistical and compiled data. It is a platform on which complex analysis can be performed to plan resource distribution or identify and prioritize areas for conservation or economic development; GIS analysis may expose spatial distributions or trends over time not readily evident in raw data; it may reveal possible cause-and-effect or correlative relationships among different data sets; or it may be used in "what-if" scenarios to predict outcomes of varying parameters.

The GIS database, managed and maintained by the GIS Program, contains over 200 data layers, including contributions from federal, State and county agencies. Over 100 spatial and tabular datasets are publicly available for download from the website maintained by the State GIS Program (www.hawaii.gov/dbedt/gis), including information on Tax Map Key parcel boundaries, land use zoning, natural resource information, and hazard data. Some datasets are not available publicly because of security or confidentiality concerns, or because of licensing restrictions, but are available to government agencies to utilize for planning or analysis purposes.

III. PROGRAM ADMINISTRATION

The OP provides guidance in 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 OP is derived from HRS Chapters 205, 205A, 225M and 226.

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 as a party in every case before the commission 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. The 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 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. The 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 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

The OP manages federal and State funds in order to implement the statutory requirements of OP. During the reporting period, approximately 63 percent of the funds appropriated to OP in the General Appropriations Act of 2013 for FY14 came from Federal sources. Due to the reduction of general funds and general funded staff over time, OP cannot leverage additional federal grant

opportunities without additional general fund appropriations or in-kind contributions from third-party, non-federally-funded partners.

The CZM Program receives funds which are dispersed annually through federal 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 \$1,876,500 in NOAA Section 306 grant funds. These funds are mainly utilized to underwrite most Hawaii CZM Program administrative 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 \$155,000 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. In recent years, Congress has not appropriated funds to this program. 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.

In addition to the CZM federal funds, OP managed federal monies for economic development and environmental remediation.

4. **U.S. Department of Commerce, Economic Development Administration Grant Programs:** During this reporting period, the SP Branch managed four active EDA grants totaling approximately \$450,000. These include a \$150,000 grant to develop a natural disaster economic development strategy; a \$150,000 grant to develop an economic

development strategy for native Hawaiian communities; and a \$150,000 grant for CEDS implementation and technical assistance in support of green industry.

5. **Hawaii Brownfields Cleanup Revolving Loan Fund:** This 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 capitalized with a \$2 million grant from the U.S. Environmental Protection Agency (EPA). The EPA grant ended in April 2011, and the HBCRLF Program is currently operating under a five-year closeout agreement with EPA to continue the cleanup loan program with funds that revolve from HBCRLF loan repayment.

B. Special Management Area (SMA) and Shoreline Area

The CZM Program is the lead agency in the administration and management of the SMA program, and is responsible for monitoring and enforcing SMAs. The SMA permitting system is part of the CZM Program approved by NOAA and the State. Under Part II and III of HRS Chapter 205A, 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 minor permit or Use Approval is a management tool used to ensure that development in geographically designated SMAs is designed and carried out in compliance with the CZM Program objectives and policies (HRS § 205A-2) and SMA Guidance (HRS § 205A-26).

During this reporting period, OP conditionally granted seven (7) SMA minor permits in the Kakaako makai area, including a blanket SMA approval for installation of fences, bollards, cattle gates, light poles, repair of potholes, and storage of construction materials and equipment. The blanket SMA permit allows HCDA to repair, install, and remove the items in the area of Kakaako Waterfront Park, Kakaako Makai Gateway Park, and Kewalo Basin Park to meet construction needs without delay and maintain safety standards for park users.

Also during this reporting period, OP provided an SMA Use Approval presentation at a workshop - “Navigating the Permit Process: Tips and Tools for Green Industry” held on October 15, 2013 in Honolulu.

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 may 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 70 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 Pacific Missile Range Facility Danger Zone Expansion, Barking Sands, Kauai and General Concurrences for Hawaiian Fishpond Restoration Activities.

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 application reviews encounter fewer problems, are more predictable, and are often completed faster. During this reporting period, 106 pre-application 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.

D. Land Use Reviews

The OP is a mandatory party in State land use district boundary amendment proceedings before the LUC. The 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 land use district data on the State's GIS, approximately 95% of all land in the State is within the agricultural and conservation districts, while less than 5% of all land in the State is within the urban district.

In this capacity, LUD consults with affected State agencies and the petitioner to ensure 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, HRS Chapter 226, CZM objectives and policies in HRS Chapter 205A, 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 twelve (12) dockets that were heard by the LUC or will be heard by or filed with the LUC at a later date. Of these, four (4) were dockets related to land use district boundary amendments, two (2) were petitions for the voluntary designation of important agricultural lands pursuant to HRS § 205-45, six (6) were related to amendments of prior actions, and one (1) was an Order to Show Cause action.

The LUD supported LUC decisions involving three (3) dockets for district boundary amendments that were approved by the LUC in FY 2014, and one (1) petition for designation of important agricultural lands. The four (4) district boundary amendments affected over 624 acres on Maui being reclassified or amended for urban use. There were also 190 acres of land on Kauai designated as important agricultural lands.

The LUD is also leading a comprehensive review of the state land use district boundary amendment process. The goal is to seek improvements that would make the process more efficient and effective without compromising the original intent of the law: “preserve, protect, and encourage the development of the lands in the State for those uses to which they are best suited for the public welfare[.]” See L. 1961, c 187, § 1. A task force comprised of diverse stakeholders has been convened to review the state land use district boundary amendment process in HRS Chapter 205, and provide specific and implementable recommendations to the LUC, Governor, and the Legislature to improve its efficiency and effectiveness without compromising the original intent of the law. The first of three task force meetings in FY 2014 was held on February 6, 2014. A report on the outcome of the land use system review is expected by mid 2015.

E. Geographic Information Systems

During this reporting period, the GIS Program’s maps, products, and applications assisted OP programs in the assessment of environmental and ecological impacts from proposed uses and

developments and helped illuminate important issues and concerns positively impacting decisions on permits and approvals. The GIS Program also assisted a variety of other State agencies with their projects and initiatives, including various DBEDT divisions and agencies (Research & Economic Analysis Division, Hawaii Community Development Authority (HCDA), Community-Based Economic Development (CBED), State Energy Office, and the LUC), as well as the Governor's Office of Information Management and Technology (OIMT), and the Departments of Agriculture, Health, Land and Natural Resources, and Transportation.

The GIS Program continued to maintain the Statewide GIS database, adding, updating and making available a large variety of datasets, including banks and credit unions, farmers markets, fire response zones, fish aggregating devices, flood insurance zones, important agricultural lands, jurisdictional and zoning boundaries, land parcels, place names, reserves, roads, schools, shoreline public access points, and soils. The GIS Program continued to maintain and update the popular State GIS website, where government agencies and the public can download these and numerous other data sets and use a variety of mapping applications.

During the reporting period, the GIS Program continued to work with the State Chief Information Office's (CIO's) office and the Pacific Disaster Center (PDC) to convert statewide GIS data into a more efficient database format, test ways to deliver statewide GIS data via map and feature services, and deploy a new, cloud based mapping platform. GIS staff worked with PDC on the migration from beta to production of server infrastructure, migration of data to the more efficient storage technology and to enable direct connections to the migrated data by State agencies.

The GIS staff coordinated with PDC for delivery via web services of the State's data and satellite imagery holdings, particularly the most recent WorldView 2 imagery, and roll-out of the system to state agency GIS users. The GIS program has made the State's GIS data layers available in the State's cloud mapping environment by registering the web services published at the PDC with the state's ArcGIS Online (AGOL) site. GIS staff coordinated with OIMT for the execution and implementation of an Enterprise License Agreement (ELA) for GIS software and services with Esri. The agreement provides for the unlimited deployment of most of Esri's GIS software products to state agencies, the judiciary and the legislature for the term of the contract. It also provides several subscriptions to Esri's cloud mapping platform (ArcGIS Online). A Statewide GIS working group has been created to advise the program on governance and implementation logistics related to both the ELA and the deployment of the AGOL site, including the development of an intranet Sharepoint site where State agencies can obtain software, licenses and other materials related to the ELA.

The GIS Program has worked with PDC to migrate the State's metadata (information about each data layer, such as source agency, source month and year, coding dictionaries, etc.) into a federally compliant format. Program staff is near completion of developing layer symbology files for web service and AGOL use and facilitated PDC's reconfiguration of several map services for the State Department of Health (DOH) and for use in a variety of customized applications, notably applications developed for the State Energy Office and the CZM Program.

The GIS Program staff conducted a workshop for State GIS users/coordinators from the following state agencies: Attorney General (AG), DBEDT, Department of Hawaiian Home Lands (DHHL), DLNR, DOH, Department of Transportation (DOT) and Office of Elections. The workshop focused on agency implementation of their AGOL subscriptions in coordination with the State GIS subscription and use of State's authoritative data and recommended best practices for metadata and publishing.

The GIS Program worked with Esri to stand up an Open Data site within the AGOL environment, where anyone can easily search, find, filter, clip and download State GIS data directly from the web services being hosted at PDC. A subset of the state's data layers have been made available at this site, and work is ongoing to enable access to all of the state's data layers in this manner.

As a member, the GIS staff provides support and assistance to the Hawaii Board on Geographic Names. The purpose of the Board, created by Act 50 of the 1974 Hawaii State Legislature, is to assure uniformity in the use and spelling of the names of geographic features within the State. The Board is responsible for designating official names and spellings of geographic features in Hawaii and has undertaken a multi-year project, reviewing each name that appears on the quadrangle maps and in the U.S. Geographic Names Information System (GNIS) and adding the 'okina and kahakō, or diacritical marks, as appropriate.

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://planning.hawaii.gov>) was redesigned and reorganized to be more consistent with other state agencies' sites, and user-friendly. The site is continually updated and provides important information and resources about OP's initiatives and projects. OP also has a Twitter feed (PlanningHIgov) and Facebook page (OfficeofPlanning.HIgov). 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 projects were completed during this reporting period:

- Supported the annual Get the Drift and Bag It! Cleanup that is part of the Ocean Conservancy's International Coastal Cleanup and is held on the third Saturday of each September worldwide. The cleanup garners hundreds of volunteers statewide and collect

thousands of pounds of trash which is tabulated and displayed on the Ocean Conservancy's website. The CZM Program sponsored the shipping of the necessary items of trash bags and gloves to neighbor island coordinators. The neighbor islands appreciate the supplies and the public is finding the web site especially helpful: www.getthedriftandbagit.com.

- *My Hawaii Story Project 2013 - 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 one of the three ORMP Perspectives 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 (<http://www.hawaiiconservation.org/my-hawaii/2013-my-hawaii-story-project>).
- The CZM Program manager and one staff also traveled to Kauai Community College in Lihue on August 23, 2013 to attend a meeting organized by Kauai Community College and the University of Hawaii Sea Grant College Program. The meeting presented the current work of Kauai Community College students in evaluating the Island of Kauai's changing shoreline, particularly in West Kauai, and explored the expansion of this project to other shorelines on the island. CZM Program is considered as a potential partner in this project, as the data generated from the project may benefit OP initiatives. As a result, CZM Program attended the meeting to monitor project progress and participate in discussions related to the project's benefit and possibilities for future partnership.
- Upon invitation by a Marine and Coastal Zone Advocacy Council (MACZAC) member, OP participated in the 20th Annual Lanai Turkey Giveaway on the island of Lanai. MACZAC members and the OP Director distributed ORMP factsheets at this community event and shared information with interested parties at this annual event on November 23, 2013.

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
- Hawaii Congress of Planning Officials 2013 Conference
- Coastal States Organization (CSO) and NOAA Fall annual meeting
- CSO Capitol Hill Oceans Week Briefing

Marine and Coastal Zone Advocacy Council: HRS § 205A-3(6), 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 HRS § 205A-3.5, 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.

The 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. The MACZAC activities are coordinated by a project administrative assistant and CZM Program staff.

The MACZAC hold meetings quarterly, while its working groups meet more often, as needed. During the current reporting period, MACZAC held meetings on August 19, 2013 (on Maui), October 28, 2013, January 31, 2014 and May 8, 2014 (in Honolulu). 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. MACZAC activities are governed by the State's Sunshine Law, HRS Chapter 92; consequently, 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://planning.hawaii.gov/czm/maczac/maczac-agendas-and-minutes/>), and are widely distributed in electronic and hardcopy form.

The 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.

G. Ocean Resources Management Plan

The ORMP sets forth guiding principles and recommendations for the State to achieve comprehensive and integrated ocean and coastal resources management. HRS § 205A-62, 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-sector 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 who 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.

Under the newly established Hawaii Ocean Partnership, the Policy Group and Working Group have been formalized and renamed to the Council on Ocean Resources (Council) and Coordinated Working Group (Working Group), respectively. The executive-level Council and the manager/staff-level Working Group were established to oversee and coordinate the implementation and further development of the ORMP. The Council 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), DOH, DLNR, 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); 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 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.

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, aligning objectives of the National Ocean Policy with state initiatives, such as regional ocean partnerships and coastal and marine spatial planning and the evaluation and update of the 2006 ORMP. Each of these topics is described below.

1. **ORMP Outreach.** During this reporting period, the CZM Program funded the printing of a project by a CZM Program partner. The "My Hawaii Story Project 2013 – An Anthology" is an annual publication of the Hawaii Conservation Alliance Foundation. It is a collection of stories and poems about Hawaii's environment written by Hawaii

middle school students. This project implements one of the three ORMP Perspectives - promoting collaboration and stewardship - of which OP is designated as the lead with assistance from other ORMP partners, to develop education and outreach programs to educate resident and visitors on natural and cultural resource value, regulations and best practices.

Also during this reporting period, 500 copies of the 2013 ORMP were printed and distributed to our United States Congressional delegates as well as the State Legislature Committee Chairs of the Senate and House Committees on Water and Land. Distribution also included all current members of County Councils for Honolulu, Kauai, Maui, and Hawaii counties, ORMP Policy Group representatives, ORMP Working Group representatives, MACZAC members, and Planning Commissions across the state (Kauai, Maui, Molokai, Lanai, Honolulu, Oahu Windward & Leeward Planning Commissions) Oahu Metropolitan Planning Organization, and DBEDT Hawaii Community Development Authority.

- 2. Climate Change Adaptation (CCA).** The primary mechanism through which OP is implementing the CCA policy is the ORMP 2013 update. In particular, two of the eleven management priorities set forth in the 2013 update – management priority #1 (appropriate coastal development) and management priority #2 (management of coastal hazards) – are directly related to climate change adaptation and include actions to increase the number of county general and community development plans that include climate change adaptation strategies as well as to increase the number of state departments adopting climate change adaptation strategies in their capital improvement programs and maintenance plans. In November 2013, the Council on Ocean Resources established an Action Team tasked with implementing these two management priorities. The Action Team has met regularly since its inaugural meeting in April 2014 and is in the process of developing an action plan for implementation.

Coastal Resilient Communities (CRest). The CRest Project is an ongoing collaborative effort between the University of Hawaii at Manoa, William S. Richardson School of Law and the OP CZM Program. Funded by the NOAA, a project report, entitled *Options for Implementing the Hawaii State Planning Act Climate Change Adaptation Priority Guidelines*, offers a set of options to integrate climate change adaptation strategies to support implementation of the CCA Priority Guidelines. Since the release of the initial draft of the report in March 2013, a second draft of the report was circulated in August 2013. The second draft synthesizes stakeholder feedback and includes implementation tools developed by planning and engineering experts commissioned through the CRest project. The implementation tools are provided in the form of evaluation frameworks, case study examples, discussion points, decision-making criteria, and examples for policy language, guidelines, and procedures.

Framework for Conducting Community-based Vulnerability Assessments. OP is also collaborating with Dr. Kem Lowry, Professor Emeritus and former chair of the University of Hawaii Department of Urban and Regional Planning, to further investigate ways to integrate climate change adaptation into existing planning frameworks.

Dr. Lowry is currently developing a framework for conducting community-based vulnerability assessment as part of the county development plan update process. The framework focuses on identifying social vulnerability to climate change impacts and seeks to employ local knowledge in developing adaptation strategies.

Resilient Hawaii Forums. The Resilient Hawaii Forums (Forum) were held on behalf of Governor Abercrombie and with support from the NOAA Pacific Services Center, to engage stakeholders in developing recommendations for President Obama’s State, Local, and Tribal Leaders Task Force on Climate Preparedness and Resilience. The first Forum engaged key public and private sector leaders in a two-day workshop to prototype approaches for implementing Hawaii’s Climate Change Adaptation Priority Guidelines (HRS §226-109), using the Design Thinking process. The second Forum was held during an evening session of the Pacific Risk Management Ohana (PRiMO) conference. Over 100 citizens attended and participated in facilitated discussions on how the federal government might better support Hawaii’s efforts to increase resilience in its built systems; natural resources; agriculture; community health; and disaster management.

Hawaii Green Growth / Aloha + Challenge. OP continues to serve as a member of Hawaii Green Growth (HGG), a voluntary partnership of more than 50 state, county, federal government and non-government leaders in energy, food, and the environment working together to achieve the six sustainability targets set forth by the Aloha+ Challenge: A Culture of Sustainability – He Nohono Aeoia. In particular, the CZM staff continues to attend regular HGG working group meetings and co-leads the development of sustainability indicators related to the “Smart Sustainable Communities” target to increase the liability and resilience of Hawaii’s built environment through planning and implementation at the state and county levels.

3. Regional Ocean Partnerships.

Hawaii Sub-Regional Ocean Partnership. In 2012, OP received a cooperative grant of \$250,000 from NOAA Coastal Services Center (CSC) to develop and implement a Hawaii Sub-regional Ocean Partnership, building upon the current collaborative efforts of the then existing ORMP Policy Group and ORMP Working Group. The project aims to strengthen and expand partnerships throughout the Hawaiian archipelago to promote a safe, healthy, productive ocean and resilient coastal zone. In November 2013, the Council on Ocean Resources was established, formalizing the existing partnership and collaboration efforts of the ORMP Policy Group and Working Group. During this reporting period, OP successfully collaborated with partners on stakeholder engagement activities and assisted with the inaugural Action Team meetings for the Coastal Hazards and Appropriate Coastal Development Action Team.

OP determined that technical assistance and outreach was needed for the Council on Ocean Resources to begin its role in the implementation of the ORMP, and would be beneficial for ORMP stakeholders. The result was a one-day Data Exchange for coastal planners and data providers to convene in a statewide forum to exchange knowledge, information, and best practices relating to decision making in the coastal zone, with focus on ORMP Management Priority #1 Appropriate Coastal Development and

#2 Management of Coastal Hazards. The 2014 Coastal Data Exchange brought together 130 people from more than 75 agencies and organizations.

The outcomes of the 2014 Coastal Data Exchange event included 1) a greater understanding of planning tools and practices, 2) a discussion of data sharing capacity and platforms, 3) an overview of law & policy aspects of using data in decision making, 4) improved access to needed data, and 5) a list of additional data needed for coastal planning decision making. The webpage and fact sheets can be found at: <http://planning.hawaii.gov/czm/czm-news/coastal-data-exchange/>.

In 2013, OP received a cooperative grant of \$142,500 from NOAA Coastal Services Center to further develop and implement the Council on Ocean Resources' projects.

Pacific Regional Ocean Partnership. The Pacific Island jurisdictions of American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands (CNMI), and Hawaii also received a CSC award of \$249,000 to develop an official Pacific Regional Ocean Partnership (PROP). This partnership was established in 2012, and the four jurisdictions have met during this reporting period to further discuss actions and goals in the PROP's strategic plan. The PROP already has plans to meet again in the next reporting period to move forward with their strategic plan tasks.

4. **Implementation of the 2013 ORMP.** During this reporting period, the OP completed the update of the 2006 ORMP. The final document was completed in July 2013 and endorsed by the Governor. Implementation of the 2013 ORMP has begun, primarily in the areas of climate change adaptation, management of coastal hazards, and coral reefs. OP staff is currently working with the OIMT to develop and implement an on-line dashboard in response to the public's request for annual updates on ORMP progress. OP staff met with OIMT and has begun to collect baseline data from ORMP agencies as an initial step towards this on-line report card.
5. **Initial Development of Coastal and Marine Spatial Planning (CMSP) Analysis Tool.** The OP received a cooperative grant for \$156,000 from NOAA CSC to develop a GIS – based tool that can provide specific spatial data to state and county decision-makers that aligns with current state regulatory criteria related to coastal and marine uses. The analysis tool will be developed specifically to address management criteria found in state statutes such as HRS § 205A-25, Special management area guidelines; HRS § 190D-21, Leasing of state marine waters and submerged lands for private uses; HRS § 190D-11, Conservation district use application; and HRS § 205A-46, related to shoreline setback variances.

During this reporting period, the CZM Program completed the procurement process to contract development of the analysis tool. A Request for Proposals was posted and a consultant was selected in March 2014. The analysis tool is scheduled for completion in the first quarter of 2015.

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 DOH Polluted Runoff Program and the Hawaii CZM Program. The CNPCP primarily focuses on pollution prevention through the implementation of management measures.

The 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. OP continues to move forward with its *Strategy to Address Remaining Management Measures* that was approved by NOAA and Environmental Protection Agency (EPA) in 2008. In 2012, HICZMP received an interim decision document stating the OP has a few remaining conditions that need approval: new development, on-site disposal system, local roads and bridges, and monitoring and tracking. Since then, OP has worked with DOH, EPA, and NOAA to address these remaining conditions. The new development condition, requiring the adoption of rules in Maui County, has been addressed and the draft justification for approval of this condition is currently being reviewed by EPA prior to its formal submission for final approval.

Hawaii's CNPCP continues to participate in Coastal States Organization's 6217 workgroup which consists of 13 states that share the common status of an "expired conditional approval." All 13 states work collaboratively to address their respective remaining conditions. Recent discussions have focused on the coordination of the 6217 and 319 programs in the state, and ways to meet the on-site disposal system management measure. The workgroup coordinates directly with national leaders and representatives from states whose plans are already approved, when clarification of issues is required.

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 should be constructed in accordance with the Code.

During this reporting period, OP staff sent advance copies of a publication, *Design Guide to the State of Hawaii Wind Engineering Provisions*, to the County of Maui's Building Division, to facilitate discussion of the development of a training workshop on the wind design standards, which will use the *Design Guide* as the reference textbook. OP staff traveled to Maui to meet with management and staff of the Building Division to discuss course purposes and effectiveness. Insights gained from the meeting are being incorporated into the OP's contract with the developer of the training workshop. It is anticipated that the contract will be executed and services completed by December 2014. Training will take place in all counties with participation open to any county agency involved in building, permitting, and maintenance. Training will also be offered to state, federal, and private design professionals.

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.

During this reporting period the CZM Program completed the review and updating of the proposed CELCP boundaries as suggested by NOAA. The updated draft was made available for public comment for 30 days in May 2014. The revised draft CELCP Plan was submitted to NOAA for final approval, which was received in September 2014.

K. National Estuarine Research Reserve System

At the request of Governor Neil Abercrombie and the late U.S. Senator Daniel K. Inouye, OP formally began the statewide process of selecting a site in Hawaii for a NERRS. As part of the NERRS, Hawaii will attract federal monies to support science and community based stewardship of our coastal resources. The CZM Program completed phases one and two of a three phase NERRS site selection and designation process. Phase 1 involved the development and completion of a preliminary site selection report. Phase 2 involved further meetings, information

gathering and analysis, to continuously narrow down the nominated sites leading to the final site selection committee decision on a single preferred site to be forwarded to Governor Abercrombie for nomination to NOAA. Phase 2 also involved required publicly noticed meetings.

Phase 3 will include preparation of the Draft and Final Environmental Impact Statement and Draft and Final Management Plan. Timeframe for Phase 3 is January through December 2015. OP intends to utilize funds from the CZM Program and funds obtained from NOAA under Section 15 CFR § 921.12, National Estuarine Research Reserve System Regulations. Services-in-kind provided by the committee members and other stakeholders (state and county agencies, the university and non-governmental organizations) will provide the match required for these funds.

During this reporting period, Phase 2 was completed and resulted in the identification of a preferred site, Heeia Estuary in Kaneohe Bay (Koolaupoko, Oahu). Phase 2 consisted of public meetings for the collection and incorporation of public comments into the site nomination document. The site nomination document for the preferred site was finalized and forwarded to the Governor for his formal nomination to NOAA on May 21, 2014. NOAA is in the process of reviewing the document and responding to the State.

L. Special Projects

1. EDA Award 07 79 06834, Hawaii Statewide CEDS Implementation and Green Industries Collaboration Initiative

The CEDS implementation. OP's consultant, Economic Development Alliance of Hawaii (EDAH), completed statewide workshops and submitted a report that assessed the implementation of priority CEDS projects to inform the development and implementation of subsequent statewide CEDS. Meetings were held in Hilo and Kona on Hawaii Island and on Maui, Kauai, and Oahu in partnership with the respective county economic development boards. The statewide meetings were conducted to identify actions to be taken to facilitate implementation of priority CEDS projects, increase the effectiveness of subsequent CEDS, and improve the value of CEDS in promoting job creation and economic diversification in underserved communities and for the state overall.

The consultant report included recommendations to develop strategic economic development issues or objectives to focus future CEDS and to convene on a semi-annual basis on monitor CEDS implementation. An inaugural semi-annual meeting was convened in November 2013.

The OP staff submitted a grant application to U.S. EDA to fund the update of the 2010 CEDS in Fiscal Year 2015. Before submitting the grant, OP completed the competitive Request for Interest (RFI) process and selected the Economic Development Alliance of Hawaii (EDAH) to be listed as a sub-grantee for the grant. The grant application has been submitted to the EDA and OP is waiting to hear on the status of the potential grant award. A contract with EDAH is anticipated if the grant monies are received from the EDA.

Green Industry Permitting Training Workshop. On October 15, 2013, SP staff partnered with county planning departments and state permitting agencies to conduct a green industry permitting training workshop. The workshop, with over 100 participants, was held to facilitate green industry development by increasing understanding of industry needs and regulatory requirements between industry and regulators. Workshop presentations, materials, and links to agency resources and tools are posted to the OP website at <http://planning.hawaii.gov/navigating-the-permit-process-tips-tools-for-green-industry>.

Additional planning and permitting resources for state and county agencies will be posted on an ongoing basis to provide a more robust planning resources portal for users.

CEDS Technical Assistance. A project applicant has been selected for project technical assistance with remaining grant funds. The selected applicant, Ma‘o Organic Farms, will use the funds to develop planning and engineering reports required for grant applications and fundraising for their proposed North Shore Punanae farm expansion project.

2. EDA Award 07 79 06495, Economic Development Strategies for Native Hawaiian Communities

The OP is partnering with the DHHL to develop economic development strategies for native Hawaiian communities. The project consultant, Hawaii Alliance for Community Development (HACBED) is conducting stakeholder interviews, research on past economic development strategies, and economic development resources that have supported or could support native Hawaiian communities.

3. EDA Award 07 79 06349, Natural Disaster Economic Recovery Strategy

This grant focuses on developing a business recovery strategy that would complement the State’s Multi-Hazard Mitigation Plan and supplement the Hawaii Statewide Comprehensive Economic Development Strategy. The Strategy will address pre-disaster operations continuity planning and post-disaster recovery actions for both public and private sectors, with a focus on small business.

After undergoing a Request for Proposal (RFP) for consultant services, a contractor was selected in June 2014 and a contract is anticipated to be executed in July/August 2014. Procurement is proceeding on consulting services for the development of this strategy which will include (1) a literature review of existing pre-disaster continuity planning and post-disaster recovery programs, (2) an Advisory Group which will be comprised of disaster experts, business and economic development representatives, and state and county civil defense agency representatives, (3) a strengths and gaps analysis through convening multiple focus groups statewide, and (4) a final strategy which incorporates all information gathered.

4. Hawaii Manufacturing Consortium Application for Designation in the Federal “Investing in Manufacturing Partnership”

The SP staff participated in meetings of a consortium of state, county, and private sector entities convened by Enterprise Honolulu, to prepare an application for a national competition to designate selected areas as manufacturing communities. Staff prepared a section on infrastructure and site development for the Enterprise Honolulu submittal, which was submitted in April 2014. Although Hawaii was not selected, the consortium efforts established a valuable network in support of advanced manufacturing and innovation industry initiatives.

5. Hawaii Brownfields Cleanup Revolving Loan Fund (HBCRLF)

The DHHL had received a \$1.97 million HBCRLF loan for the remediation of a decommissioned East Kapolei pesticide mixing and loading (PML) facility site. DHHL repaid its loan obligation of \$1.77 million in the third quarter (the loan agreement provided for a twenty percent discount on the loan principal) to the HBCLF. The East Kapolei PML site will be redeveloped as a neighborhood park as part of DHHL’s East Kapolei II master planned community.

In the fourth quarter, SP staff consulted with the Hawaii Island Community Development Corporation (HICDC), a prospective loan applicant on loan application requirements and procedures. HICDC is a non-profit community development corporation on Hawaii Island, which has expressed interest in applying for loan funds for the cleanup of a former pesticide mixing and loading facility site situated on lands within a planned affordable, self-help housing subdivision that HICDC is developing. HICDC worked with the Department of Health’s Hazard Evaluation and Emergency Response Office (DOH-HEER) to develop a cleanup remedy that has been approved by DOH-HEER. HICDC anticipates submitting a loan application in August 2014.

Staff wrote support letters for U.S. Environmental Protection Agency Brownfields grant applications submitted by the City and County of Honolulu and the Hawaii Island Community Development Corporation in January 2014. The City’s application was selected for an award.

6. Advanced Manufacturing Strategy Development

Staff is participating in the development of an advanced manufacturing strategy by Enterprise Honolulu, Oahu’s economic development corporation, which is funded by a U.S. EDA grant. The strategy is to be completed in September 2014.

IV. LEGISLATIVE PROPOSALS

For the upcoming 2015 legislative session, OP will be submitting the following legislation:

- Relating to Land Use – Purpose of the legislation is to provide that agricultural tourism activities, including overnight accommodations for stays of less than thirty consecutive days, are a permissible use for a bona fide farming operation in the state agricultural district. The intent of the legislation is to ensure that bona fide farming operations that meet the statutory criteria would not be required to obtain a special permit pursuant to HRS § 205-6, for accessory agricultural tourism activities. Applicants are required to meet the bona fide farming operation criteria, and those that do not meet this criteria will be required to obtain a special permit for their agricultural tourism activities.
- Relating to State Planning – Purpose of the legislation is to have the OP perform a comprehensive review of the Hawaii State Plan (HRS Chapter 226), and develop recommendations for amendments to update the Hawaii State Plan in response to current state needs. The comprehensive review would occur in FY 2015 and 2016, with recommendations submitted by June 2017.

V. ACRONYMS

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| AG | Department of the Attorney General |
| CBRM | Community-Based Resource Management |
| CDD | Community Development District |
| CEDS | Comprehensive Economic Development Strategy |
| CELCP | Coastal and Estuarine Land Conservation Program |
| CIO | Chief Information Officer |
| CMSP | Coastal Marine Spatial Planning |
| 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 |
| DHHL | Department of Hawaiian Home Lands |
| DLNR | Department of Land and Natural Resources |
| DOH | Department of Health |
| DOT | Department of Transportation |
| EDA | Economic Development Administration |
| ELA | Enterprise License Agreement |
| FSI | Fair Share Initiative |
| FTZ | Foreign Trade Zone |
| GIS | Geographic Information System |
| HAR | Hawaii Administrative Rules |
| HBCRLF | Hawaii Brownfields Cleanup Revolving Loan Fund |
| HCDA | Hawaii Community Development Authority |
| HHFDC | Hawaii Housing Finance and Development Corporation |
| HRS | Hawaii Revised Statutes |
| IAL | Important Agricultural Lands |
| ICAP | Center for Island Climate Adaptation |
| INRMP | Integrated Natural Resources Management Plans |
| 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 |

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|------|---|
| NOC | National Ocean Council |
| NOP | National Ocean Policy |
| OCRM | Office of Ocean and Coastal Resource Management |
| OIMT | Office of Information Management & Technology |
| OP | Office of Planning |
| ORMP | Ocean Resources Management Plan |
| PDC | Pacific Disaster Center |
| PMS | Performance Measurement System |
| SID | Strategic Industries Division |
| SMA | Special Management Area |
| SOP | Sub-Regional Ocean Partnership |
| SPA | Shoreline Public Access |
| SSV | Shoreline Setback Variances |
| UH | University of Hawaii |
| WPGH | Watershed Planning Guidance Handbook |