



2007 Annual Report





2007 Annual Report

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Prepared by

**Office of Planning
Department Of Business, Economic Development & Tourism
State Of Hawaii**

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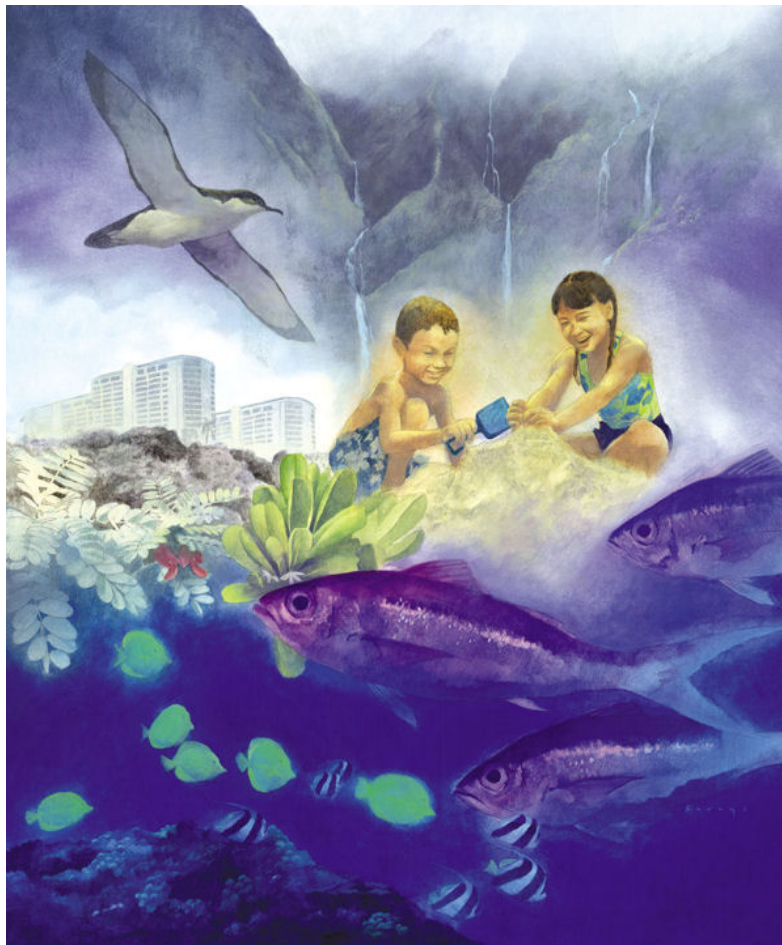


PREFACE

From the earliest of time, people of Hawaii have strongly identified with the sea. For generations, they depended on ocean resources for subsistence, and some of us continue to do so today. The zone connecting land and sea is the backbone of our economy. Clean beaches and coastal waters fuel a tourism-based economy. Many residents are still culturally and spiritually connected to the sea. The ocean is both Hawaii's heritage and future.

With competition for land and coastal resources continually rising, the need for thoughtful planning and management to sustain vital but fragile coastal resources is more pronounced. The world is changing, and change must be managed or it will manage us.

Managing this change will not come easily or quickly. Altering our current land and water uses and activities requires hard work. We need to educate and encourage others to protect and sustain our coastal resources. Through education, we recognize the interconnectedness of all things in our island ecosystem. Through understanding, our respect for the marine environment grows. Increasing our knowledge and understanding will allow us to reach our goal of good health and well-being sustained by a thriving coastal environment. The road will challenge us to balance various needs, but the reward will be well worth the effort.





INTRODUCTION

The quality of life we value is derived from a vibrant and healthy sea. We all want to enjoy the ocean's bounty, but our intensified use of the land and ocean is degrading coastal water quality and coral reef ecosystems. In addition, regional and global conditions beyond our direct control create new challenges such as sea level rise, increased frequency and severity of storms, and marine debris.

Communities have begun looking at ways to combine local expertise with western science and government to create a balanced approach to managing land and ocean resources. To reach our goal, we must recognize the inter-relationship between land and sea, and adopt an integrated approach for community and all levels of government to work together collaboratively.

As lead agency for the Coastal Zone Management (CZM) Program, the Office of Planning (OP) carries out a number of actions specified in the statute. It also coordinates and promotes activities beyond the law. Common sense tells us that the world is what it is, and if we want to get the most out of it, we have to be prudent and take care of it. Based on this philosophy, within its human and fiscal constraints, CZM develops and encourages others to protect and sustain coastal resources through various practices such as setting buildings and structures back from the shoreline, avoiding over-fishing, and many other activities. Unfortunately, there are differing views about what the environment can sustain. This is one dilemma CZM and resource management programs face.





Purpose

This annual report is a requirement of Section 205A-3(10), Hawaii Revised Statutes (HRS). It describes CZM activities and accomplishments for the period from July 1, 2006 to June 30, 2007.

Our Vision

A vibrant planning and management system that guides human activities to assure that land and water uses are designed and carried out in a manner that sustains the resources and their values.

Given multiple interests in managing Hawaii's precious resources, government and public partnerships can help assure comprehensive and coordinated research, policy development, and public education on ocean and coastal interests toward sustaining a healthy coastal zone.





COASTAL ZONE MANAGEMENT PROGRAM

What is the Coastal Zone Management Program

CZM is about balancing the needs of economic development with the conservation of resources in a sustainable manner. It is about looking at an ecosystem as an interrelated whole rather than at the individual species, resources, or uses. In a system, everything is connected, nothing is mutually exclusive or independent.

The Legislature recognized that coastal resources were independently regulated with little coordination and without common focus. It responded by enacting the CZM objectives and policies to provide the focus and assigned OP to facilitate and assure interrelated and comprehensive resource management. The intent was to provide effective management, beneficial use, protection, and development of the coastal zone consistent with the requirements of the national CZM Act (CZMA) of 1972.

The CZMA encouraged states to participate in the national program. Congress offered states grants to plan and implement their programs and the privilege of administering a federal consistency review program. Since coastal areas are the backbone of the nation's economy, Congress was concerned they were not managed properly. Recognizing that population shifts to the coast were intensifying competition and conflict over resources, Congress underscored the need for a national policy and management system. Coastal degradation was resulting from uncoordinated multiple management regimes dealing with coastal affairs. Moreover, Congress determined that the state, rather than federal or local government, was in the best position to manage the zone connecting land and sea because the state exercises discretion in land use policies and holds claim to the waters and submerged lands in the territorial sea.

Hawaii's CZM Program was enacted in 1977 to provide a common focus for State and County actions dealing with land and water uses and activities. As the State's resource management policy umbrella, it is the guiding perspective for the design and implementation of allowable uses and activities. The CZM Program was the Legislature's response to the finding that the state was over-regulated and under-managed, and that laws, ordinances, and rules dealing with coastal resources needed a more effective and coordinated focus. The Legislature charged CZM with the responsibility of encouraging agencies to look at resources in a different way. Under the guidance of the CZM objectives and policies, agencies must now look at resources from a broader ecosystem perspective.

In addition, rather than duplicating or usurping the authorities and responsibilities of the State and County agencies, the CZM law builds upon them to form a team or network. To effectuate the network concept, the CZM law requires legal and operational compliance. Within the scopes of their authorities, all agencies must assure their statutes, ordinances, rules, and actions comply with the CZM objectives and policies. In this way, a network of State and County agencies bound by the CZM statute helps carry out CZM's multi-functional purposes and requirements.



Participating State agencies in the CZM network include the Departments of Land and Natural Resources, Health, Transportation, Defense, and Agriculture; Land Use Commission; Office of Environmental Quality Control; and Office of Hawaiian Affairs. State agencies are responsible for assuring that projects and activities in their legislated jurisdictions in the coastal zone comply with the CZM objectives and policies through the permits and approvals they administer and that their own actions comply with the CZM law.

The Counties regulate development in the Special Management Areas (SMAs) and assess development proposals in their respective SMAs for compliance with CZM objectives and policies to determine the appropriateness of SMA permits. Where potential adverse impacts are identified, Counties deny or impose conditions on permits to minimize environmental impacts and assure compliance with Chapter 205A, HRS.

The CZM area encompasses the entire State. Because there is no point of land more than 30 miles from the ocean, a definite land-sea connection exists throughout the state. It was logical to designate the entire State as the CZM area. What occurs on land, even on the mountains, will impact and influence the quality of the coastal waters and marine resources. Seaward, the CZM area extends to the limit of the State's police power and management authority to include the territorial sea, a legal definition that is consistent with historic claims over the Hawaiian archipelagic waters based on ancient transportation routes and submerged lands.

What We Do

The CZM Program focuses on complex multi-functional resource management problems, issues, concerns, and opportunities. Section 205A-2, HRS, enumerates the CZM objectives and policies which address recreational resources, historic resources, scenic and open space resources, coastal ecosystems, economic uses, coastal hazards, managing development, public participation, beach protection, and marine resources. Enacted in response to public demand, the CZM law incorporates the public's recommended objectives and policies, thereby serving a public benefit. The CZM Program works to ensure a balance between competing demands for limited and often fragile coastal and marine resources and is the policy umbrella for designing and carrying out uses and activities affecting these resources. In balancing environmental and economic interests that affect coastal resources, the CZM Program protects the public trust and its resources while allowing and assuring the continued use of these resources upon which our visitor economy ultimately depends. Compliance with Chapter 205A, HRS, CZM objectives and policies ensure that appropriately designed developments along coastal areas respect economic, biological, environmental, and cultural values.

Within a framework of federal, state, and county agencies, the program employs a wide variety of regulatory and non-regulatory techniques to address coastal issues and uphold environmental law. Much of our work is characterized by:

- Stewardship



- Planning
- Permit administration
- Education and outreach
- Multi-functional coordination
- Policy development and implementation
- Identification of emerging issues and exploration of solutions
- Technical assistance to local governments and permit applicants
- Assuring State and County compliance with the statutory requirements



Program Administration

OP is responsible for the overall administration of the CZM Program. Under Section 205A-3, OP is responsible for the following ongoing tasks: receipt and disbursement of CZM funds, support and assistance to networked agencies, federal consistency review, monitoring and enforcement of actions for consistency and compliance, public participation, preparation and issuance of guidelines, coordinating the implementation of the Ocean Resources Management Plan (ORMP), and others.

Grant administration is a key work task since the federal CZM grants underwrite the personnel costs for most State and County CZM employees. The preparation and administration of grant applications, grant reprogramming, extensions, contracts, and related activities consume large amounts of time. The solicitation and recordation of eligible non-cash services to satisfy the one-to-one match grant requirement are cumbersome tasks due to inadequate state matching funds. Given the temporary status of a number of CZM staff positions, personnel turnover contributes to a less than efficient and consistent system to carry out work tasks.

The CZM Program carries out a number of broad-based administrative tasks. Most deal with assuring coastal recreational opportunities accessible to the public; protecting and preserving the quality of coastal scenic and open space resources; protecting valuable coastal ecosystems from disruption and adverse impacts; reducing hazards to life and property, stimulating public awareness and involvement in CZM processes; and promoting the protection, use, and development of marine and coastal resources sustainably.

The CZM Program monitors proposals for congressional and state legislative consideration that potentially impact the CZM Program and its initiatives. At the same time, the CZM Program coordinates responses to legislative proposals with affected State and County agencies. Routinely, CZM staff review and analyze bills and prepare testimonies on them.

The CZM Program develops guidance and policy documents on various CZM-related interests, such as interpretation of the CZM law, submarine cable landings, marina



development, public access, and others. Coordination with and training sessions for county personnel on CZM and the SMA permit system periodically lead to requests for policy and legal interpretations.

Developments in SMAs require a SMA permit, which is administered by County authorities, except in community development districts (CDD), where the permits are decided by the OP. The SMA permit is CZM's formal management tool to assure permissible uses and activities are designed and carried out in a manner consistent with the CZM objectives and policies.

Special Management Area and Shoreline Area Approvals

Chapter 205A, HRS, was enacted to help assure the sustainable use and preservation of land and water resources. Under Part II of the statute, the Counties have direct management responsibilities to administer a permit system for development in designated SMAs. Part III of the statute also establishes the Counties' authority to grant variances for structures and activities in the shoreline setback area.

The four County governments implement the SMA permit system and Shoreline Setback Variances (SSV) that manage development in the shoreline areas of the coastal zone. The Planning Departments of the Counties of Hawaii, Maui, Kauai, and the City and County of Honolulu are the regulatory agencies administering the SMA and SSV permit systems. They also function as the coordination point for their Counties' CZM-related activities. The County agencies are also responsible for monitoring development activities to ensure compliance with the CZM law.

OP is the administering authority for the SMA and Shoreline Setback reviews within a CDD, for which a Community Development Plan has been developed and approved in accordance with Section 206E-5, HRS. The two designated CDD are Kakaako within the urban Honolulu and Kalaeloa at Barbers Point, both on Oahu.

The CZM Program provides comprehensive statewide guidance for developing and maintaining a consistent message regarding SMA issues. This is vital for resource agencies requiring a defined direction to follow or a unified program support. The CZM Program also monitors all State and County shoreline development permits which are published in The Environmental Notice by the Office of Environmental Quality Control (OEQC). Applications and proposals are selectively reviewed to ensure the network agencies consider the objectives and policies of Chapter 205A, HRS, in their reviews.

We encourage proactive actions regarding management of shoreline resources and the reduction of reactionary attitudes and temporary fixes. A dedicated statewide SMA program coordinator oversees all SMA matters and serves as the SMA program liaison for all of the Counties.



Grant Funding

OP receives federal and State CZM funds made available to the CZM Program. OP receives and disperses a federal CZM grant award of approximately \$2 million annually from the National Oceanic and Atmospheric Administration (NOAA), U.S. Department of Commerce. The components of this grant are Section 306 Program Administration, Section 309 Coastal Zone Enhancement Grant Program, and Section 310 Technical Assistance for the Coastal Nonpoint Pollution Control Program (CNPCP) Implementation.

- *Section 306 Program Administration*

Section 306 grant funds are used for administering the state's coastal management program and require a non-federal match equal to the federal amount. Funds supporting CZM personnel and program implementation are allocated to the Counties for administering the SMA permit process and other projects and underwriting network partnership projects.

State funds to help match the Section 306 grant are available in the state supplemental appropriations bill. However, these funds are inadequate to meet the match requirement and OP must secure other non-federal funds and services-in-kind to help us qualify for the balance of the Section 306 grant. Also, as a result of inadequate State funds, federal funds have been used to support four permanent State civil service CZM positions. The continued reliance on federal funds for State civil service positions remains a federal concern because it inhibits the use of the funds for more CZM-related priority projects.

- *Section 309 Coastal Zone Enhancement Grant Program*

Section 309 enhancement grants 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 (CSI), energy and government facility siting, marine debris, ocean resources, special management planning, and aquaculture. Although Section 309 funds do not require a State match, it must be used for activities that enhance specified CZMA objectives and which result in a measurable program change (i.e., rules, laws, etc.).

A five-year assessment and strategy was prepared for implementation, in effect July 2006 to June 2011. For this five-year period, Section 309 funds are earmarked for priority enhancement area projects related to coastal hazards, ORMP implementation and update projects, and CSI.



- *Section 310 Technical Assistance for the CNPCP Implementation*

Section 310 funds support the development and implementation of program changes under Section 309, coastal clean water, and coral reef programs. The CZM Program received Section 310 funds to support the implementation of the CNPCP. Section 310 grants require a non-federal match equal to the federal amount. As a result of inadequate State funds, OP must secure other non-federal funds and services-in-kind to help us qualify for the total Section 310 grant.

State and County Implementation

CZM funds were provided to State and County agencies for the following projects:

- *Kauai County Coastal Erosion Study*

Based on the success of the historic shoreline study for Maui County's changes to their shoreline setback rules, Kauai County is conducting a coastal erosion study that is expected to culminate with new and/or revised shoreline setback rules. This study is based on beach erosion rates rather than the customary fixed rate. An analysis of historical coastal erosion rates and processes, established and supported by documented science-based criteria, is needed to support administrative adoption of new shoreline setback rules and regulations. The objective was to provide State and County authorities with a high precision database of shoreline erosion and accretion in support of their planning and conservation activities. By having sound decision-making resources, the public is more accepting of the shoreline rules and regulations and Kauai can better meet the intent and purpose of the CZM law and objectives.

Beach profiles, aerial photographs, and other data generated by this project are posted on the University of Hawaii Coastal Geology website (www.soest.hawaii.edu/coasts/).

- *Strategies to Address Ocean Recreation User Conflicts*

The growing interest in ocean recreational uses for cultural, recreational, and commercial purposes has resulted in serious ocean recreation user conflicts. The Ocean Recreation User Conflicts Study was conducted by the Department of Land and Natural Resources (DLNR). The study examined user conflicts in Waikiki and Kailua on Oahu; Kihei, Maui; Kahului, Hawaii; and Hanalei, Kauai. This resulted in the identification of four primary strategies DLNR could employ to gain better control over commercial ocean recreation operations, increase public safety and access, and increase the protection of natural and cultural resources. Each of the strategies contains a number of tools designed to help DLNR reach the strategic objectives. The final report is available at www.hawaii.gov/dlnr/dbor/userconflictsrpt.htm.



- *Hawaii County Downtown Hilo Visioning Project - Implementation Phase*
"EnVision Downtown Hilo 2025 'Ike iä Hilo"

In support of the Counties implementation of the CZM Program's objectives and polices, the CZM Program continues to fund Hawaii County's on-going downtown Hilo community visioning project. Downtown Hilo (located in a SMA, a flood zone area, and the tsunami inundation zone) is one of the impaired waters in the Hilo watershed area. There is a critical need to develop a workable plan before the increase in population, business, and development will adversely impact the physical, economic, and social environment.

The first phase of EnVision Downtown Hilo 2025 Community Visioning process was completed. The Action Plan document was published and continues to be distributed. The implementation phase has begun with work on facilitating specific actions in the plan and developing tools to evaluate progress of the community as they work on specific actions to achieve the vision. This project is available at co.hawaii.hi.us/edh2025/cv.htm .

- *Maui County SMA Boundary Review*

The CZM Program supports Maui County's efforts in assessing the feasibility of SMA boundary changes in priority areas. This project was to develop a methodology to assess whether identified areas or parcels should be removed from or included in the SMA boundary. The County incorporated the development of a standards checklist to assess whether 1) contracting the SMA boundary in targeted areas would leave these areas vulnerable to significant or increased impact, in accordance with the objectives and polices of Chapter 205A, HRS and 2) expanding the SMA boundary in targeted areas would result in excessive regulation of these areas that may already be adequately regulated by current zoning, community plan, and building ordinances.

The County was able to conduct preliminary work which resulted in the development of benchmarks and/or indicators for SMA regulations and criteria and a checklist to allow a quick tabulation of these indicators. A random sample of 25 SMA assessments was evaluated using the checklist. Results are preliminary and the County anticipates concluding this boundary review project with its own resources.

- *Hawaii County Kapoho Study*

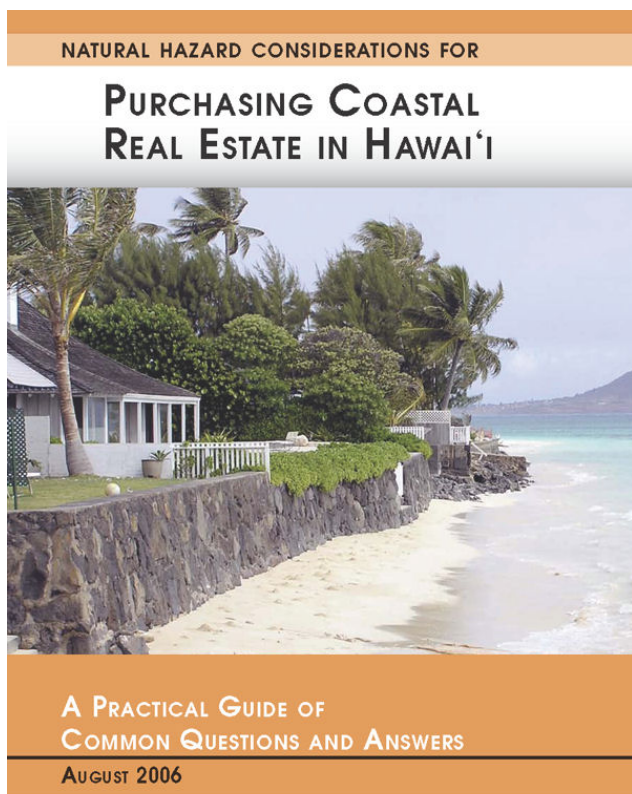
The Puna District on the Island of Hawaii, and in particular the residential subdivisions of Kapoho Beach Lots and Kapoho Vacationland, has been subjected to numerous earthquakes. Some were as strong as 7.2 in magnitude, which have caused coastal subsidence in an area that is entirely rocky. These events have created problems relating to issues such as shoreline determination, land title issues between the State and private landowners, management and jurisdiction issues between the State and the County, applicability of current State laws relating to



seawalls, increased tidal pond areas, and health hazards relating to sewage systems. The CZM Program supported the efforts of Hawaii County to study the extent of the tidal inundation, impact of further residential development, and impact of seawalls on the ocean environment. The CZM Program developed recommendations for County CZM permit processing and enforcement actions and possible statutory amendments for the unique conditions at Kapoho. The County Planning Department have initiated discussions regarding the recommendations provided in the final report and the possibility of affecting policy and/or code changes necessary for implementation of those appropriate to promote the safety and welfare of existing and future residents. This study is available at [www.hawaii-county.com/planning/kss/Coastal Subsidence Final.pdf](http://www.hawaii-county.com/planning/kss/Coastal%20Subsidence%20Final.pdf)

Citizen Participation

Recent staff shortage has reduced our active participation in numerous organizations, events, and conferences, but efforts continue to be made in educating the public of our role with respect to integrated ocean and coastal zone management.



The CZM Program reviewed and provided comments for the development of the Natural Hazard Considerations for Purchasing Coastal Real Estate in Hawaii guidebook. This guide was written by Dolan Eversole and Zoe Norcross-Nu'u in collaboration with the DLNR, Office of Conservation and Coastal Lands, UH Sea Grant College Program, and CZM Program. Funding support was also provided for a portion of the publication costs. The guide provides basic information a real estate investor should consider when purchasing coastal land. It also helps answer common questions and provides options and resources concerning coastal issues. This guidebook is available at [www.hawaii.gov/dlnr/occl/files/Purchasing Coastal Real Estate.pdf](http://www.hawaii.gov/dlnr/occl/files/Purchasing%20Coastal%20Real%20Estate.pdf).





The E Malama I Ke Kai (Care for the Ocean) Festival was sponsored by the Punana Leo O Kawaiaha'o Hawaii Language School. With well over 500 attendees, this was an excellent opportunity to distribute

information about the CZM Program and ORMP to the public and reinforce CZM's commitment to sustainable ocean management and community building.

Hawai'i Ocean Resources Management Plan

Perspective 1: Recognizing the traditional Hawaiian concept of ahupua'a management by connecting land and sea.

Perspective 2: Preserving our ocean heritage by maintaining a vibrant marine environment through a geography-based management system that recognizes ecology, environmental conditions, and resource use.

Perspective 3: Implementing a holistic approach to natural resource management by promoting collaboration and stewardship.

Logos for the State of Hawaii, Hawaii CZM Program, and NOAA are included at the bottom of the graphic.

The annual Get the Drift and Bag It! cleanup event is part of the Ocean Conservancy's International Coastal Cleanup and is held worldwide on the third Saturday of each September. The cleanup garners hundreds of volunteers statewide and thousands of pounds of trash, which is tabulated and displayed on the Ocean Conservancy's website (www.oceanconservancy.org/).

Other outreach and educational activities include:

1. Providing educational materials for a Hawaii Community Development Authority community service project in support of a Kakaako charter school.
2. Providing copies of the Waianae Ecological Characterization CD in support of the Leeward Coast Initiative outreach efforts.

Best Coastal Zone Management Strategies

In the next five years a number of public policy decisions will be made in Hawaii relating to permissible uses on land and in the ocean, possible reclassification of large tracts of land across the state from limited development to greater development status, development of a statewide Sustainability 2050 Plan, and consideration of the best management practices raised during the Rural Policy/Low Impact Development Project and the implementation of the recently updated ORMP.

The CZM Program views this period as an opportunity to provide the public and policy makers with information, data, and education to inform the decision-making process and ensures that the ultimate choices fully consider and reflect the CZM objectives and policies. In an attempt to initiate outreach and education on best practices, policy papers and maps relating to the rural and important agricultural lands strategy have



been distributed broadly to a number of industry and/or advocacy groups via e-mail and shared with the Executive Branch and Legislature. The Urban Lands Report and geographic information system (GIS) maps are available online at www.hawaii.gov/dbedt/op/projects/urban_lands_study/. The following policy papers and maps were published:

- Short History of the Boundary Review
- Urban Lands Report, Part I
- Comparison of Conditions of Ad Hoc Development Approvals and Impact Fees
- Series of GIS analytical maps displaying data on the key policy issues referenced in the strategies

OP staff presented information from the rural effort to the Joint Legislative Rural Caucus, University of Hawaii's Master of Urban Planning Program, and Urban Land Institute. The OP staff also made presentations on planning principles for rural communities which incorporate best CZM practices at the Second Annual Hawaiian Economic Conference sponsored by the Office of Hawaiian Affairs. OP continued working with the four Counties and the State Department of Agriculture to consolidate numerous land use policy maps into a comprehensive database, which ultimately can be overlaid with other important CZM data such as coastal hazards and watersheds.

Outreach Campaign

The development of a strategic five-year public outreach and education program is underway. This task was intended to benefit from the momentum of the OP and CZM Program strategic planning efforts. Although there have been serious impediments to recruit an outreach and education specialist, we recruited staff with strong GIS, web, and analytical skills.

Staff initiated work in implementing operational plan activities related to the development of a centralized and comprehensive internal database, web development, and content maintenance. These activities reinforced the CZM Program's commitment to increase public awareness and involvement and communicate a consistent message based on ongoing initiatives with respect to integrated ocean and coastal zone management.

Marine and Coastal Zone Advocacy Council

Pursuant to Section 205A-3(6), HRS, a primary duty of OP is to facilitate public participation in the CZM Program. The Marine and Coastal Zone Advocacy Council (MACZAC) is a public advisory body established to identify coastal management problems and to provide policy advice and assistance to OP.

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



management planning, coordination, and facilitation of functions of the CZM Program. Tasks include the following:

- 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 Composition and Administration

MACZAC is composed entirely of community members (maximum of twelve members) recruited from the Hawaiian Islands, with diverse backgrounds in business, environment, native Hawaiian cultural practices, terrestrial and marine commerce, recreation, research, and tourism. They provide both broad subject matter representation as well as statewide distribution.

MACZAC Meetings

MACZAC generally holds meetings quarterly, while its investigative working groups may meet more often as needed. Typically, three meetings are held on Oahu while one is on another island. Site visits are often incorporated into the neighbor island meetings. MACZAC activities are governed by the State's Sunshine Law. All MACZAC meetings must be open to the public and follow the publicly noticed agenda.

MACZAC established investigative working groups to address specific coastal zone management topics or concerns. MACZAC investigative working groups are as follows:

1. Shoreline Access/Coastal Parking Working Group
2. Boating Working Group
3. Marine Managed Areas Working Group
4. Regulatory Review Working Group
5. Wastewater Working Group
6. Lua/Compost Toilets Working Group
7. Moku Management Working Group

MACZAC agreed to take an active role in spearheading public participation in the upcoming implementation phase of the ORMP. Members agreed to serve on the forthcoming ORMP Policy Group and ORMP Working Group, and to form their own Moku Management Working Group to address ORMP implementation and bridge the gap between State government and the public in this arena.

Other MACZAC Activities

MACZAC was in favor of House Bill (HB) 1388, a bill relating to and sought to reestablish the Hawaii Ocean and Coastal Council (HOCC) as a permanent body. MACZAC presented testimony to the House of Representatives Committee on Water,



Land, Ocean Resources and Hawaiian Affairs. MACZAC further proposed several changes to enhance the effectiveness of HOCC.

MACZAC is very supportive of the newly updated ORMP and participated in the review for various drafts of the ORMP.

Several MACZAC members participated in the external review of OP's Strategic Plan, providing oral and written input on the Plan.

Several MACZAC members attended the NOAA Coastal States Organization visioning meeting "Envisioning the Future of Coastal Management". This meeting was one of five hosted around the country addressing the possible Congressional reauthorization of the federal CZMA and designed to receive public input on the Act.



ACCOMPLISHMENTS

Federal Consistency Program

The CZMA requires federal agencies to conduct their planning, management, development, and regulatory activities in a manner consistent with the state CZM programs. OP has the authority to review federal actions for consistency with Hawaii's federally-approved CZM Program. The informational and procedural requirements for federal consistency reviews are prescribed by federal regulations.

Because there is a significant federal presence in Hawaii, CZM federal consistency is a valuable State management tool. Federal planning, regulatory, and construction activities have direct and significant effects on land and water uses throughout the State. Federal permits are required for a number of coastal activities and developments. The federal government controls vast tracts of land. 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. Public notices for all federal consistency reviews are published in the OEQC bulletin The Environmental Notice.

The following are noteworthy examples of federal consistency activities:

1. **October 2006 Earthquake:** On October 15, 2006, two earthquakes of 6.6 and 5.8 magnitude occurred off the west coast (Kiholo Bay) of Hawaii Island (Big Island) and affected the entire State. The CZM Program assisted State agencies such as the Department of Transportation with expediting federal consistency requirements relative to receiving federal emergency aid.
2. **Navy Intern Program:** The Navy's Intern Program provides their civilian employees a comprehensive perspective of the federal and State agencies that the Navy works and interacts with. Interns we hosted gained an in-depth understanding and working knowledge of the CZM Program and the federal consistency process, which results in improved inter-agency relations.
3. **Navy De Minimis Activities:** Through a collaborative effort between the CZM Program and Navy Intern Program, the Navy submitted a list of de minimis activities that would be excluded from federal consistency review because the activities would have either insignificant or no coastal effects. The de minimis list includes 17 categories of activities and a corresponding list of mitigation measures and general conditions. The areas covered include: Pearl Harbor Naval Complex; Naval Magazine Lualualei; Naval Communications and Telecommunications Area Master Station Pacific; Pacific Missile Range Facility; and all associated installations, facilities, and equipments located outside of these Navy properties. CZM consistency concurrence was issued on April 2, 2007. The de minimis list significantly streamlines the federal consistency process for both the Navy and CZM.



- 4. U.S. Army Corps of Engineers Nationwide Permits (NWP):** On May 11, 2007, the CZM Program issued consistency decisions for the Corps of Engineers reissuance of 44 NWPs and issuance of six new NWPs. NWPs are general permits issued on a nationwide basis to streamline the authorization of activities that result in minimal individual and cumulative adverse effects on the aquatic environment. CZM consistency concurrence was issued for 14 NWPs and conditional concurrence was issued for 24 NWPs. Concurrences were issued to these NWPs because the permitted activities are not likely to adversely affect coastal uses and resources. Individual CZM reviews are required for six NWPs and the remaining six NWPs are not applicable in the State of Hawaii. Issuing concurrences for the majority of the NWPs is an effective streamlining measure for CZM because federal consistency reviews is only conducted for activities that affect coastal uses and resources.

The CZM Program facilitates cooperation among government agencies in reviewing applications for Federal, State, and County permits. Also, pre-application consultation is highly encouraged by the CZM Program. Most consultations occur by telephone and email, and consultation meetings involving both applicants and agencies are often held. This results in a coordinated review process benefiting both applicants and agencies.

The CZM Program continued its involvement with the Federal and State agency coordination initiative involving quarterly meetings with regulatory and resource agencies, and various branches of the military. The meetings were hosted by the U.S. Army Space and Missile Defense Command and the U.S. Navy. This forum provides the participating agencies an opportunity to discuss and coordinate on current and future projects, activities, and issues.

Improvements and updates have been made to the federal consistency section of our CZM website. Information about federal consistency and related resources are provided.

Special Management Area

The CZM Program initiated two joint County meetings to assist with compliance issues by providing an opportunity to simultaneously discuss matters directly with all the Counties. These meetings provide opportunities for updating the Counties on legislative issues and the CZM Program initiatives. Coordination with the Counties assists the CZM Program in direction and management of initiatives like the ORMP, performance measures, rural lands, important agricultural lands, and SMA Administration.

The CZM Program conditionally approved five minor and two major SMA use approvals for development within the Kakaako CDD. The minor SMA use approvals were for various temporary uses, installation of fences and gates, and soil test boring within the Kakaako CDD. These activities did not have substantial, adverse environmental or ecological effects, and are consistent with the objectives and policies established in Section 205A-2, HRS, and the SMA guidelines established in Section 205A-26, HRS. The two major SMA use approvals were for an expansion of the Children's Discovery



Center and a new temporary parking lot adjacent to the historic Ala Moana Pump Station.

A proactive strategy to address conflicts involves education of resource agency staff, decision-makers, and the public which lead to a better understanding and resolution of the issues identified. By encouraging early participation in the process, issues can be better managed and adequately addressed. Education of the resource agency staff, decision-



makers, and the public is achieved primarily through the distribution of the SMA Guide and appropriate workshops for staff or Planning Commission members to explain objectives, policies, and limitations of the CZM Program.

Coastal Nonpoint Pollution Control Program

The Coastal Nonpoint Program's primary focus was working to receive final federal approval for Hawaii's CNPCP. Section 6217 of the Coastal Zone Act Reauthorization Amendments of 1990 requires the coastal zone and water quality agencies of each state with a federally-approved CZM program to develop and implement a CNPCP. Hawaii's CNPCP document, prepared by the CZM Program and the Department of Health (DOH) Polluted Runoff Control Program (PRCP), is an analysis of how management measures and administrative requirements were being met in the State as of 1996, and includes recommendations for improvements in those areas.

As of June 30, 2007, 42 management measures and nine administrative requirements have been approved. The CZM Program and DOH-PRCP collaborated on an ongoing basis with NOAA and the Environmental Protection Agency to meet the remaining requirements for full approval of the CNPCP. Work included development of strategy to meet these requirements.

Coastal Zone Management Act Performance Measurement System

Under the CZMA Performance Measurement System (PMS), NOAA requires each federally-approved CZM program across the nation to collect and report on specific performance indicators. In September 2006, the CZM Program reported on data collected for FY 2005-2006. Data was collected from each of the four County Planning Departments and OP. Data collected pertained to public access, federal consistency, and educational and training activities. This was the first instance of mandatory reporting under the CZMA PMS.



Ocean Resources Management Plan

Act 104, Session Laws of Hawaii 1995, provided for the integration of the Hawaii ORMP into the State's CZM Program. The CZM Program continues to facilitate comprehensive ocean resources management in coordination with MACZAC. Input was obtained from governmental agencies before producing an updated draft. The public comments emphasized the need for inter-agency collaboration, strong funding support for implementation, and increased enforcement of existing laws.

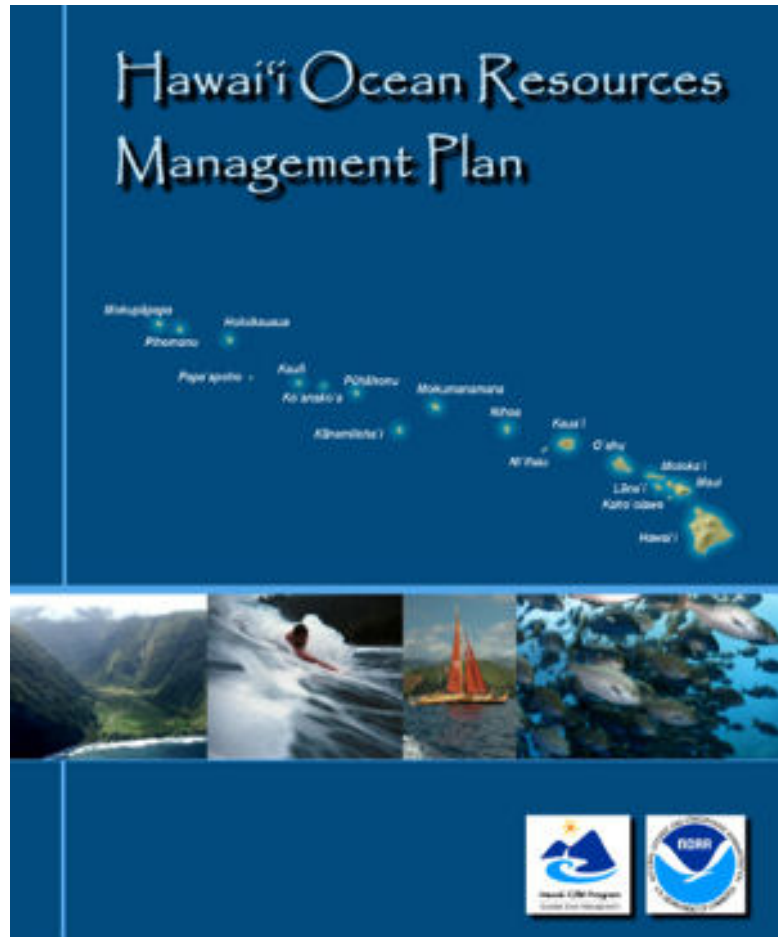
Public comments were compiled and incorporated into the ORMP and the final plan was completed in December 2006. The updated plan presents an innovative three-perspective framework, accompanied by concrete

management goals and strategic actions to address them in five-year implementation phases over the next 30 years. The final ORMP was transmitted to the Governor and the 24th session of the State Legislature and is available on our CZM website.

The CZM Program has obtained the support of the Governor, Executive Branch, and the Legislature for implementing the ORMP. An Executive-level Implementation Team was established to oversee the implementation and further development of the plan. The CZM Program included State Civil Defense in that team to support the integration of coastal hazard mitigation strategies with local and State land use planning.

Moku Management Framework and Principles

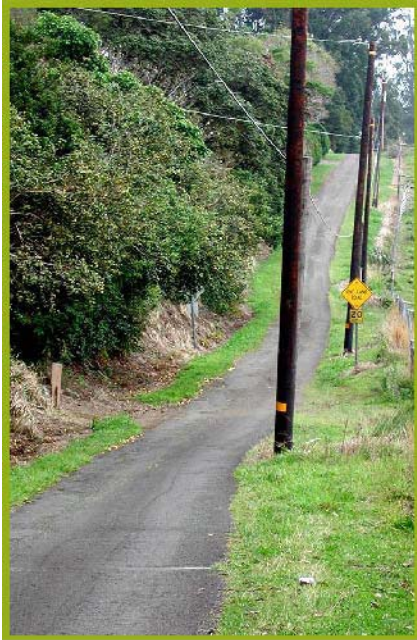
One of the main objectives of the ORMP is to move away from the current sector-specific approach to an integrated, place-based approach to managing our ocean resources. In order to support such an approach, the CZM Program has embarked on a moku management framework and principles project. The request for proposals for this project was drafted, proposals were reviewed, and a contractor was selected.





Special Projects

Rural Policy and Best Practices Project



*planning for rural areas
the road less traveled
policies. standards. tools.*

The Rural Project was initiated to enable the CZM program to contribute to the development of policies and tools that are to be used for planning and managing the cumulative and secondary impact of development in the State's rural areas. The project was designed to provide local governments, public, and the State with information and models that could improve rural land use policy and rural development standards and practices.

Following on the public workshops conducted in May and June 2006, a background paper on profiles of exemplary State and County rural planning systems was completed. The paper examined the kinds of rural policy and program tools being used in three states and three counties on the mainland, and included a brief analysis of how Hawaii's State and County land use system compared with the features of these systems. This research assisted in the development of an Administration bill, HB 1269/SB 1355, which was introduced in both chambers in the 2007 State legislative session. The research was also used to develop testimony in support of rural and agricultural land use policy amendments considered during the 2007 legislative session.

HB 1269/SB 1355 was ultimately deferred, as were all other substantive bills related to improving the State's rural and agricultural land use policy. The lack of movement on changes to rural and agricultural land use policy indicates a need for continued information sharing and public discussion of these issues among stakeholder groups statewide.

Materials for a rural best practices guidebook were compiled and submitted, completing consultant work on the development of a guidebook that would provide information on rural planning practices and tools for agency and public users. OP will tailor the guidebook content to the Hawaii context and CZM-specific issues.

Coastal and Estuarine Land Conservation Program

The 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. The CELCP Advisory Group, which consisted of several coastal land trust and conservation organizations and the public, provided support in developing this plan. They also assisted in addressing the recent Section 312 evaluation program suggestion to access options to acquire and maintain significant shoreline areas.

The NOAA Ocean and Coastal Resource Management office reviewed and provided suggested changes for the final draft plan. Based on work with the CELCP Advisory Group, the plan established a set of evaluation criteria and methodology for prioritizing between land acquisition proposals that incorporates federal program guidelines and Hawaii-derived values.

Coastal Hazards

Wind Speed Mapping and Building Code Project

Building codes can be used to mitigate natural hazards by providing seismic, flood, wind, and other hazard-related design standards. Today's model building codes include current national consensus standards that address safety issues with respect to earthquake, hurricane, tsunami, flood, and fire events. These model codes can be strengthened by inclusion of state-of-the-art knowledge of local conditions and hazard mapping. To build resiliency in Hawaii, the CZM Program has embarked on a five-year Wind Speed Mapping and Building Code Project. This project is the key to achieving a consistent system for wind hazard estimation throughout the State of Hawaii.

Wind Speed Maps and Building Code Standards

Wind speed maps and building code standards for hurricane force winds hitting the County of Hawaii were developed and completed in May 2007. Consistent wind (hurricane) simulation and loss estimation systems, as well as consistent building design provisions, were developed, mapped, and translated into building code provisions ready for incorporation into the International Building Code (IBC) and International Residential Code (IRC).

International Code Training

As part of the Wind Speed Mapping and Building Code Project, the CZM Program initiated training of design professionals and building officials in the private and public sectors in the IBC and IRC. In May 2007, the CZM Program, in partnership with the City and County of Honolulu Building Division and the local chapters of the American Institute of Architects and the Construction Specifications Institute, held three workshops during which 269 government and industry professionals were trained in various aspects of the 2003 IBC. The overwhelming consensus of attendees was that this training is essential to the development of a highly qualified public/private building industry. Without this kind of training, the full value of the new building codes would not



be realized, including reducing the risks to life and property caused by natural hazards. The majority of the trainees were from the public sector, with the State Department of Education and the City and County of Honolulu Building Division well represented. The demand for training is extremely high. On June 6, 2007, the 2003 IBC and IRC, which incorporate Oahu-specific wind speed amendments, were unanimously adopted by the City and County of Honolulu.



Partnerships with Technical Committees

Hawaii State Earthquake Advisory Committee (HSEAC)

HSEAC brings together seismic expertise from the Hawaii scientific, engineering, and emergency management communities. This Committee has made it possible for the research of scientists to be immediately reviewed and interpreted for its practical implications to the State.

In 2006, the CZM Program (in partnership with the Federal Emergency Management Agency (FEMA), State Civil Defense, and the Structural Engineers Association of Hawaii) organized, funded, and delivered the Applied Technology Council (ATC-20) Post-Earthquake Evaluation of Buildings training on Oahu and the Big Island. This training was critical as the estimated future annual earthquake loss in Hawaii County is the third highest in the nation, behind San Francisco and San Jose, California. When an earthquake strikes, there is an immediate need for qualified professionals to evaluate damaged buildings to determine safety for occupancy. The ATC-20 training course provides training for individuals to conduct post-earthquake safety evaluation of buildings. Four months later, after the Kiholo Bay Earthquake of October 15, 2006, these ATC-20-trained County inspectors and volunteer structural engineers evaluated approximately 1,700 buildings, making decisions regarding the continued use and occupancy of damaged buildings.

This training was extremely timely. CZM funding and technical assistance made it possible to hold the training on both Oahu and the Big Island. This provided the opportunity for training of Hawaii County inspectors, who in fact, conducted the majority of inspections along with a trained structural engineer. There was a positive reaction



from the Big Island communities regarding the inspections. Evaluation of residences by the County and volunteer engineers reassured them as to the safety of entering their homes, schools, and places of worship. It showed that government was there to assist them in time of disaster.

FEMA is funding earthquake mitigation projects in the wake of the October 2006 Kiholo Bay Earthquake. Some of these funds were granted based on the work accomplished earlier and contained in the Earthquake Hazards and Estimated Losses in the County of Hawaii report, a joint project of HSEAC, State Civil Defense, and the CZM Program. Reconnaissance results currently indicate that the loss estimation work encompassed in the report is accurate and warrants further funding to take Hawaii's methodology to an even higher level. The level of customization done in Hawaii is rarely, if ever, accomplished in other jurisdictions in part because of the high level of difficulty.

State Hazard Mitigation Forum

The Forum is comprised of persons with experience in hazard mitigation activities. Members' expertise could fall into a number of relevant areas, including risk and hazard analysis, engineering, planning, public awareness, earth sciences, coastal zone management, emergency management, and others. The Forum coordinated development of the update to the State Hazard Mitigation Plan and monitored projects that have received Hazard Mitigation Grant Program and Pre-Disaster Mitigation Program grant funds.

State Building Code Committee

This Committee was convened by the State Comptroller to develop a matrix of all state building code laws. This matrix is a critical step toward the adoption of a statewide building code. Act 82 establishes a nine-member council to work with the Counties to adopt a statewide building code that includes hurricane resistive design standards, and the latest fire code, uniform plumbing code, and IBC. The Legislature stated that, "health and safety considerations relating to establishing a statewide building code is of statewide interest, especially relating to emergency disaster preparedness." Thus, Act 82 is a statement by the legislative and executive branches that the building of resilient communities is a statewide priority. This enactment is an important milestone toward our coastal hazards Section 309 program change, which calls for the adoption of state-of-the-art building codes with customized coastal hazard mitigation strategies.

Strategic Plan

The CZM Program requested and received approval to allocate funds back into the strategic planning component. The strategic plan project is critically important to understanding the ideal interrelationships between CZM and other programs of OP, and setting a coordinated context for CZM policy and management activities.



Three staff workshops were conducted to define program objectives and sub-objectives with the office-wide goals, as well as to identify performance metrics for the draft strategic plan. The workshops focused on:

1. Getting an agreement about ground rules and the process;
2. Identifying strengths, weaknesses, opportunities, and threats;
3. Defining goals, objectives, mission, vision, and program responsibilities; and
4. Reviewing the form and potential content for the strategic plan.

Two external stakeholder meetings were conducted to allow OP “customers” to provide feedback on the draft strategic plan. External review was conducted to gauge whether the draft strategies were understood by those outside OP and whether there was general support for these strategies.

The final internal strategic plan based on staff review and revisions was completed in April. Concurrently, a committee of staff representing the various OP programs assisted the Office in developing a one-year operational plan to bring existing program activities and the strategic plan into alignment. The final operational plan for all OP activities outlining specific tasks, timeframes, and staff assignment was completed in May. The operational plan is to be used as the primary mechanism to implement the OP strategic plan.



CLOSING

CZM is commonly referred to as a resource management program. However, resources do not need to be managed because they do quite well when left undisturbed. Resource management is really about managing human activities. This is why the discipline is so complex and difficult.

Hawaii is a beautiful place, a unique environment composed of an intimate connection between land and sea. Our lifestyle is dependent on ocean resources. However, resources are limited. If we want the ocean to take care of us, we must show respect and take care of the ocean.

Through generations of continuous ocean harvesting and land development, our coastal environment is degrading rapidly. The need for thoughtful planning and management to achieve a sustainable balance for our island ecosystem is more pronounced than ever. We need to put into practice various conservation activities and tools to protect our coastal resources. Our goal is to make Hawaii a better place to live, for today and future generations. We must all work together to achieve this goal.

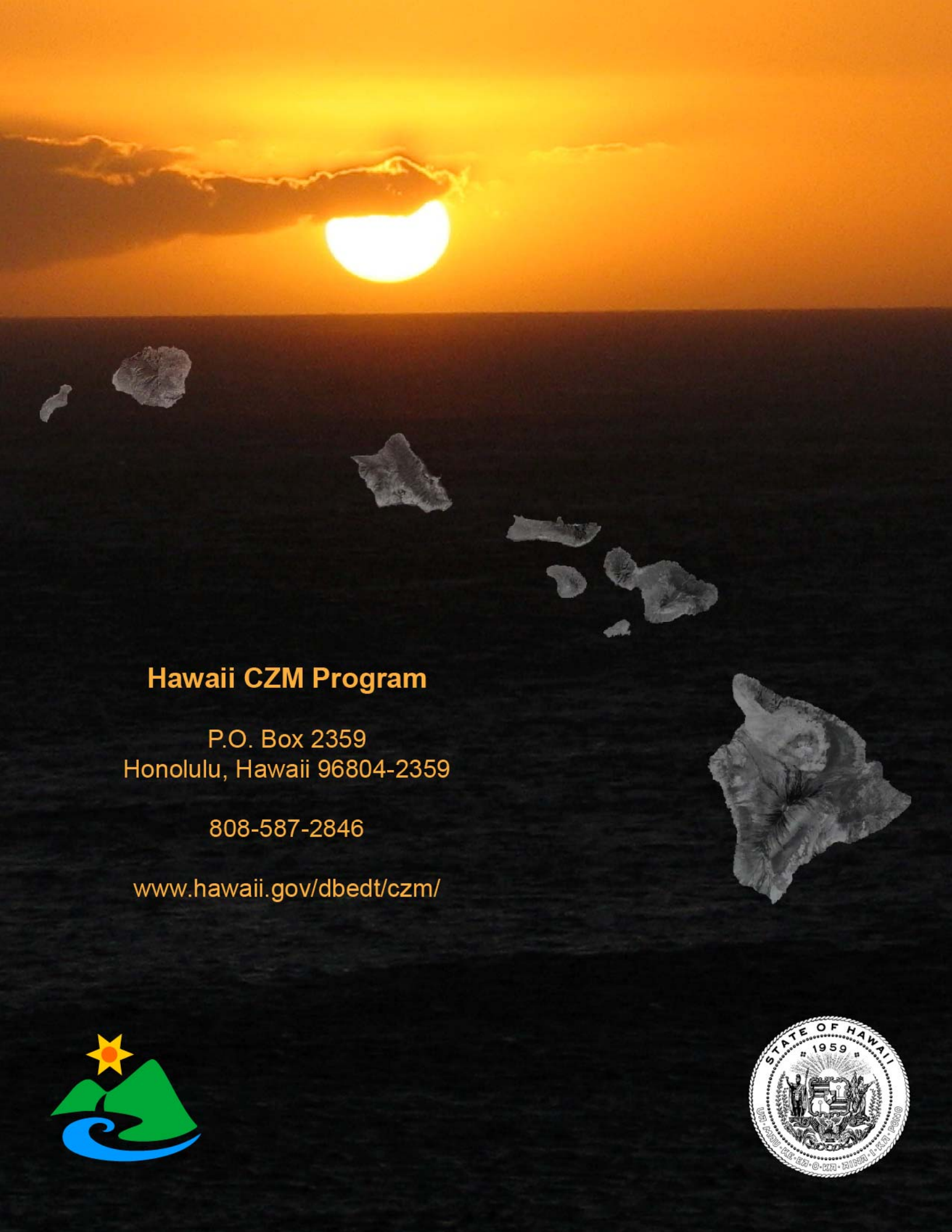




APPENDIX

Agency Acronyms

ATC	Applied Technology Council
CDD	Community Development District
CELCP	Coastal and Estuarine Land Conservation Program
CNPCP	Coastal Nonpoint Pollution Control Program
CSI	Cumulative and Secondary Impacts
CZM	Coastal Zone Management
CZMA	Coastal Zone Management Act
DLNR	Department of Land and Natural Resources
DOH	Department of Health
FEMA	Federal Emergency Management Agency
FY	Fiscal Year
GIS	Geographic Information System
HB	House Bill
HOCC	Hawaii Ocean and Coastal Council
HRS	Hawaii Revised Statutes
HSEAC	Hawaii State Earthquake Advisory Committee
IBC	International Building Code
IRC	International Residential Code
MACZAC	Marine and Coastal Zone Advocacy Council
NOAA	National Oceanic and Atmospheric Administration
NWP	Nationwide Permit
OEQC	Office of Environmental Quality Control
OP	Office of Planning
ORMP	Ocean Resources Management Plan
PMS	Performance Measurement System
PRCP	Polluted Runoff Control Program
SMA	Special Management Area
SSV	Shoreline Setback Variances



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