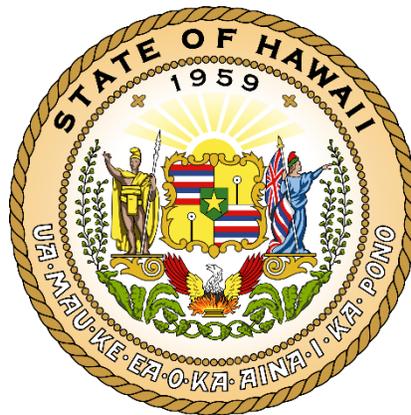


FISCAL YEAR 2014 – 2015

OFFICE OF PLANNING

**REPORT TO THE TWENTY-EIGHTH LEGISLATURE
REGULAR SESSION OF 2016**



Prepared by

**OFFICE OF PLANNING
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
STATE OF HAWAI‘I**

This report satisfies Section 205A-3(10), Hawai‘i Revised Statutes

Honolulu, Hawai‘i
December 2015

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TABLE OF CONTENTS

I. PURPOSE AND HIGHLIGHTS	1
II. INTRODUCTION	3
III. PLANNING DIVISION	7
A. COASTAL ZONE MANAGEMENT PROGRAM	7
B. GEOGRAPHIC INFORMATION SYSTEMS (GIS) PROGRAM	14
C. SPECIAL PLANS BRANCH	16
IV. LAND USE DIVISION	19
V. LEGISLATIVE PROPOSALS	22
VI. ACRONYMS	23

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**ANNUAL REPORT TO THE TWENTY-EIGHTH LEGISLATURE
OFFICE OF PLANNING
REGULAR SESSION OF 2016**

I. PURPOSE AND HIGHLIGHTS

Hawai‘i Revised Statutes (HRS) § 205A-3(10) requires the Office of Planning (OP) to prepare an annual report on the Hawai‘i Coastal Zone Management (CZM) Program for submittal to the Governor and Legislature. Due to the integrated nature of statewide planning, this report describes both CZM Program’s and OP’s office wide activities and accomplishments for the period July 1, 2014 to June 30, 2015.

The following are highlights of accomplishments for the period July 1, 2014 to June 30, 2015.

Reports Published:

- *Natural Disaster Economic Recovery Strategy (December 2014)*
- *Alternative Funding Mechanisms for Shoreline Public Access (July 2014)*
- *National Oceanic and Atmospheric Administration (NOAA) Section 309 Assessment and Strategy for 2016-2020 (May 2015)*

Activities and Accomplishments:

CZM Program

- Received NOAA concurrence with Hawaii’s CZM program changes and partially approved the incorporation of changes as non-enforceable policies of the Hawai‘i CZM Program.
- Completed planning and execution of seven statewide training sessions of the *Wind Design Provisions of the Hawai‘i State Building Code*, in conjunction with the Hawai‘i Emergency Management Agency.
- Completed two earthquake mitigation training sessions on FEMA’s *Earthquake-Resistant Design Concepts* in Maui and Hawai‘i counties.
- Received a NOAA National Estuarine Research Reserve (NERR) System Regulations grant award to support the development and completion of a final management plan for the preferred Hawai‘i NERR site.
- Received a NOAA Coastal Resilience Networks (CRest) project grant award to provide support to the City and County of Honolulu, Department of Planning and Permitting (DPP) in their effort to integrate climate adaptation within existing planning and regulatory frameworks.
- Received NOAA approval of the final State Coastal and Estuarine Land Conservation Program (CELCP) Plan.

Geographic Information Systems (GIS) Program

- Provided mapping and analysis to the Governor’s Office, State agencies and the legislature.
- Maintained the State GIS database, which contains over 200 data layers.

- Maintained the State GIS website, providing access to GIS data, tools and applications.
- Developed several easy to use web applications that the public can use to obtain information zoning, demographic and other information by location (e.g., address, Tax Map Key parcel, etc.).
- Worked with Enterprise Technology Services (ETS) and the Pacific Disaster Center (PDC) to modernize the statewide GIS.
- Managed Esri Enterprise License Agreement (funded by ETS, managed by OP).
- Managed the state's cloud mapping platform (ArcGIS Online (AGOL) – 100 state agency users).
- Set up a prototype Open Data Portal for GIS data.

Special Plans Branch

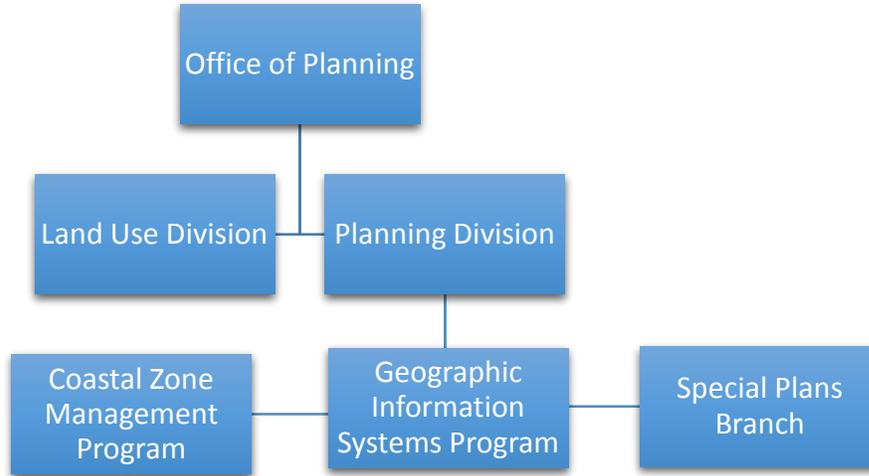
- Awarded (as a Co-recipient with Economic Development Alliance of Hawai'i, Inc.) of a U.S. Department of Commerce, Economic Development Administration (EDA) Grant for the major update of the Hawai'i Comprehensive Economic Development Strategy.

Land Use Division

- Provided review and State's position/comment on matters related to Land Use Commission (LUC) dockets.
- Actively involved in coordinating and staffing monthly State Transit Oriented Development (TOD) Task force meeting convened by Senator Chun Oakland.
- Created a State TOD website on OP's website with detailed maps of each of the 21 rail stations.

II. INTRODUCTION

The Office of Planning (OP) gathers, analyzes, and provides information to the Governor to assist in the overall analysis and formulation of state policies and strategies. The purpose of 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 Hawai‘i; and various community stakeholders to achieve these objectives.



OP is divided into two divisions, the Land Use Division (LUD) and Planning Division, with programs within each division interacting extensively and rely upon the expertise of each program to provide a comprehensive bank of resources and an integrated statewide planning system. This integrated collaboration concept is necessary for expediency and consistency in meeting OP’s mission and responsibilities. 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 planning expertise.

OP’s current staffing levels are as follows:

Office of Planning (Total: 25; Includes Director)

Land Use Division	6
Planning Division	2 (Administrator, Secretary)
Coastal Zone Management Program	11
Geographic Information Systems Program	3
Special Plans Branch	2

Program Administration

The OP provides guidance in the development of Hawai‘i 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 Chapters 225M and 226 are summarized below, with HRS Chapters 205 and 205A summarized under the Land Use Division and Coastal Zone Management Program sections, respectively.

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 geographic information systems, (5) land use planning, (6) coastal and ocean policy management, (7) regional planning and studies, (8) regional, national, and international planning, and (9) climate adaptation planning.

HRS Chapter 226, Hawai‘i State Planning Act. Under this Act, OP is charged with providing technical assistance in administering the Act. The Hawai‘i 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.

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 70 percent of the funds appropriated to OP in the General Appropriations Act of 2014 for FY15 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.

- **Section 306 Program Administration:** During this reporting period OP received approximately \$1,992,000 in NOAA Section 306 grant funds. These funds are mainly utilized to underwrite most Hawai‘i 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, Hawai‘i 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.

- **Section 309 Coastal Zone Enhancement Grant Program:** During this reporting period, OP received approximately \$171,000 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 Coastal Zone Management Act (CZMA) objectives which result in a measurable program change (i.e., amendment of rules, laws, etc.).
- **Section 310 of the CZMA - 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 Section 306 funds for the implementation of federally-approved management measures of the State's CNPCP.
- **Section 315 of the CZMA – National Estuarine Research Reserve System:** Through the Section 315 NERRS, the OP received \$100,000 for the development of the Management Plan and assisting in the development and completion of a National Environmental Protection Act document for the proposed designation. Services-in-kind provided by committee members and other stakeholders (state and county agencies, the university and non-governmental organizations) will provide the match required for these funds.
- **Coastal Resilience Networks (CRest) Project:** During this reporting period, OP received \$100,000 (NOAA CSC funds) to advance and strengthen Hawaii's preparedness for the impacts of climate change. Specifically, the awarded project will develop recommendations to strengthen building codes to account for existing coastal hazards and future climate risks.

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

- **U.S. Department of Commerce, Economic Development Administration Grant Programs:** During this reporting period, OP was awarded (as co-recipient with Economic Development Alliance of Hawai'i, Inc.) an \$180,000 grant to complete a major update of the Hawai'i Comprehensive Economic Development Strategy (CEDS). OP also continued

to manage an EDA grant totaling \$150,000 to complete and publish the development a natural disaster economic development strategy.

- **Hawai'i Brownfields Cleanup Revolving Loan Fund (HBCRLF):** 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.

III. PLANNING DIVISION

The Planning Division of OP includes the Coastal Zone Management (CZM) Program, Geographic Information Systems (GIS) Program, and the Special Plans Branch (SPB). A summary of each program, together with the program’s activities and accomplishments for the reporting period is provided below.

A. COASTAL ZONE MANAGEMENT PROGRAM

The CZM Program was enacted as the State’s policy umbrella for facilitating and assuring interrelated and comprehensive coastal resource management. The CZM Program is the guiding perspective for the design and implementation of allowable land and water uses and activities throughout the State.

Authority: 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 for Coastal Management (OCM). 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).

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 Hawai‘i, 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.

Federal Consistency Reviews – Major Projects (July 2014 – June 2015)

- Alternative Federal Consistency Procedures for Disaster or Emergency Relief Purposes
- Honolulu Rail Transit Project
- Waiawa Stream Crossing and Pearl Highlands Station
- Hawai‘i Commercial Harbors Maintenance Dredging (Statewide)

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 (Kaka‘ako in urban Honolulu and Kalaeloa in West O‘ahu). 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 also produced an SMA video presentation based on the updated SMA guide. The video presentation has been posted to OP’s website at <http://planning.hawaii.gov/czm/special-management-area-permits/>. The purpose of this SMA presentation aims to help the public and interested groups further their understanding of the SMA and the SMA permit process.

SMA and Shoreline Area Reviews (July 2014 – June 2015)

- HCDA Ala Moana Pump Station rehabilitation project
- Various environmental site preparation projects for OHA
- Geotechnical boring for Seagull Schools, Inc.

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>) 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.

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 (<http://www.oceanconservancy.org/our-work/international-coastal-cleanup/?referrer=https://www.google.com/>).
- *My Hawai‘i Story Project 2014 - An Anthology*” – the CZM Program funded the printing of this annual publication of the Hawai‘i Conservation Alliance Foundation. This collection of stories and poems is about Hawaii’s environment written by Hawai‘i middle school students. The project promotes 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/2014-my-Hawaii-story-project>).

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
- Hawai‘i Congress of Planning Officials 2014 Conference
- Coastal States Organization (CSO) and NOAA 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 activities are coordinated by a project administrative assistant and CZM Program staff. The MACZAC meetings are held quarterly, while its working groups meet more often, as needed. 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

MACZAC is composed of 12 community members providing a balanced representation of interests in the areas of business, environment, practitioners of native Hawaiian culture, terrestrial and marine commerce, recreation, research, and tourism.

organizations (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.

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.

During this reporting period, the major topics of discussion and development have been focused on the implementation of the 2013 ORMP and climate change adaptation. Each of these topics is described below.

Implementation of the 2013 ORMP: The Working Group continued to meet monthly and work towards the implementation of the updated 2013 ORMP. OP staff continues to work to develop and implement an on-line dashboard in response to the public's request for annual updates on ORMP progress. OP staff continues to collect baseline data from ORMP agencies as an initial step towards this on-line report card.

Climate Change Adaptation: The OP continues to collaborate with DLNR in their capacity as co-chairs of the Interagency Climate Adaptation Committee (ICAC), established by Act 83, Session Laws of Hawai'i 2014. Act 83 tasks the DLNR to support the ICAC in developing a sea level rise vulnerability and adaptation report for the State of Hawai'i and authorizes the OP to coordinate the development of strategic climate adaptation plans and policy recommendations using the sea level rise vulnerability and adaptation report as a framework for addressing other statewide climate impacts.

Coastal Resilience Networks (CRest) Project: During this reporting period, the OP received \$100,000 (NOAA Coastal Services Center funds) to advance and strengthen Hawaii's preparedness for the impacts of climate change, especially those that will exacerbate current threats to coastal life and property. Specifically, the awarded project will develop recommendations to strengthen building codes to account for existing coastal hazards and future climate risks.

Hawai'i Green Growth / Aloha + Challenge: The OP continues to serve as a member of the Hawai'i 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 Aeolia.

Coastal Hazards

Hawai‘i 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 Hawai‘i 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 Hawai‘i CZM Program is focused on meeting these objectives to achieve greater community resilience to natural hazards.

Training Workshops on the State of Hawai‘i Wind Engineering Provisions: A new State Building Code with Hawai‘i Wind Design Standards was adopted by the State of Hawai‘i as administrative rules, and became effective as of April 16, 2010 (Hawai‘i Administrative Rules, Title 3, Subtitle 14, Chapter 180 State Building Code). Appendix W of the Code consists of the Hawai‘i wind design standards developed through CZM funds and FEMA hazard mitigation grant funds and cover all counties in the State of Hawai‘i. One year after adoption, all state buildings should be constructed in accordance with the Code.

The county-wide adoptions of the 2006 International Codes with Hawai‘i-specific wind design standards has resulted in numerous requests for training in the new standards. During this reporting period, OP completed planning of and executed seven training sessions of the *Wind Design Provisions of the Hawai‘i State Building Code*, in conjunction with the Hawai‘i Emergency Management Agency. The seven training sessions took place during the months of September and October 2014 and reached a statewide audience of approximately 336 participants: Maui County (Wailuku), Hawai‘i County (Kona, Hilo), Kaua‘i (Līhu‘e), Honolulu County (3 sessions).

National Estuarine Research Reserve System (NERRS)

At the request of the He‘eia community through former Governor Neil Abercrombie and the late U.S. Senator Daniel K. Inouye, OP formally began the statewide process of selecting a site in Hawai‘i for inclusion into the NERRS. As part of the NERRS, Hawai‘i 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 for nomination to NOAA. Phase 2 also involved required publicly noticed meetings.

Phase 3 will include preparation of the National Environmental Policy Act (NEPA) Draft and Final Environmental Impact Statement (EIS) and Draft and Final Management Plan. Timeframe for Phase 3 is January through December 2015. In addition to the CZM Program funds, the OP received \$100,000 NOAA Section 15 CFR § 921.12, National Estuarine Research Reserve System Regulations funds for the development of the EIS and Management Plan. 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, OP received NOAA Administration approval of the Nomination Packet for the preferred site on October 22, 2014. The positive decision allows the CZM Program to proceed to Phase 3 of the NEPA Draft and final document and Management Plan development. Also during this reporting period, the OP and NOAA-OCM conducted joint public scoping meetings to begin the NEPA environmental impact statement (EIS) process. These two meetings were held in the vicinity of the proposed NERR site in Heʻeia and in downtown Honolulu. Public comments were gathered at the meetings as well as via email. A compilation of comments as a result of the scoping meetings are attached. From January to March 2015, six focus group meetings were held in the vicinity of the proposed NERR site in Heʻeia. These focus groups met to discuss the education and training, research and monitoring, and public outreach and resource management aspects of the Hawaiʻi NERR. The Steering Committee, consisting of a group of state agency representatives and community group members, was formed to provide feedback from a management-level perspective of the draft NERR Strategic and Management Plans.

A survey of existing data and resources useful to EIS document development to inform the gap analysis report was conducted. The draft gap analysis report was completed and is being used to identify sources of information and areas where additional information or studies may be useful to support the development of the EIS.

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 Hawaiʻi 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, was summarized in a draft justification for approval of this condition, and was reviewed by EPA. OP staff will coordinate further with Maui County before drafting another write-up.

Coordination continues with the DOH Polluted Runoff (Section 319) Control Program, State Department of Transportation, and county public works departments on strategies to address remaining onsite sewage disposal systems (OSDS) and roads, highways and bridges management measures. OP is also coordinating with DOH on their update of the Implementation Plan for Polluted Runoff Control which has been delayed but should be completed by the next reporting period. This Implementation Plan will help address some of these remaining CNPCP management measures.

Hawaii's CNPCP continues to participate in Coastal States Organization's 6217 workgroup which includes states that have yet to receive full approval of their CNPCP's. All states in the workgroup work collaboratively to address their respective remaining conditions. The workgroup has also had opportunity to talk directly to federal partners, and representatives from states whose plans are already approved for their input on key issues.

Coastal and Estuarine Land Conservation Program (CELCP)

NOAA's 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 revised CELCP Plan was submitted to NOAA for final approval in June 2014, and OP received notification of its approval in September 2014. The CELCP Plan has benefit at the State and local levels, as it provides guidance to respective jurisdictions who have resources to further small initiatives to acquire coastal and estuarine lands.

B. GEOGRAPHIC INFORMATION SYSTEMS (GIS) PROGRAM

HRS Chapter 225M, tasks the Office of Planning with leading and coordinating a State Geographic Information System (GIS). In carrying out its statutory mandate as the lead agency for GIS in Hawai'i 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, 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 TMK 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.

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 (READ), Hawai'i Community Development Authority (HCDA), Business Development and Support Division (BDS), the State Energy Office, the Hawai'i Tourism Authority (HTA) and the LUC, as well as the Governor's Office of Information Management and Technology (OIMT), and the Departments of Agriculture, Attorney General, Commerce and Consumer Affairs, Health, Land and Natural Resources, and Transportation, the Hawai'i Emergency Management Agency and the Office of Elections. The Program also performs mapping and analysis for the legislature and provides technical support to all State agencies using GIS.

The GIS Program continued to maintain the Statewide GIS database, adding, updating and making available a large variety of datasets, including airports, benthic habitat, census tracks and blocks, critical habitat, flood insurance zones, important agricultural lands, golf

courses, harbors, land parcels, reserves, solar radiation, trails and US Department of Defense Lands. 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.

GIS Program staff developed a number of publicly available, easy-to-use, web-based applications, such as the “SMA Locator” in which a user can enter in an address or tax map key (TMK) parcel number to determine whether that property falls within the state’s Special Management Area (SMA). Similar locator applications have been developed for State Land Use Districts, Enterprise Zones, and Land Study Bureau (LSB) soil ratings. The GIS Program also worked with Esri to develop applications in which a member of the public can obtain information about their legislators, such as the district boundary, contact information, and links to the legislators’ websites. This application was included on the Hawai‘i State Legislature Home page. In addition, a number of other applications have been developed to display demographic information by census tract or legislative district.

During the reporting period, the GIS Program continued to work with the Enterprise Technology Services (ETS) and the Pacific Disaster Center (PDC) to modernize the statewide GIS, including continued conversion of statewide GIS data into a more efficient database format delivery of statewide GIS data via map and feature services, and growth and maintenance of the state’s new cloud based mapping platform (ArcGIS Online or AGOL). There are currently over 100 state agency users of the cloud platform.

With ICSD assistance, the GIS Program began the migration of existing State GIS data from a 10-year old file server to ETS’s Government Private Cloud (GPC). Seventy GIS users from across State agencies have requested access to the new server. Once operational, it is anticipated that an additional twenty to thirty additional users will be added.

The GIS staff converted the State’s WorldView 2 imagery to a more efficient storage and delivery format, greatly improving the performance of that layer. GIS staff managed the State’s Enterprise License Agreement (ELA) Esri for GIS software and services (funded by ETS). 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 (AGOL). In addition to the general Statewide GIS cloud site for use by all State agencies, organizational accounts have been set up by the Departments of Health and Transportation, the Offices of Elections and Hawaiian Affairs, and the State Senate.

The GIS Program worked with Esri to redesign 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. Nearly all of the state’s data layers have been made available at this site to enable easier access to the State’s GIS data holdings.

The GIS Program is an active participant in the Hawai‘i Geographic Information Coordinating Council (HIGICC). This non-profit, 501(c)(3) organization consists of members of Hawaii’s geospatial community from all sectors – federal, state, county, private and non-profit. It provides coordination of geospatial activities in Hawai‘i, and works to promote data sharing and data standards throughout the state. In addition, GIS Program staff represents Hawai‘i in the National States Geographic Information Council (NSGIC).

As a member, the GIS staff provides support and assistance to the Hawai‘i Board on Geographic Names. The purpose of the Board, created by Act 50 of the 1974 Hawai‘i 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 Hawai‘i 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.

C. SPECIAL PLANS BRANCH

The Special Plans (SP) Branch, is tasked with carrying out the functions of OP related to statewide planning under the Hawai‘i 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 Hawai‘i Statewide CEDS. Completion and acceptance of 2010 CEDS by the U.S. EDA demonstrates that the State of Hawai‘i 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 Hawai‘i State Plan. Lastly, SP Branch continues to administer the Hawai‘i 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.

Natural Disaster Economic Recovery Strategy

The objective of this grant is to develop a Natural Disaster Economic Recovery Strategy (NDERS) as a supplement to the Hawai‘i Statewide Comprehensive Economic Development Strategy (CEDS) to address pre-disaster operations continuity planning and post-disaster recover actions for both public and private sectors.

The process to develop the strategy sought input from multiple stakeholders. The input process included an Advisory Group whose members represented disaster management and economic development agencies, disaster experts, large businesses, and critical infrastructure agencies. Input from Hawai‘i businesses ranging from sole proprietors to

large companies with over a hundred employees was obtained through a series of focus groups and an electronic survey. The survey was distributed to over 3,000 businesses through local business networks. The results are summarized in the final report.

The NDERS development process included an analysis of existing plans, policies, and programs aimed at small business. This analysis, coupled with input from an Advisory Group, focus groups, and statewide survey led to identification of strengths and gaps in the current state of small businesses natural disaster preparedness and recovery. Based on the analysis, eight goals and objectives were identified to support business continuity, preparedness, and post-disaster recovery for Hawaii's small businesses.

A final report of the recommended implementation strategies to achieve the goals and objects consists of 1) Introduction and Approach Used to Develop this Strategy, 2) Existing Conditions of Small Business Preparedness, Response, and Recovery in Hawai'i, 3) Strengths and Gaps in Small Business Preparedness, Response, and Recovery, 4) Strategic Issues, Goals and Objectives, and 5) Recommended Implementation Strategies. The final report is posted on OP's website.

Major Update of the Hawai'i Comprehensive Economic Development Strategy

During this reporting period, OP was awarded (as co-recipient with Economic Development Alliance of Hawai'i, Inc.) a \$180,000 grant. The objective of this Award is to update the 2010 Hawai'i Statewide Comprehensive Economic Development Strategy (CEDS) through county and community level data collection and community input activities. The DBEDT's Research and Analysis Division (READ) has agreed to collaborate with OP and its community partners in identifying new industry clusters that contribute to the sustainability of Hawaii's economy in the face of external threats and create well-paying jobs to replace low-paid jobs in tourism.

Hawai'i Brownfields Cleanup Revolving Loan Fund (HBCRLF)

This is a federally funded program administered by OP that provides low-cost loans to eligible public and private entities to cleanup brownfields sites where economic or community development projects show the greatest need, exhibit long-term project viability and demonstrate the capacity of repayment. The Department of Hawaiian Homelands (DHHL) was awarded a \$1.97 million HBCRLF loan for the remediation of a decommissioned East Kapolei pesticide mixing and loading (PML) facility site situated on land planned for DHHL's East Kapolei II master planned community. DHHL repaid its discounted loan obligation of \$1.77 million in FY 2014. The remediation was formerly completed with the Department of Health's Hazard Evaluation and Emergency Response Office's (DOH-HEER) issuance of a No Further Action with Institutional Controls designation in July 2015. The East Kapolei PML site will be redeveloped as part of a five-acre neighborhood park.

In November 2014, the Hawai'i Island Community Development Corporation (HICDC), a non-profit community development corporation on Hawai'i Island, was awarded an

HBCRLF loan of approximately \$592,000 for the cleanup of a former pesticide mixing and loading facility site situated on lands in Hāwī, Hawai‘i. HICDC has executed a cleanup agreement with the DOH-HEER. The land to be remediated lies within Phase III of the Kūmakua Affordable Housing Project, a self-help housing subdivision that HICDC is developing. Loan execution was delayed, but is expected to be completed in early FY 2016, with remedial project planning and site work to commence thereafter.

IV. LAND USE DIVISION

The Land Use Division (LUD) of OP represents the State's interests and positions on quasi-judicial proceedings before the State Land Use Commission (LUC) regarding boundary amendment petitions. The LUD evaluates boundary amendment petitions to assure 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.

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

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 the long-term, sustainable use of limited State resources, such as land, water, natural and cultural resources, 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 Hawai'i State Plan, HRS Chapter 226, and CZM objectives and policies in HRS Chapter 205A. 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 Hawai'i 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 five (5) dockets that were heard by the LUC or will be heard by or filed with the LUC at a later date. Of these, one (1) was a docket related to land use district boundary amendments, one (1) was a petition for the voluntary designation of important agricultural lands pursuant to HRS § 205-45, two (2) were related to amendments of prior actions, and one (1) was a Declaratory Ruling.

There were no district boundary amendments that were approved by the LUC in FY 2015, and there was one (1) petition for designation of important agricultural lands involving 9,171 acres of land on O'ahu. There were three (3) Special Permits approved by the LUC for utility scale solar farms on O'ahu involving approximately 900 acres.

The LUD also worked on a comprehensive review of the state land use district boundaries using GIS technology, and comparing current boundaries with county general plans and development plans. A draft report on the State Land Use District Boundaries is scheduled for completion in December 2015.

State Transit Oriented Development

The LUD was actively involved in coordinating and staffing monthly State TOD Task Force meetings convened by Senator Chun Oakland, helping coordinate agenda, meetings and work with agencies. Meetings were well attended with State agencies, City TOD planners, and private sector attendees. A workplan was developed with the objective of preparing a TOD appropriations bill for legislative consideration in the 2016 session. A State TOD website was created on OP's website, including detailed maps of each of the 21 rail stations, showing TOD areas and State-owned lands. LUD staff also met with each State agency with major land holdings in the TOD areas to assess potential and proposed

priority projects and master planning/funding needs. Recruitment is proceeding for the TOD Planner position funded in the 2015 legislative session.

V. LEGISLATIVE PROPOSALS

For the upcoming 2016 legislative session, OP will be submitting the following legislation:

- Relating to State Planning – Purpose of the legislation is to have the OP perform a comprehensive review of the Hawai‘i State Planning Act (Chapter 226, HRS), and develop recommendations for amendments to update the Hawai‘i State Plan in response to current state needs. The comprehensive review would occur in FY 2016 and 2017, with recommendations submitted by June 2018.
- Relating to Land Use – Purpose of the legislation is to provide that agricultural tourism activities, including overnight accommodations for bona fide farming operation without requiring county ordinance changes. This bill would increase the duration of an overnight accommodation stay from twenty-one to less than thirty consecutive days and clearly defines bona fide farming operations to better ensure that agricultural tourism activities are properly constrained and abuse is reduced.

VI. ACRONYMS

AGOL	ArcGIS Online	HAR	Hawai‘i Administrative Rules
CDD	Community Development District	HBCRLF	Hawai‘i Brownfields Cleanup Revolving Loan Fund
CEDS	Comprehensive Economic Development Strategy	HCDA	Hawai‘i Community Development Authority
CELCP	Coastal and Estuarine Land Conservation Program	HIGICC	Hawai‘i Geographic Information Coordinating Council
CNPCP	Coastal Nonpoint Pollution Control Program	HRS	Hawai‘i Revised Statutes
CRest	Coastal Resilience Networks	ICAC	Interagency Climate Adaptation Committee
CZARA	Coastal Zone Act Reauthorization Amendments	LUC	Land Use Commission
CZM	Coastal Zone Management	LUD	Land Use Division
CZMA	Coastal Zone Management Act	MACZAC	Marine and Coastal Zone Advocacy Council
DBEDT	Department of Business, Economic Development and Tourism	NERR	National Estuarine Research Reserve
DHHL	Department of Hawaiian Home Lands	NERRS	National Estuarine Research Reserve System
DLNR	Department of Land and Natural Resources	NGO	Non-governmental Organizations
DOH	Department of Health	NOAA	National Oceanic and Atmospheric Administration
DOT	Department of Transportation	OCM	Office for Coastal Management
EDA	Economic Development Administration	OP	Office of Planning
EIS	Environmental Impact Statement	ORMP	Ocean Resources Management Plan
ELA	Enterprise License Agreement	PDC	Pacific Disaster Center
ETS	Office of Enterprise Technology Services	SMA	Special Management Area
GIS	Geographic Information System	SSV	Shoreline Setback Variances