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HOUSE CONCURRENT RESOLUTION

ENDORSING AND SUPPORTING THE ALA WAI WATERSHED PARTNERSHIP AND REQUESTING A REPORT ON PROGRESS MADE BY THE PARTNERSHIP.

| 1 | WHEREAS, Hawaii is highly vulnerable to natural disasters, |
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| 2 | including hurricanes, floods, and droughts; and |
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| 4 | WHEREAS, the State and counties are challenged to design, |
| 5 | finance, construct, operate, and maintain various water |
| 6 | infrastructure, including infrastructure for fresh water, waste |
| 7 | water, and stormwater; and |
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| 9 | WHEREAS, Waikiki generates approximately eight percent of |
| 10 | Hawaii's gross domestic product, seven percent of the State's |
| 11 | employment, and nine percent of state tax revenues; and |
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| 13 | WHEREAS, a one percent annual chance exceedance flood |
| 14 15 | event, or the "one-hundred-year flood", in the Ala Wai watershed, including Waikiki, would affect approximately 1,358 |
| 15 | acres within the watershed and over 3,000 properties with an |
| 10 | estimated \$318,000,000 in structural damages alone; and |
| 18 | estimated \$510,000,000 in structural damages atome, and |
| 19 | WHEREAS, in March 2006, as much as ten million gallons of |
| 20 | raw sewage were dumped into the Ala Wai Canal following the |
| 21 | rupture of a sewer line due to heavy rains, and as recently as |
| 22 | August 2015, heavy rains caused a major sewage spill, forcing |
| 23 | temporary closure of beaches in Waikiki; and |
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| 25 | WHEREAS, as of May 2015, under Act 42, Session Laws of |
| 26 | Hawaii 2015, the counties have the authority to establish and |
| 27 | charge user fees to create and maintain any stormwater |
| 28 | management system or infrastructure; and |
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| 30 | WHEREAS, the economic risk to the Waikiki area from a |
| 31 | category 4 hurricane hitting Honolulu could result in an |
| 32 | estimated \$30,000,000,000 in economic losses and structural |
| 33 | damages; and |

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1 WHEREAS, the state-sponsored United States Army Corps of 2 Engineers Ala Wai Canal Flood Mitigation Project (Ala Wai 3 Project) is only being designed to reduce riverine flood risks 4 from the one hundred-year flood in the Ala Wai watershed, 5 including Waikiki; and 6 7 WHEREAS, in addition to flood risk reduction, the original 8 9 scope of work for the Ala Wai Project also included ecosystems restoration, water quality enhancements, and other community 10 benefits; and 11 12 WHEREAS, the Army Corps of Engineers, in partnership with 13 the Hawaii Emergency Management Agency, hosted and invited 14 participation by the public, private, philanthropic, and non-15 governmental sectors in the January 2015 "Hawai'i Disaster Risk 16 Workshop: Mitigating Catastrophic Disaster Risk and Building 17 Resilience in the Ala Wai Watershed"; and 18 19 20 WHEREAS, the objectives of this workshop were to: 21 (1)Raise awareness of natural disaster risk and 22 vulnerability in the Ala Wai watershed, including the 23 economic and social consequences of a natural disaster 24 to Waikiki's residential, tourism, and business 25 communities; 26 27 (2) Examine options for mitigating risk and improving 28 community resilience through gray and green 29 30 infrastructure investments; 31 Explore the opportunities to transfer disaster risk (3) 32 from the government to private markets and leverage 33 public resources to catalyze private investment in 34 resilience through new partnerships; and 35 36 (4) Identify strategies to engage the community to create 37 shared value and build locally appropriate solutions 38 39 to urban design and ecosystem restoration; and 40 41 WHEREAS, an action agenda was agreed upon moving forward from the workshop into 2015, and the Ala Wai Watershed 42

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Partnership (Partnership) coalesced as the working group to 1 further the five steps of the action agenda of the workshop; and 2 3 WHEREAS, the Partnership is a voluntary partnership of 4 state, county, federal, business, and nongovernmental leaders 5 from many sectors, including engineering, planning and design, 6 flood mitigation and stormwater management, coastal hazards and 7 climate change mitigation and adaptation, economic development, 8 9 business, finance, insurance, social science, extension and education, philanthropy, and others, that is ready to support 10 shared goals of increasing the resilience and sustainability of 11 the Ala Wai watershed and Waikiki; and 12 13 WHEREAS, the Partnership and Ala Wai Project may help 14 demonstrate how, as outlined in President Obama's Climate Action 15 Plan, climate resilience can create shared value for local 16 17 communities, mitigate the damage resulting from current and future climate-related events, and close the national 18 infrastructure gap by leveraging innovative partnerships; and 19 20 21 WHEREAS, the Partnership and Ala Wai Project, as a result of Hawaii's social, cultural, and economic connections to small 22 island developing states, may be a model for climate resiliency 23 projects in the Pacific islands, Caribbean, and other regions 24 facing increasing climate-related challenges; and 25 26 27 WHEREAS, the Partnership and Ala Wai Project could be featured at the United States-hosted 2016 International Union 28 for the Conservation of Nature World Conservation Congress in 29 30 Hawaii as a high-level commitment to support resilient infrastructure investments through innovative financing and 31 32 public-private partnerships, while also restoring and protecting 33 critical watersheds; and 34 35 WHEREAS, a state commitment to the action agenda of the Partnership will help to: 36 37 38 (1) Ensure progress on the critical flood risk reduction 39 objectives of the Ala Wai Project; **40**

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- Reintegrate ecosystem restoration, water quality enhancements, and other community benefits into an Ala Wai Project scope;
- (3) Promote public-private partnerships that improve and sustain the ability of local governments to design, finance, construct, operate, and maintain various infrastructure;
- (4) Attract local, regional, national, and global attention to pressing infrastructure investment needs, while providing innovative design and community engagement to enhance resilience and sustainability in Hawaii;
 - (5) Strengthen Hawaii's partnerships with federal agencies, including the Army Corps of Engineers, United States Environmental Protection Agency, President's Task Force on Climate Preparedness and Resilience, National Oceanic and Atmospheric Administration, and others; and
 - (6) Serve as a model for complex infrastructure investments regionally and nationally; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-eighth Legislature of the State of Hawaii, Regular Session of 2016, the Senate concurring, that this body endorses and supports the Ala Wai Watershed Partnership and its integrated approach to increase resilience and sustainability in the Ala Wai watershed and Waikiki through five action steps, which include:

(1) Continuing the Partnership's efforts to increase awareness about catastrophic natural disaster risk, and facilitate stakeholder engagement in designing, funding, building, and maintaining integrated infrastructure systems that improve the resilience of vulnerable communities in the Ala Wai watershed and Waikiki;

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help mitigate current and future climate risks that 3 place substantial financial and political burdens on 4 the state economy and state and county governments; 5 6 7 (3) Investigating a community investment vehicle to align public funds and catalyze private investment in 8 9 designing, building, and maintaining resilient infrastructure; 10 11 (4)Investigating new and innovative financing strategies 12 for climate resilient infrastructure projects in the 13 14 Ala Wai watershed, including stormwater capture and reuse, water efficiency measures, and insurance 15 premium securitization; and 16 17 (5) Coordinating a prize competition that connects local 18 19 and world-class urban planners, engineers, and designers with business groups, policy makers, and 20 community leaders in the Ala Wai watershed to design 21 climate resilient infrastructure and support ecosystem 22 restoration; and 23 24 BE IT FURTHER RESOLVED that the Chair of the Ala Wai 25 Watershed Partnership is requested to submit a report on the 26 27 progress of the Ala Wai Watershed Partnership toward the action steps and in raising financial support for the Partnership to 28 the Legislature no later than twenty days prior to the convening 29 of the Regular Session of 2017; and 30 31 32 BE IT FURTHER RESOLVED that certified copies of this 33 Concurrent Resolution be transmitted to the Governor; Mayor of 34 the City and County of Honolulu; and United States Army Corps of Engineers, Honolulu District. 35 36 37 38 OFFERED BY: ine MAR 0 4 2016

Investigating insurance, reinsurance, and risk

transfer solutions, including parametric insurance, to