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December 22, 2017

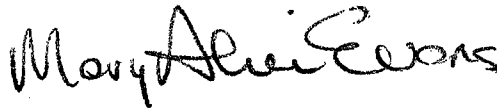

The Honorable Ronald D. Kouchi,
President and Members
of the Senate
Twenty-Ninth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Twenty-Ninth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the Office of Planning's Annual Report, as required by Sections 205A-3(4), (7), and (10), Hawaii Revised Statutes. In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that the report may be viewed electronically at:
<http://dbedt.hawaii.gov/overview/annual-reports-reports-to-the-legislature/>.

Sincerely,


 Luis P. Salaveria

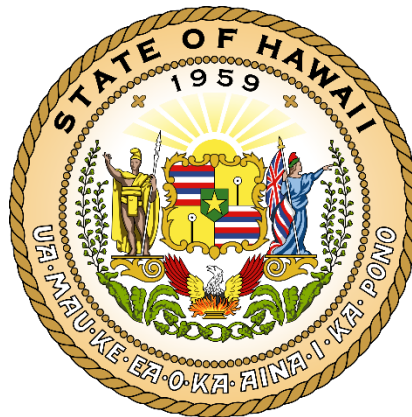
Enclosure

c: Legislative Reference Bureau
Leo R. Asuncion, Office of Planning

FISCAL YEAR 2016 – 2017

OFFICE OF PLANNING

**REPORT TO THE TWENTY-NINTH LEGISLATURE
REGULAR SESSION OF 2018**



Prepared by

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

This report satisfies Sections 205A-3(4), (7), and (10), Hawai‘i Revised Statutes

Honolulu, Hawai‘i
December 2017

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TABLE OF CONTENTS

| | |
|---|-----------|
| I. PURPOSE AND HIGHLIGHTS..... | 1 |
| II. INTRODUCTION..... | 4 |
| III. PLANNING DIVISION..... | 8 |
| A. COASTAL ZONE MANAGEMENT PROGRAM..... | 8 |
| B. GEOGRAPHIC INFORMATION SYSTEMS (GIS) PROGRAM..... | 16 |
| C. SPECIAL PLANS BRANCH | 20 |
| IV. LAND USE DIVISION..... | 24 |
| V. LEGISLATIVE PROPOSALS | 28 |
| VI. ACRONYMS | 29 |

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**ANNUAL REPORT TO THE TWENTY-NINTH LEGISLATURE
OFFICE OF PLANNING
REGULAR SESSION OF 2018**

I. PURPOSE AND HIGHLIGHTS

Hawai‘i Revised Statutes (HRS) §§ 205A-3(4), (7), and (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 the CZM Program’s and OP’s office wide activities and accomplishments for the period July 1, 2016 to June 30, 2017.

OP by the Numbers Reports Published: 4
Activities and Accomplishments: 29
Federal Consistency reviews: 51
GIS Agency Users: 500+

The following are highlights of accomplishments for the period July 1, 2016 to June 30, 2017.

Reports Published:

- *Hawai‘i Statewide Comprehensive Economic Development Strategy (October 2016)*
- *Hawai‘i Interagency Council for Transit-Oriented Development, Annual Report to the Twenty-Ninth Legislature, Regular Session of 2017 (December 2016)*
- *Final Management Plan for the He‘eia National Estuarine Research Reserve (NERR) (December 2016)*
- *21st Century Kalihi Transformation Initiative Vision Report (June 2017)*

Activities and Accomplishments:

PLANNING DIVISION

CZM Program

- Designation of the He‘eia National Estuarine Research Reserve
- Distribution of over 1,595 Natural Hazard Preparedness Wheels to public and private schools and outreach events in Hawai‘i County
- Distribution of over 1,070 Natural Hazard Preparedness Wheels to International Tsunami Information Center (ITIC) for worldwide distribution
- In August 2016 co-sponsored a training seminar, *Reducing the Risks of Nonstructural Earthquake Damage* in Honolulu, Wailuku and Kona
- In May 2017 co-sponsored training for public and private sectors on updated Hawai‘i State Building Codes
- Enabled Ocean Resources Management Plan (ORMP) implementation activities for the Coral Reef Action Team by providing support for the following:

- Facilitation of public meetings related to the Proposal to Establish a Community-Based Subsistence Fishing Area for the North Coast of Moloka‘i in March and April 2017
- *Spawning Seasons: Nearshore fisheries monitoring training, data collection, and data analysis.* The project included outreach and workshops/trainings in July, August, October 2016 and June 2017
- *Using Marxan to Set Conservation Targets and Priority Areas for Coral Bleaching Recovery Implementation*
- Conducted a total of fifty-one (51) federal consistency reviews: twenty-eight (28) federal agency activities; eleven (11) federal license and permit applications; and twelve (12) federal assistance proposals
- Conducted CZM and Special Management Area (SMA) Presentations/Trainings before the Molokai and Maui Planning Commissions between May-June 2017
- Conducted a total of three (3) SMA Major reviews and one (1) SMA Minor review in Community Development Districts
- Conducted eight (8) ORMP Coordinated Working Group meetings
- Participated in Interagency Climate Adaptation Committee (ICAC) meetings with OP Director as Co-Chair and CZM Program Manager as a member of the committee.

Geographic Information Systems (GIS) Program

- Launched a geospatial Open Data Portal (<https://geoportal.hawaii.gov>) providing a searchable interface to the state’s geospatial data, as well as the capability to download data in multiple formats
- Managed the Esri Enterprise License Agreement, funded by Office of Enterprise Technology Services (ETS), and providing unlimited desktop and server GIS software licenses to state employees, and an online mapping platform, ArcGIS Online (AGOL)
- Managed the state’s online mapping platform with over 500 state agency users
- Provided mapping and analysis to the Governor’s Office, state agencies and the legislature
- Maintained the State GIS database, which contains over 300 data layers
- Developed several easy to use web applications that the public can use to obtain information about zoning, demographic and other information by location (e.g., address, Tax Map Key parcel, etc.).

Special Plans Branch

- Received U.S. Department of Commerce, Economic Development Administration (EDA) approval of the 2016-2020 Hawai‘i Statewide Comprehensive Economic Development Strategy (CEDS).
- Completed a collaborative planning effort for the Visioning of Kalihi in anticipation of the relocation or redevelopment of the O‘ahu Community Correctional Center (OCCC) site.
- Organized the formation of the Special Action Team on Affordable Rental Housing and coordinated and staffed their monthly meetings.

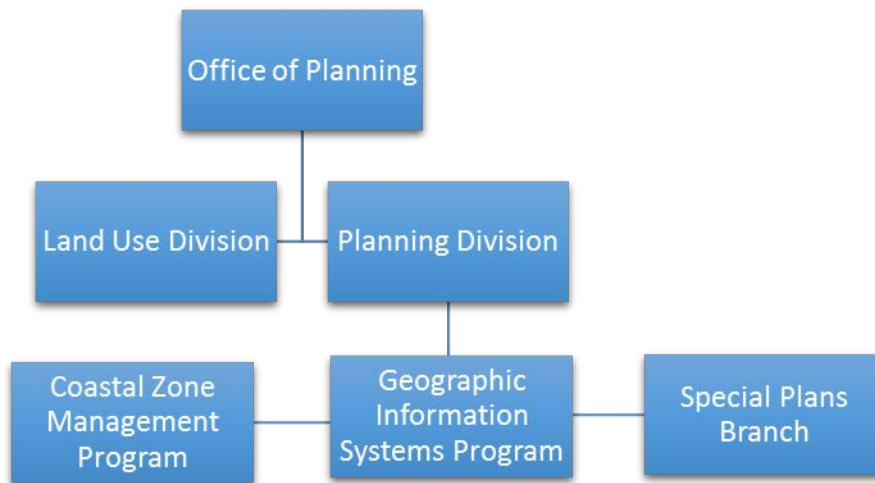
LAND USE DIVISION

- Provided review and State’s position/comment on matters related to Land Use Commission (LUC) dockets

- Organized the formation of the Hawai‘i Interagency Council for Transit-Oriented Development (TOD Council) including State and county agencies and community, business, and development representatives
- Coordinated and staffed monthly TOD Council meetings; nine meeting were held during FY 2017
- Coordinated and staffed TOD Council Work Group meetings, including Strategic Plan Process and Strategic Plan Investigative Work Groups
- Organized and conducted two Transit-Ready Development (TRD) Workshops to identify potential TOD-related projects on State lands in the County of Kaua‘i and County of Hawai‘i
- Organized and conducted the Hawai‘i P3 Workshop on June 6, 2017 at the Hawai‘i Imin International Conference Center, East-West Center to educate State and county agencies on innovative financing delivery methods
- Updated the State TOD website on OP’s website with all TOD Council meeting materials and presentation, including the Hawai‘i P3 Workshop.

II. INTRODUCTION

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 relying 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.

Program Administration

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 LUD and CZM 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 ten specific activities: (1) state comprehensive planning and program coordination, (2) strategic planning, (3) planning coordination and cooperation, (4) statewide planning and geographic information system, (5) land use planning, (6) coastal and ocean policy management, (7) regional planning and studies, (8) regional, national, and international planning, (9) climate adaptation planning, and (10) smart growth and transit-oriented development.

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

OP manages federal and state funds in order to implement its statutory requirements. Due to the reduction of general funds and general funded staff over time, OP has not been able to leverage additional federal grant opportunities without additional general fund appropriations or in-kind contributions from third-party, non-federally-funded partners. During this reporting period, approximately 64 percent of the funds appropriated to OP in the General Appropriations Act of 2016 for FY17 came from federal sources.

The CZM Program receives Coastal Zone Management Act of 1972 (CZMA) funds which are dispersed annually through federal cooperative agreement awards from the National Oceanic and Atmospheric Administration (NOAA) for basic program administration.

- **Section 306 - Program Administration:** During this reporting period OP received approximately \$2,118,049 in NOAA Section 306 grant funds. These funds require a one-to-one non-federal match and supports State and county CZM Program personnel and important projects. A limited amount of State general funds to help match the federal funds is provided in the State budget. These funds are primarily utilized to underwrite most Hawai‘i CZM Program administrative costs. However, due to the significant reductions in State general 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 general 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 Grants:** During this reporting period, OP received approximately \$151,000 in NOAA Section 309 enhancement grants. This grant program encourages states to develop program changes in one or more of the nine designated coastal zone enhancement areas to achieve certain national objectives. The enhancement areas include wetlands, public access, coastal hazards, cumulative and secondary impacts, energy and government facility siting, marine debris, ocean resources,

special management planning, and aquaculture. Although Section 309 funds do not require a state match, they must be used for activities that enhance specified CZMA objectives which result in a measurable program change (i.e., amendment of rules, laws, etc.).

- **Section 310 - Technical Assistance:** Through the Section 310 Technical Assistance grant, Congress appropriates 1:1 matching funds to help state CZM Programs gain approval and implement their CNPCP. Since 2009, Congress has not appropriated funds to this federal program, however, the CZM Program continued to expend Section 306 funds in order to obtain approval, and in turn implement federally-approved management measures of the State's CNPCP.

In addition to the NOAA CZM federal funds, OP managed additional Section 309 - Coastal Zone Enhancement Grants, Section 310 - Technical Assistance and Section 315 – National Estuarine Research Reserve System (NERRS) funds as described below:

- **Section 309 – Enhancement Grant funds for the Development of High Resolution Probabilistic Tsunami Design Zone Maps:** During this reporting period, OP was awarded \$245,000 from NOAA to develop high resolution probabilistic Tsunami Design Zone maps for the City and County of Honolulu to use in accordance with the International Building Code (IBC) 2018 / American Society of Civil Engineers (ASCE) 7-16 tsunami loads and effects design standards. The award, for a multi-phase and –year endeavor, will result in maps covering the City and County of Honolulu to mitigate tsunami risk to coastal zone construction and define the coastal zones where structures of greater importance will be designed for tsunami resistance and community resilience, leading to better consideration of siting and design of critical facilities and infrastructure.
- **Section 310 - Technical Assistance funds for Further Development of the Hawai'i Sub-Regional Ocean Partnership (SubROP) II:** During this reporting period, OP completed activities in the management of the \$142,500 NOAA Coastal Services Center (CSC) to strengthen this existing ocean partnership (SubROP) in the State of Hawai'i and ensure meaningful collaboration between partners and advisory groups. The two-year effort focused on: (1) Drafting of a Sub-Regional Ocean Partnership Action Plan; (2) Contribution support for and recommendations to the Pacific Regional Ocean Partnership; (3) Integration of the National Ocean Policy priorities, as applicable, into the State's Ocean Resources Management Plan; and (4) Identification of opportunities to collaborate on coastal and marine spatial planning (CMSP).
- **Section 310 – Technical Assistance funds for the Coastal Resilience Networks (CRest) Project:** The OP completed the management of a \$100,000, NOAA CSC Section 310 - Technical Assistance grant received in July 2014, 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. (See Program Related Initiatives on page 12)

- **Section 315 – National Estuarine Research Reserve System (NERRS):** OP continued to manage \$100,000 received in July 2014 for the development of the Management Plan and assisting in the development and completion of a National Environmental Policy 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. (See National Estuarine Research Reserve System (NERRS) on page 15)

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

- **U.S. Department of Commerce, Economic Development Administration (EDA) Grant Programs:**
 - Comprehensive Economic Development Strategy (CEDS): During this reporting period, OP completed the activities for management of the \$180,000 EDA grant, to update the Hawai‘i Statewide CEDS. The Hawai‘i Statewide CEDS is a strategy-driven plan for the development of a tool for guiding the efforts of local individuals and organizations in economic development and sustainability. (See Major Update of the Hawai‘i CEDS on page 20)
 - Integration of Innovation Industries into the State Transit-Oriented Development (TOD) Plans: OP received a \$130,000 EDA Grant to support the targeted emerging growth cluster industries identified in the 2016-2020 Hawai‘i Statewide CEDS. (See Integration of Innovation Industries into State TOD Plans on page 22)
- **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 closeout agreement with EPA to continue the cleanup loan program with funds that revolve from HBCRLF loan repayment. (See HBCRLF on pages 22-23)

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. 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 ORMP, administers the Coastal Estuarine and Land Conservation Program (CELCP), and evaluates federal actions for compliance with the Coastal Zone Management Act (CZMA).

Federal Consistency Program

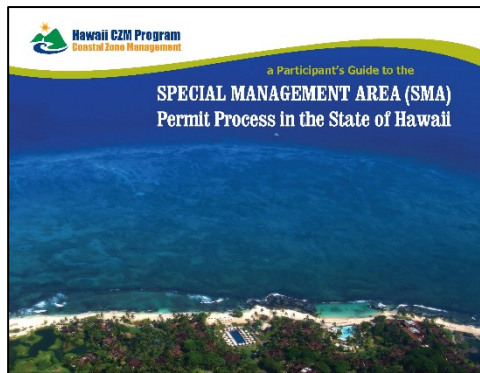
The CZMA requires federal agencies to conduct their planning, management, development, and regulatory activities in a manner consistent with federally-approved state CZM programs. The informational and procedural requirements for CZM federal consistency reviews are prescribed by federal regulations.

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.

Major Federal Consistency Reviews (July 2016 – June 2017)

- Honolulu Seawater Air Conditioning Project (Federal Permit)
- National Discharge Standards for Vessels of Armed Forces (Federal Activity)
- NOAA Designation of the He'eia NERR (Federal Activity)
- Lahaina Bypass Project, Phase 1B-2 (Federal Activity)

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 Parts 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 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).

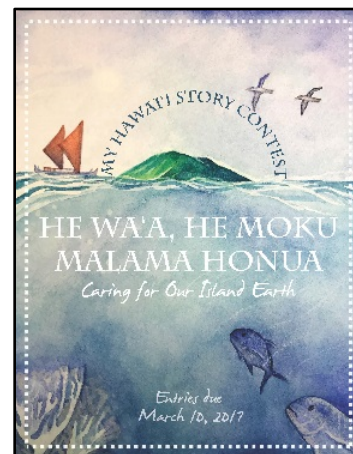
Citizen Participation

Public participation and outreach is an ongoing OP activity. For example, participation in numerous organizations, events, and conferences continues 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:

My Hawai‘i Story Project 2017 - 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.Hawaiiiconservation.org>).



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 (MACZAC)
- Coastal States Organization (CSO) Annual Membership meetings
- 2015 National Ocean Council Governance Coordinating Committee meeting

Marine and Coastal Zone Advocacy Council: HRS § 205A-3(6), established a formal public participation component in the CZM 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 OP.



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 public along with employees of nongovernment 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 their impact 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 discussion of projects supporting the implementation of the 2013 ORMP, the continuing refinement of the draft dashboard, and projects to support climate change adaptation.

Implementation of the 2013 ORMP: The Coordinated Working Group continues to meet monthly and Action Teams (ACTs) meet as needed and work towards the implementation of the updated 2013 ORMP. Partnerships between ORMP agencies remain intact and participation continues as ocean and coastal issues continue to become a more visible challenge, requiring multi-sector solutions. During this year, the Appropriate Coastal Development Action Team (ACD-ACT) and ACT for Management of Coastal Hazards met and worked on projects to further address project implementation for the Managed Retreat Strategy and its nexus with public access. The projects investigate the feasibility of managed retreat as a climate adaptation strategy in Hawaii. The managed retreat project supports OP's responsibility in implementing the Hawaii Climate Adaptation Initiative Act (HRS Ch 225P) and will build upon the efforts of the Interagency Climate Adaptation Committee (ICAC) that was established under HRS Ch 225P.



ORMP Coordinated Working Group Meeting

The Coral Reef ACT has undertaken the funding of several research projects, including a year-long Spawning Seasons project. The CZM Program worked with Conservation International Hawai'i in support of the Spawning Seasons project which involved nearshore fisheries monitoring training, data collection, and data analysis to provide comparative analyses of spawning seasons and spawning time for selected fish species for application into fishery management. This project strengthened community based monitoring and stewardship of near shore fisheries through community outreach and workshops to teach fisherman how to observe, record, and monitor life history information of their catch to inform fishing practices in their community. Some of the younger generations were taught how to clean fish, identify internal anatomy, and record fish length, fish weight, and gonad weight. The groups of children ranged from pre-school/lower elementary age, middle school, to early high school. The history information can then be used to inform fisherman of when it may or may not be appropriate to harvest certain fish.

CZM staff also assisted in internal and state administrative tasks for facilitation services of the community-based subsistence fishing area (CBSFA) designation proposal process being conducted for the Mo'omomi community of Moloka'i. The project involved facilitation of meetings on Moloka'i, Maui, and O'ahu in support of obtaining public feedback related to the Draft Mo'omomi CBSFA Plan. Public input was gathered to inform further amendments to the



*Mo'omomi Moloka'i CBSFA meeting
Photo courtesy of The Maui News*

community's proposed draft rules for DLNR-DAR considerations in moving forward with CBSFA designation.

The other project funded under the Coral Reef ACT involves Setting Conservation Targets and Priority Areas for Coral Bleaching Recovery Implementation: Synthesizing geographic data. The project seeks to use Marxan, a conservation modeling tool, to test large numbers of potential solution combinations to ultimately produce a map of areas to prioritize where specific management actions can be implemented to achieve conservation goals (i.e. preserve herbivore ecological function, protect larval source locations, preserve bleaching resistant areas).

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. The CZM Program has initiated steps with the state's Office of Enterprise Technology Services to utilize the state data visualization platform for the ORMP metrics. The framework for the ORMP dashboard has been completed, and the CZM Program staff continues to work to integrate existing data into the framework.

Program Related Initiatives

Interagency Climate Adaptation Committee: The OP continues to collaborate with the DLNR in their capacity as co-chairs of the Interagency Climate Adaptation Committee (ICAC), established by Act 83, Session Laws of Hawai'i (SLH) 2014. Act 83 tasks the DLNR to support the ICAC in developing a Sea Level Rise Vulnerability and Adaptation Report (SLR 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 SLR Report as a framework for addressing other statewide climate impacts. Information on the ICAC can be found at <http://climateadaptation.hawaii.gov/>.

Coastal Resilience Networks (CRest) Project: In 2014, OP received \$100,000 (NOAA CSC 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. OP continues work on the awarded project, which will develop recommendations to strengthen building codes to account for existing coastal hazards and future climate risks. The resulting model ordinance will offer dramatic societal benefits in terms of future reduced damages and increased survival rates in the event of a natural disaster. While the scope of the project is limited to the City and County of Honolulu, the proposed approach will serve as a model for the County of Hawai'i, County of Kaua'i, and County of Maui; island territories throughout the Pacific; coastal management programs; and communities across the nation who are grappling with preparing for and adapting to the impacts of climate change.

Hawai'i Green Growth / Aloha + Challenge: OP continues to serve as an advisory 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. The CZM Program staff co-leads the development of sustainability indicators related to the "Smart Sustainable

Communities” target to increase the reliability and resilience of Hawaii’s built environment through planning and implementation at the state and county levels. During this reporting period, HGG focused on the International Union for Conservation of Nature World Conservation Congress meeting in September 2016 and development of goals for the Smart Sustainable Communities Goal dashboard.

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.

Natural Hazards Preparedness Wheels: The CZM Program’s development of the Natural Hazards Preparedness Wheel in 2001 has been one of the most successful methods of educating and communicating information on coastal hazards because of the form of presentation and the audiences reached. These public education and outreach wheels remind people about hazards such as hurricanes and tsunami and what action to take to avoid injury and property damage.

In November 2016, the CZM Program partnered with the Center for the Study of Active Volcanoes (C-SAV), located at the University of Hawai‘i at Hilo, to distribute 1,595 wheels in public and private schools and outreach events in the County of Hawai‘i.

In December 2016, the International Tsunami Information Centre (ITIC) received 1,070 wheels for distribution worldwide. The National Disaster Warner Center of Thailand, the Emergency Management Office of Saipan, and the Guam Homeland Security Office are among the agencies in the ITIC.



Probabilistic Tsunami Design Zone Maps: The CZM Program continues to work on a 5-year strategy to support the development and subsequent adoption of comprehensive high resolution probabilistic tsunami design zone maps for the City and County of Honolulu to use in accordance with the International Building Code (IBC) 2018 / American Society of Civil Engineers (ASCE) 7-2016 Standard that will include tsunami loads and effects. In particular, the new Tsunami Design Zone maps will define the coastal zones where structures of greater importance will be designed for tsunami resistance and community resilience, leading to better consideration of siting and design of critical facilities and infrastructure.

Earthquake Preparedness and Loss Mitigation Training: The CZM Program co-sponsored a training seminar, *Reducing the Risks of Nonstructural Earthquake Damage*, on August 8, 10, and 12, 2016, in Honolulu, Wailuku, and Kona, Hawai‘i respectively, with a total of 61 participants. Trainees learned about Hawaii’s earthquake hazards, the sources and types of nonstructural earthquake damage, and methods to minimize injury and property losses before an earthquake occurs. The target audience for this training was the hotel and lodging industry, state and county building officials, and architects. Each of the target audiences was represented at each training seminar. HICZMP partnered with FEMA, which provided funds for the instructor and instructional materials, and Hawai‘i Emergency Management Agency (HI-EMA), which provided logistical assistance. Participants from the counties of Hawai‘i and Maui, which have the highest earthquake risk in the state, showed the greatest interest in the training.

Training Workshops on the State of Hawai‘i Wind Engineering Provisions: State law mandates the State government to update the State Building Code at least once every six years. By doing so, the State and counties will have the benefit of state-of-the-art science, engineering, and technical improvements in building materials, design, and construction. The CZM Program staff continues to work with the State Building Code Council in conducting the training for the state and private sectors in updated codes. Training the professionals who implement these new codes is essential and has been a role undertaken by the CZM Program at least since the enactment of the Hawai‘i State Building Code enabling law in 2007, in conjunction with building resilience to coastal hazards through improved building codes.

The CZM Program co-sponsored training for the public and private sectors in the updated codes in May 2017. Training took place as part of the Hawai‘i Association of County Building Officials Annual Conference (HACBO) in Kaua‘i. Training included multiple offerings of the 2012 International Building Code update and 2012 International Residential Code update, the 2014 National Electric Code changes, the 2012 Uniform Plumbing code changes and Energy Storage System safety. A central training seminar was battery energy storage systems for use with distributed power generation, such as photovoltaic systems, which is key to reducing consumption of fossil fuels and increasing climate resiliency.

Financing Plan for Shoreline Public Access Acquisition: The CZM Program began activities to implement the Alternative Funding Mechanisms for Acquisition, Improvement, and Maintenance of Shoreline Public Access and has begun work on implementation activities to support the discussion and enhance public access to the shoreline. This project will enhance shoreline public access through exploring the potential nexus and additional benefits of managed retreat to provide and enhance public access to the shoreline. It will assess the feasibility and implementations of implementing managed retreat strategies to gradually shift threatened development inland and away from vulnerable coastal areas. The project will examine the potential effect of a managed retreat framework on public access to the shoreline through case studies and exercises which showcase various development types where managed retreat may be feasible, and highlight opportunities to enhance public access to the shoreline.

National Estuarine Research Reserve System (NERRS)

At the request of the Heʻeia 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 Hawaiʻi for inclusion into the NERRS in 2012. As part of the NERRS, Hawaiʻi will attract federal monies to support science and community based stewardship of our coastal resources. In 2014, OP received NOAA approval of the Nomination Packet for the preferred site of Heʻeia.



Heeia Fishpond & Wetlands by Douglas Peebles

In addition to the CZM Program funds, the OP received \$100,000 NOAA Section 315, NERRS funds for the development of the NEPA Environmental Impact Statement (EIS) document and Management Plan. The Management Plan is a guidance document developed with input from the community group members, a Steering Committee and the public. The Management Plan also provides the background information on the site and a framework to guide reserve activities for the 5 years following designation. Through a variety of methods such as in-depth focus group discussions and emails, the public had an opportunity to comment on the Strategic Plan and Draft Management Plan. The Final Management Plan was completed on December 7, 2016 and Heʻeia National Estuarine Research Reserve was designated as the 29th NERR on January 19, 2017. Management of the Heʻeia NERR is under the Hawaii Institute of Marine Biology, University of Hawaii.

Coastal Nonpoint Pollution Control Program (CNPCP)

In 1990, Congress enacted Section 6217 of Coastal Zone Management Act Reauthorization Amendments (CZARA) which 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 EPA and NOAA. Locally, its development and administration are the responsibilities of the State Department of Health (DOH) Polluted Runoff Program and the Hawaiʻi CZM Program. The CNPCP primarily focuses on pollution prevention through the implementation of management measures developed by the EPA.

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 EPA in 2008. In 2012, the Hawaiʻi CZM Program 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.

B. GEOGRAPHIC INFORMATION SYSTEMS (GIS) PROGRAM

HRS Chapter 225M, tasks OP 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, OP's 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.

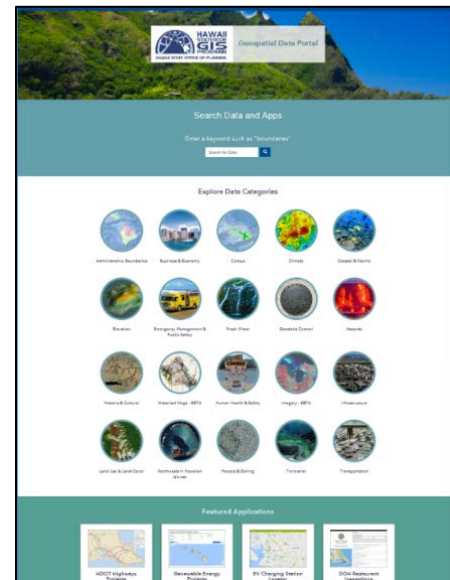
GIS is an effective analysis and decision support tool that provides a graphical and location-based or spatial context to statistical and compiled data. It is a platform on which complex analysis can be performed to plan resource distribution, or identify and prioritize areas for conservation or economic 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 by varying parameters.

GIS Program Administration

The GIS Program manages and maintains the various elements of the State's geoplatform, which consists of geospatial data, servers, software licenses, and an online mapping platform.

Enterprise License Agreement: The GIS Program staff managed the State's Enterprise License Agreement (ELA) with Esri for GIS software and services (funded by ETS). The agreement provides for the unlimited deployment of most of Esri's GIS desktop and server software products to state agencies, the judiciary, and the legislature for the term of the contract. It also provides several organizational subscriptions to Esri's online mapping platform, ArcGIS Online (AGOL). In addition to the general Statewide GIS organizational AGOL site for use by all State agencies, secondary sites have been set up by the Departments of Health and Transportation, the Offices of Elections and Hawaiian Affairs, and both the State Senate and State House of Representatives.

Geodatabase: The GIS database, or geodatabase, is managed and maintained by the GIS Program and contains over 300 data layers, including contributions from federal, state and county agencies. The wide variety of datasets includes parcels, airports, benthic habitat, census tracts and blocks, critical habitat, flood insurance zones, important agricultural lands, golf courses, harbors, reserves, solar radiation, trails and US Department of Defense Lands.



This geodatabase is accessible to state agencies through the state network and is the single source from which geospatial data and imagery is made available to the general public over the Internet through multiple vehicles – the State’s Geospatial Open Data Portal (<https://geoportal.hawaii.gov>), the State’s Socrata Open Data Portal (<https://data.hawaii.gov>), the Office of Planning’s GIS data download website (<http://planning.hawaii.gov/gis/download-gis-data>), and the State’s online mapping platform, ArcGIS Online (<https://histategis.maps.arcgis.com>). Nearly all of the state’s data layers from the geodatabase are available publicly, with some data only available directly from the geodatabase for security, privacy, or licensing reasons.

User Administration: The GIS Program staff administer accounts for more than 300 users in the primary AGOL site. Besides access to the AGOL mapping platform, these accounts provide state employees with access to free self-paced online e-Learning courses provided by Esri. The AGOL accounts are key to a consolidated user management system that tracks mapping activity, software distribution, and training history.

Technical Support: The GIS Program staff provides technical support for state agency GIS users, some data and technical assistance to federal and county agencies, and responds to inquiries from the general public. In addition, there are designated staff in various agencies who can place technical support calls to Esri and two designated Premium Support callers who can initiate priority technical support tickets. In FY 2017 the State opened 39 Standard Support tickets and 24 Premium Support tickets, including precautionary tickets to support the Primary and General Elections in 2016.

GIS Mapping and Analysis

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 Program also performs mapping and analysis for the legislature and provides technical support to all State agencies using GIS.

District Maps for Legislators: Every year the Office of Planning receives requests from about a dozen legislators asking for district boundary maps. This year district maps were generated for all legislators, except those who had already requested and received maps in the last year. These maps were printed on 42” x 40” photo paper suitable for display in the legislative offices; they are also being added to the GIS website for viewing and download.

Transit-Oriented Development (TOD): GIS Program staff assisted the Land Use Division’s work with the TOD Council, by creating state- and county-owned parcel baseline layers and developing interactive maps using various state and county data layers.

Special Action Team (SAT) for Affordable Rental Housing: GIS Program staff assisted the Special Plans Branch with mapping to identify priority parcels potentially suitable for affordable rental housing development. Many of the baseline data layers were shared in common with the TOD project, with the prioritized classification and designation of State, county, and privately

owned parcels into three tiers based on criteria defined by the Special Plans Branch and the SAT for Affordable Rental Housing.

EnerGIS: The EnerGIS interactive application helps users understand the renewable energy resource potential and siting considerations for specific Hawai‘i parcels identified by the user. EnerGIS also provides information on individual site attributes to support the identification of potential permits and regulations applicable to that site. The functionality of the application was enhanced to provide improved displays and more complex search and filtering capability. EnerGIS was developed in partnership with the Hawai‘i Statewide GIS Program and utilizes the State’s geospatial data.

Maps for other agencies: GIS Program staff developed a number of publicly available, easy-to-use, web-based applications, such as the Census Demographic Profiles that displays data from the U.S. Census Bureau’s American Community Survey (ACS) 5-year selected estimate profiles showing population estimates by county of several periods through 2015, and showing demographic and economic information by census tract or legislative district.

In addition, during this reporting period, GIS Program staff responded to 70 mapping requests from over two dozen different state offices, including the Governor’s Office and over two dozen legislators.

Outreach and Participation

Office of Planning Website: The GIS section of the OP website (<http://planning.hawaii.gov/gis>) is continually updated and provides important GIS resources, including downloadable maps, geospatial data and metadata, as well as links to relevant mapping tools and applications.

Outreach: Throughout the reporting period GIS Program staff worked with state agencies and community partners to raise awareness about the state’s GIS Program and to promote the use of the State’s geospatial resources and authoritative data. In addition, a number of state employees, most of whom were new to GIS and geospatial analysis, were sent to training thanks to funding from ETS.

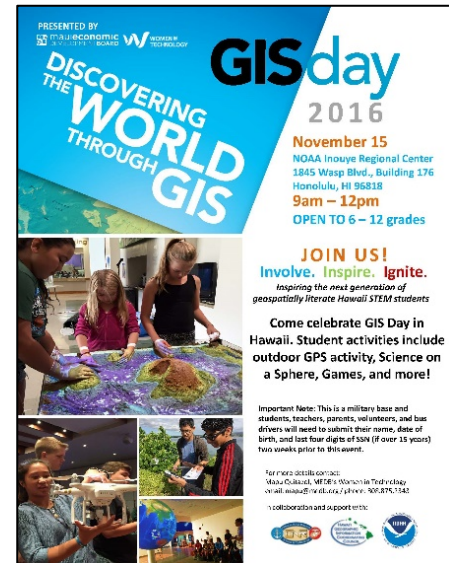
- Provided training opportunities for approximately 50 state employees from a various agencies, including the Legislature and the Governor’s office; training ranged from two-

GIS Program Collaborates with Agencies:

- Governor’s Office
- Hawai‘i State Senate
- Hawai‘i State House of Representatives
- Office of Elections
- Office of Enterprise Technology Services
- DBEDT – Business Development and Support Division
- DBEDT – Creative Industries Division
- DBEDT – Hawai‘i Community Development Authority
- DBEDT – Hawai‘i Tourism Authority
- DBEDT – Land Use Commission
- DBEDT – Research & Economic Analysis Division
- DBEDT – State Energy Office
- Dept. of Agriculture
- Dept. of Commerce and Consumer Affairs
- Dept. of Education
- Dept. of Health
- Dept. of Land and Natural Resources
- Dept. of Transportation
- GIS coordinators from the City and County of Honolulu, County of Hawai‘i, County of Kaua‘i and County of Maui

or three-day instructor-led courses to in-house introductory online mapping classes to full-day web mapping workshops

- Participated in GIS Expo 2017, a day of presentations about geospatial data, applications, and activities with over 100 participants from the federal, state, county, and private sectors
- Participated in GIS Day 2016, a day of educational activities focused on geospatial analysis, tools, and resources, hosted at the NOAA facility on Ford Island, for over 120 students from eight public and private middle and high schools on O‘ahu
- Participated in the first annual Hawai‘i Annual Code Challenge (HACC), a state-sponsored hackathon event that brought together developers and independent software coders to develop innovative software solutions to problems that State and county agencies identified
- Hosted two State GIS Users Meetings with a combined attendance of over 100 state employees representing several dozen agencies, and including presentations from various offices showing current and upcoming projects with geospatial components
- Presented overviews of the Statewide GIS Program to the Department of Health Executive Committee, Division of Aquatic Resources staff at a NOAA GIS workshop, staff at the Governor’s Office, and various staff at the State Legislature



Hawai‘i Board on Geographic Names (HBGN): The GIS Program staff provides support and assistance to the Hawai‘i Board on Geographic Names on which the OP’s Director serves. The purpose of the Board, created by Act 50, SLH 1974 (codified as HRS Chapter 4E), is to assure uniformity in the use and spelling of the names of geographic features within the State. The HBGN 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 for the correct historical or cultural spelling of the place name.

Hawai‘i Geographic Information Coordinating Council (HIGICC): The GIS Program is an active participant in 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.

National States Geographic Information Council (NSGIC): “NSGIC’s membership is comprised of senior state geographic information systems executives and coordinators, federal agency representatives, local government officials, private sector solutions providers, academic researchers and GIS colleagues at partner organizations.” (<https://www.nsgic.org/>) The Office of Planning participates in NSGIC both as the state representative for Hawai‘i, and through its membership in HIGICC, the state GIS council.

C. SPECIAL PLANS BRANCH

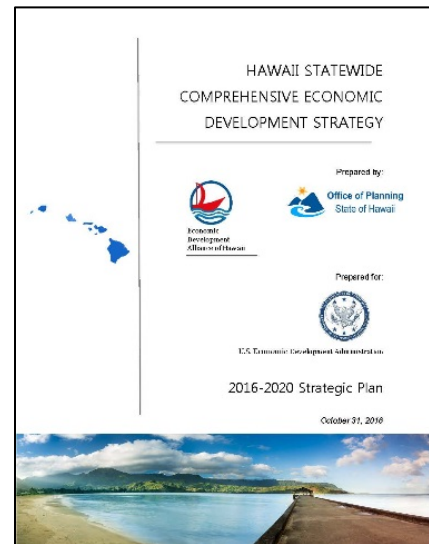
The Special Plans Branch (SPB), is tasked with carrying out the functions of OP related to statewide planning under the Hawai‘i State Planning Act. The SPB conducts statewide planning and coordination, as well as policy analysis to address critical areas of concern affecting the direction, rate and character of growth (primarily land use and economic growth). During this reporting period the activities of the SPB included the hiring of the State Sustainability Coordinator; the completion of the 2016-2020 Hawai‘i Statewide CEDS; completion of the Kalihi 21st Century Transformation Initiative; administration and support of the Special Action Team on Affordable Rental Housing; comprehensive review and update of the Hawai‘i State Plan; integration of innovation industries into TOD Plans; and administration of the Hawai‘i Brownfields Cleanup Revolving Loan Fund (HBCRLF) program.

Sustainability

On June 1, 2017, the newly created position of state Sustainability Coordinator was filled to implement the Sustainability Priority Guidelines that are a part of the Hawai‘i State Planning Act (HRS §226-108). The position serves as a sustainability liaison among state and other government agencies, as well as private or non-profit organizations, on various sustainability initiatives being performed statewide. The Sustainability Coordinator will also be responsible for establishing broad work plans for state initiatives that promote sustainability, including developing programmatic priorities and budgets, conducting program analyses, making policy recommendations, and preparing sustainability or initiative reports, and other written material.

Major Update of the Hawai‘i CEDS

During this reporting period, the SPB completed the update and received EDA approval of the 2016-2020 Hawai‘i Statewide CEDS. The CEDS is a blueprint for economic development throughout the State. The CEDS has been prepared through extensive stakeholder input and the cooperative efforts of the Economic Development Alliance of Hawai‘i, O‘ahu Economic Development Board, Kaua‘i Economic Development Board, Maui Economic Development Board, Hawai‘i Island Economic Development Board and the Office of Planning. The Statewide CEDS covers broad themes that cut across the Hawaiian Islands, and contains individual strategies from each of the State’s four counties. This document will be kept on file in the EDA Honolulu Field Office and the EDA Seattle Regional Office and will be current through December 31, 2020. The CEDS must be updated every five years to qualify for Public Works and Economic Adjustment Assistance programs through EDA.



Kalihi 21st Century Transformation Initiative

During this reporting period, the SPB completed the 21st Century Kalihi Transformation Initiative and Vision Report. The 21st Century Kalihi Initiative was instituted by Governor Ige and OP to put forth a vision concept that re-imagines the future of Kalihi in the event the O‘ahu Community Correctional Center (OCCC) is relocated or replaced. A Vision Committee (VC) comprised of area legislators, neighborhood board members, and representatives from the public sector, private sector, social service agencies, and community-based organizations was created to work with the OP to establish a vision concept for the site. This vision was informed and inspired by community aspirations and was the catalyst for this vision of Kalihi in the 21st Century.



The VC revisited thematic principles, concepts and priorities presented in past community visioning exercises, studies and surveys prior to formulating its own draft vision specific to the OCCC site. It also solicited input at open community meetings (September 13, 2016, November



15, 2016 and April 3, 2017) and through the VC’s extended networks. In an effort to synthesize the input received, the VC held an intensive three-hour workshop on October 22, 2016, at which the VC identified priorities for the vision concept.

The top priorities for the 21st Century Initiative focus on Economic Development and Housing for the support and betterment of Kalihi’s current and future generations. It supports innovation and capacity-building, and takes a balanced approach in creating jobs and providing housing so the people who live in the area can continue to live and work in Kalihi and future generations can be elevated. A copy of the Vision Report can be downloaded from the OP website: <http://planning.hawaii.gov/spb/kalihi-21st-century-transformation-initiative/>.

Special Action Team on Affordable Rental Housing

On June 29, 2016, Governor David Ige signed into law Act 127, SLH 2016. Act 127 addresses rental housing by establishing an affordable rental housing goal, and establishing a Special Action Team (SAT) on Affordable Rental Housing. The SAT is established for administrative purposes within OP and is chaired by the OP Director. The rental housing goal is to develop, or vest the development of at least 22,500 affordable rental housing units, ready for occupancy between January 1, 2017 and December 31, 2026. The SPB continues to work with the SAT members to achieve the goals of Act 127, SLH 2016. During this reporting period, the Team met 4 times in 2016 (8/31, 9/23, 10/21, and 12/05) and 6 times in 2017 (1/13, 2/24, 3/24, 4/28, 5/24, and 6/23). The meetings are held monthly and periodically rotate among the counties to take advantage of the collaboration and coordination between the federal, state and county housing agencies.

Comprehensive Review and Update of the Hawai‘i State Planning Act

The SPB continues to work on a comprehensive review of HRS Chapter 226, the Hawai‘i State Planning Act, which was first enacted in 1978 – with respect to how it aligns with current and emerging conditions and issues and its effectiveness in addressing the needs of Hawaii’s people and providing for Hawaii’s future. The last comprehensive review of the Hawai‘i State Planning Act, was initiated in 1983, completed in 1985, and resulted in the enactment of legislation to fine tune the goals, policies, and objectives of Part I and priority guidelines of Part III. The Act was last reviewed in 1992. OP continues to inventory and review all state department plans, strategic plans, and functional plans as to the overall status of the plans.

Integration of Innovation Industries into the State Transit-Oriented Development (TOD)

Plans: The SPB began work on tasks for the EDA Grant, awarded on February 13, 2017, to support CEDS targeted emerging growth cluster industries (emerging growth industries) by identifying facilities/projects which support these industries that can feasibly be developed on State lands near the proposed Honolulu Area Rail Transit (HART) rail stations. Emerging growth industries include technology, creative industries, energy, health/medicine/wellness, research and education, defense-related services and others. Facilities/projects may include incubators, tech parks, research centers, etc. This study will also help to implement the CEDS by providing baseline information on businesses around the rail stations and identifying potential facilities which may be developed to support emerging growth industries and assessing their feasibility and recommending facilities for development.

Hawai‘i Brownfields Cleanup Revolving Loan Fund (HBCRLF)

This loan fund, seeded by \$2 million from EPA, 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 for repayment.

Program loans to date:

- Department of Hawaiian Home Lands - \$1.97 million for the remediation of the East Kapolei pesticide mixing and loading facility site. Loan was repaid in FY 2014, upon successful completion of the remediation of the site. The project site will be used by DHHL as a neighborhood park for the East Kapolei II residential project as it is built out.
- Kūmakua Affordable Housing Project, Hāwī, Hawai‘i - 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 executed a cleanup agreement with the DOH Hazard Evaluation and Emergency Response (HEER) Office to remove contaminated soils on land within Phase III of the Kūmakua Affordable Housing Project, a self-help housing subdivision that HICDC is developing. Cleanup work, site restoration, and all other project tasks were completed in June 2016. DOH accepted the final Removal Action Completion Report and issued its No Further Action determination effective September 29, 2016, stating the site is suitable for unrestricted future use. In December 2016, a loan amendment was requested and approved for an additional amount of

\$190,093, as the volume and levels of contaminated soils exceeded the estimates in the approved remedial action plan. The loan is anticipated to be paid in full by September 3, 2017.

- Ola Ka ‘Ilima Artspace Lofts, Honolulu, O‘ahu - Artspace, a Minnesota-based non-profit organization that develops affordable places for artists to live and work, is exploring a possible loan to address cleanup/remediation of contaminated soils at their project site in Kaka‘ako. The project is envisioned to be a mixed-use arts development, which will include 84 units of affordable live/work space for low-income artists and their families, as well as 10,000 square feet of green space, and more than 7,000 square feet of community and commercial space for arts-oriented business. Artspace’s environmental consultant is evaluating soil removal and disposal options.

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 land use district 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. During the fiscal period, the LUD worked on the production of GIS overlays and analyses to describe the current status of the district boundaries in light of county land use plans and programs. The report is expected to be completed in FY2018.

Authority: HRS Chapter 205, Land Use Commission. Pursuant to HRS Chapter 205, OP is a mandated party on behalf of the State of Hawaii to make recommendations on proposed land use district boundary reclassification dockets before the Land Use Commission. OP's recommendations are based on the criteria for boundary designations. OP also comments on petitions for special use permits and important agricultural lands designations.

Land Use Reviews

LUD prepares the State's position on land use proposals involving a change in district classification. As an example, this usually involves the question of whether hundreds of acres of land in the State Land Use Agricultural District should be moved into the State Land Use 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, with a very small percentage in the Rural 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 Planning Act, 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.

State Transit-Oriented Development (TOD)

On June 29, 2016, Governor David Ige signed into law Act 130, SLH 2016 which designates the OP as the lead State agency to coordinate and advance smart growth and TOD planning in the State as follows:

- Identify TOD opportunities shared between state and county agencies, including initiatives such as the Healthy Hawai'i Initiative and the Hawai'i Clean Energy Initiative;
- Clarify state goals for TOD and smart growth that support the principles of the Hawai'i State Planning Act;
- Target TOD areas for significant increase in affordable housing and rental units;
- Conduct outreach and education to State agencies and publicize smart growth and TOD efforts;
- Review state land use decision-making processes to identify ways to make TOD a higher priority and with more proactive leadership; and
- Approve all State agencies' development plans (conceptual land use plans identifying the location and planned uses) on state-owned parcels along the rail transit corridor.



Photograph courtesy HPR Wayne Yoshioka

Act 130, SLH 2016 also established the Hawai'i Interagency Council for Transit-Oriented Development (TOD Council). The purpose of the TOD Council is to coordinate and facilitate State agency TOD planning, and to facilitate consultation and collaboration between the State and the counties on smart growth and TOD initiatives. With representation from State and county

governments and the community, the TOD Council also serves as the State's forum for TOD planning and policy development. The Council is co-chaired by the directors of the OP and the Hawai'i Housing and Finance Development Corporation (HHFDC). The TOD Council's responsibilities are to:

- Develop and advise the Governor on the implementation of a State strategic plan for TOD, including mixed-use and affordable and rental housing projects on State lands;
- Facilitate acquisition of funding and resources for State and county TOD programs and affordable and rental housing projects;
- Monitor preparation and conduct of plans and studies to facilitate implementation of State TOD plans;
- Review all Capital Improvement Project requests to the Legislature for TOD projects on State lands;
- Recommend policy, regulatory and statutory changes and identify resource strategies for the successful execution of the State strategic plan for TOD;
- Assemble accurate fiscal and demographic information to support policy development and track outcomes; and
- Consider collaborative TOD initiatives of other states that have demonstrated positive outcomes.

The LUD organized the formation of the TOD Council, including State and county agencies and community, business and development representatives. The LUD coordinated and staffed monthly TOD Council meetings, including setting agendas, inviting speakers, arranging presentations, and reporting on TOD planning activities. The first meeting was held in September 2016. Nine meetings were held during the FY 2017 period. The State TOD website on OP's website was updated with all TOD Council meeting materials and presentations, including material from the June 2017 P3 Workshop. LUD coordinated and staffed TOD Council Work Group meetings, including Strategic Plan Process and Strategic Plan Investigative Work Groups. The LUD also organized and conducted a Kaua'i County Transit-Ready Development (TRD) Workshop in February 2017 to identify potential TOD-related projects on State lands on Kaua'i. A similar TRD Workshop was organized and conducted in June 2017 in Hilo for the County of Hawai'i.

In co-sponsorship with the Association for the Improvement of American Infrastructure (AIAI), the LUD organized and conducted the Hawai'i P3 Workshop in June at the Hawai'i Imin International Conference Center, East-West Center to educate State and county agencies on innovative financing delivery methods with the private sector. There were 133 attendees at the workshop which featured nine experts giving basic educational and case study presentations of public-private partnerships and best practices. A speaker orientation tour and a question and answer session preceded the workshop.

The Legislature appropriated \$500,000 in CIP funds to OP for Fiscal Year 2016-2017 for TOD projects on O'ahu providing funding for site master planning for State lands in TOD areas that have TOD potential, and infrastructure assessments and planning for infrastructure improvements in areas where multiple agencies are involved. The appropriation was delegated to 1) DAGS/Stadium Authority (\$200,000) for a draft master plan for a sports/entertainment complex at Aloha Stadium, 2) DLNR (\$200,000) for a strategic master plan for East Kapolei lands, and 3)

University of Hawai‘i Honolulu Community College (\$100,000) for master plan revisions for TOD near the Kapālama transit station. LUD staff will participate as part of the project teams for the master planning efforts.

V. LEGISLATIVE PROPOSALS

For the upcoming 2018 legislative session, OP is not proposing legislative actions.

VI. ACRONYMS

| | | | |
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| ACT | CZM ORMP Action Team | HHFDC | Hawai‘i Housing and Finance Development Corporation |
| AGOL | ArcGIS Online | HICDC | Hawai‘i Island Community Development Corporation |
| CDD | Community Development District | HI-EMA | Hawai‘i Emergency Management Agency |
| CEDS | Comprehensive Economic Development Strategy | HIGICC | Hawai‘i Geographic Information Coordinating Council |
| CELCP | Coastal and Estuarine Land Conservation Program | HRS | Hawai‘i Revised Statutes |
| CNPCP | Coastal Nonpoint Pollution Control Program | ICAC | Interagency Climate Adaptation Committee |
| CRest | Coastal Resilience Networks | LUC | Land Use Commission |
| CSC | Coastal Services Center | LUD | Land Use Division |
| CZARA | Coastal Zone Act Reauthorization Amendments | MACZAC | Marine and Coastal Zone Advocacy Council |
| CZM | Coastal Zone Management | NDERS | Natural Disaster Economic Recovery Strategy |
| CZMA | Coastal Zone Management Act (Federal) | NEPA | National Environmental Policy Act |
| 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 Organization |
| DOH | Department of Health | NOAA | U.S. Department of Commerce, National Oceanic and Atmospheric Administration |
| EDA | U.S Department of Commerce, Economic Development Administration | OCM | Office for Coastal Management (NOAA) |
| EIS | Environmental Impact Statement | OP | Office of Planning |
| ELA | Enterprise License Agreement | ORMP | Ocean Resources Management Plan |
| EPA | U.S. Environmental Protection Agency | SLH | Session Laws of Hawai‘i |
| ETS | Office of Enterprise Technology Services | SMA | Special Management Area |
| GIS | Geographic Information System | SPB | Special Plans Branch |
| HAR | Hawai‘i Administrative Rules | SSV | Shoreline Setback Variances |
| HBCRLF | Hawai‘i Brownfields Cleanup Revolving Loan Fund | TOD | Transit-Oriented Development |
| HBGN | Hawai‘i Board on Geographic Names | | |
| HCDA | Hawai‘i Community Development Authority | | |
| HEER | Hazard Evaluation and Emergency Response | | |