



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

NEIL ABERCROMBIE
GOVERNOR
RICHARD C. LIM
DIRECTOR
MARY ALICE EVANS
DEPUTY DIRECTOR
JESSE K. SOUKI
INTERIM DIRECTOR
OFFICE OF PLANNING

OFFICE OF PLANNING

235 South Beretania Street, 6th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 587-2846
Fax: (808) 587-2824

Statement of
JESSE K. SOUKI
Director, Office of Planning
Department of Business, Economic Development, and Tourism
before the
SENATE COMMITTEE ON WAYS AND MEANS
Wednesday, April 11, 2012
9:35 AM
State Capitol, Conference Room 211

in consideration of
SR59/SCR118
**URGING THE OFFICE OF PLANNING TO TIMELY CONDUCT AND COMPLETE
REGIONAL PLANS AND STUDIES AS REQUIRED BY STATUTE.**

The Office of Planning supports S.R. 59 and S.C.R. 118, which celebrates the importance of planning to the State of Hawaii and reiterates the purpose of the Office of Planning (OP), pursuant to Hawaii Revised Statutes §225M-1, which provides as follows:

[T]o assist the governor and the director of business, economic development, and tourism in maintaining an overall framework to guide the development of the State through a continuous process of comprehensive, long-range, and strategic planning 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, including the conservation of those natural, environmental, recreational, scenic, historic, and other limited and irreplaceable resources which are required for future generations.

We look forward to continuing our service to the administration.

Although the Office of Planning's resources have diminished, OP has leveraged its resources to conduct comprehensive, long-range and strategic planning. As an example, OP sought federal funds to help offset the 30% general fund budget reductions in 2009. However, federal funds have constraints. These funds must be used for purposes of the grant and usually have matching requirements. About 50% of OP's staff is federally funded and the remaining staff provides a portion of the one to one match requirement for these funds.

In addition to the projects and programs discussed in our recent *Fiscal Year 2010 – 2011 Office Of Planning Report to the Twenty-Sixth Legislature Regular Session of 2012* (available at

<http://hawaii.gov/dbedt/main/about/annual>), I would like to highlight the following projects related to the resolutions' requests.

Climate Change Adaptation Policy

OP worked with numerous stakeholders to develop a climate change policy to be included as a Priority Guideline in Part III of the Hawaii State Planning Act, HRS ch. 226. (SB 2745 and HB 2483 Relating to Environment) *A Framework for Climate Change Adaptation in Hawaii*, was prepared in November 2009. This was a collaborative effort of the Ocean Resources Management Plan Working Group with the assistance of the University of Hawaii, Center for Islands Climate Adaptation and Policy. OP is working with the Ocean Resources Management Plan Policy and Working Groups, University of Hawaii Center for Island Climate Adaptation and Policy, U.S. Army Corps of Engineers, and other stakeholders on issues pertaining to climate change adaptation. This work is made possible through federal Coastal Zone Management Act grant funds and matching OP services-in-kind.

National Ocean Policy

Governor Abercrombie designated the Director of OP as his representative for initiatives of the National Ocean Council (NOC) and the designated US Pacific Islands region (American Samoa, Guam, CNMI, and Hawaii). OP through its Coastal Zone Management Program received a \$250,000 competitive grant award from the National Oceanic and Atmospheric Administration (NOAA) to strengthen the Ocean Resources Management Plan and implement the National Ocean Policy.

Ocean Resources Management Plan (ORMP) Update

An update of the ORMP is underway. 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 Coastal Zone Management (CZM) Program with the review and periodic update of the ORMP, as well as coordination of the overall implementation of the plan. The ORMP is an integrated, place-based approach to management of ocean resources in the islands, based on recognition of the ecological connections between the land and sea, the link between human activities and its impacts on the environment, and the need for improved collaboration and stewardship in natural resources governance.

Charged with coordinating meaningful interagency and multi-sectoral engagement for plan implementation, the CZM Program established an ORMP Policy Group and an ORMP Working Group. These groups have been meeting consistently since they originated in 2007, and have continuously reached out to new partners and grown stronger as it becomes more evident that collaborative governance is essential for effective natural and cultural resource management. (CZM Federal funds; matched by OP services-in-kind)

Sustainability 2050

OP worked with the UH Public Policy Center for the passage of Act 181 (2011), which made the Hawaii 2050 Sustainability Plan a Priority Guideline under the Hawaii State Planning Act. OP coordinated and facilitated the two-day workshop by the Governors' Institute on Community Design

to allow Administration decision-makers to consider how to implement sustainability under the New Day agenda, Hawaii 2050 Sustainability Plan, and State Planning Act.

OP, in coordination with the Governor's office and the Chief Information Officer, are working on an interagency, statewide strategic plan to further these objectives and make that information available online. OP is also working on securing potential funding to support the Administration's planning efforts in the urban core.

2010 Hawaii Statewide Comprehensive Economic Development Strategy (CEDS)

Accepted in March 2011 by the United States Economic Development Administration (EDA), the 2010 CEDS (Report) is an economic development strategy document for the State of Hawaii to increase Hawaii's economic competitiveness. The Report supports key industry clusters through proposed strategies and projects for implementation. Completion and acceptance of the Report demonstrates that the State of Hawaii has gone through a deliberative and thorough planning process to provide a framework for recommending projects for EDA funding. A CEDS is a precondition to obtain funding under most EDA grant programs.

The 2010 CEDS was a collaborative effort with OP, the State Department of Business and Economic Development and Tourism (DBEDT); the Economic Development Alliance of Hawaii (EDAH); Enterprise Honolulu; Economic Development Boards; County Economic Development Agencies; community, business, non-profit and other organizations; and the public. (\$133,360 EDA Federal Funds; match provided by services-in-kind by OP and economic development agencies and organizations).

Planning for Rural Economic Development

Planning for Rural Economic Development (Rural Report), 2010, examines rural economic development in Hawaii. Prepared by SMS Marketing and Research Services, Inc., the Rural Report defined "rural", identified rural communities statewide, and developed a baseline of socio-economic conditions of rural communities. Best practices were then identified through a nationwide and statewide review of rural communities who have successfully integrated economic development while maintaining rural character. Lastly, recommendations to support rural economic development in Hawaii were provided (\$100,000 EDA Federal Funds; matched by OP services-in-kind).

Master Plan for Agricultural Resources at Hoesa

Master Plan for Agricultural Resources at Hoesa (Master Plan), July 2011, is comprised of an environmental assessment and a site plan for the development of an agricultural resource center and processing facility in North Kohala, Island of Hawaii. The Master Plan provides the basis for moving forward with land acquisition, design, and construction of this facility. It will help the residents of North Kohala move closer to their goal of strengthening this rural area's local economy.

The resource center envisioned in the plan will support small farmers and ranchers to ensure the future of agriculture and ranching in the region. Kahua Paa Mua, Inc. and the Hawaii Future Farmers of America Foundation prepared the plan for OP and County of Hawaii (\$20,000 EDA Federal Funds; matched by in-kind services from OP, Department of Research and Development, County of Hawaii, Hawaii Future Farmers of America Foundation and Kahua Paa Mua, Inc.).

Food Self-Sufficiency Strategy

OP was awarded a federal grant of \$100,000 from EDA to develop a strategic plan to increase food security and self-sufficiency in Hawaii. The Special Plans Program has begun work on the development of this plan in cooperation with the State Department of Agriculture.

Natural Disaster Economic Recovery Strategy

The goal of this grant is to improve economic recovery after natural disasters. OP will prepare a Natural disaster economic recovery strategy as a supplement to the CEDS to address pre-disaster continuity planning and post-disaster recovery actions for both public and private sectors. OP will work closely with State Civil Defense on this project (\$150,000 EDA Federal Funds; matched by OP services-in-kind).

Economic Development Strategy for Native Hawaiian Communities

The goal of this grant is to prepare an economic development strategy for native Hawaiian communities in cooperation with the Department of Hawaiian Home Lands (\$150,000 EDA Federal Funds; matched by OP services-in-kind).

Coastal Nonpoint Source Pollution Control Program (CNPCP)

OP through the Coastal Zone Management Program is working to reduce polluted runoff into our ocean and streams. Hawaii Watershed Planning Guidance 2011 was created to help local community organizations understand and prepare watershed plans in compliance with EPA guidelines for funding through Section 319 of the Federal Clean Water Act and serve as a means to reintroduce all CNPCP management measures. The Guidance presents a user friendly, step by step guide to ensure that as watershed plans are developed and updated in Hawaii, appropriate CNPCP management measures will be considered to achieve water quality improvements. The program is conducting training to government and other organizations on reducing coastal nonpoint source pollution. This work is made possible through federal Coastal Zone Management grant funds and matching OP services-in-kind.

In addition to the above specified projects, which leverage general funds for additional federal funding support, OP has updated its Web site to provide agencies and the public with better access to information about our programs and services. We provide planning expertise and support to various state agencies and programs and coordinate with county and federal agencies on initiatives of statewide concern. For example, these activities include, but are not limited to, membership on the Oahu Metropolitan Planning Organization (OMPO) Advisory Committee, the City's Transit Oriented Development (TOD) Advisory Committee, the Pacific Regional Ocean Partnership, and interactions with military planning officials. With the legislature's funding support, we look forward to conducting, or causing to be conducted, planning studies that address the carrying capacity of the state as requested in this resolution.

Thank you for the opportunity to testify.