

DEPT. COMM. NO DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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December 10, 2018

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

The Honorable Scott K. Saiki, Speaker and Members of the House of Representatives Thirtieth 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 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 reports may be viewed electronically at: http://dbedt.hawaii.gov/overview/annual-reports-reports-to-the-legislature/.

Sincerely,

Mary Alice Evans

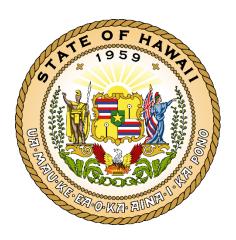
Enclosure

c: Legislative Reference Bureau

FISCAL YEAR 2017 – 2018

OFFICE OF PLANNING

REPORT TO THE THIRTIETH LEGISLATURE REGULAR SESSION OF 2019



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 2018

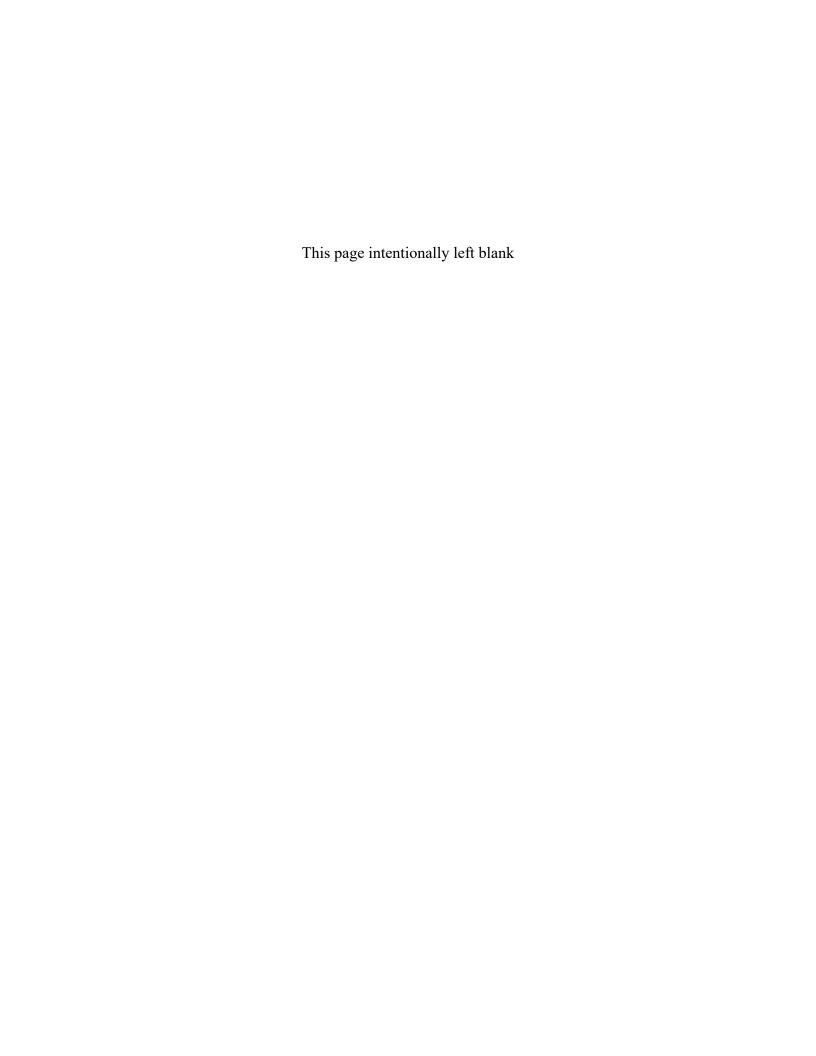
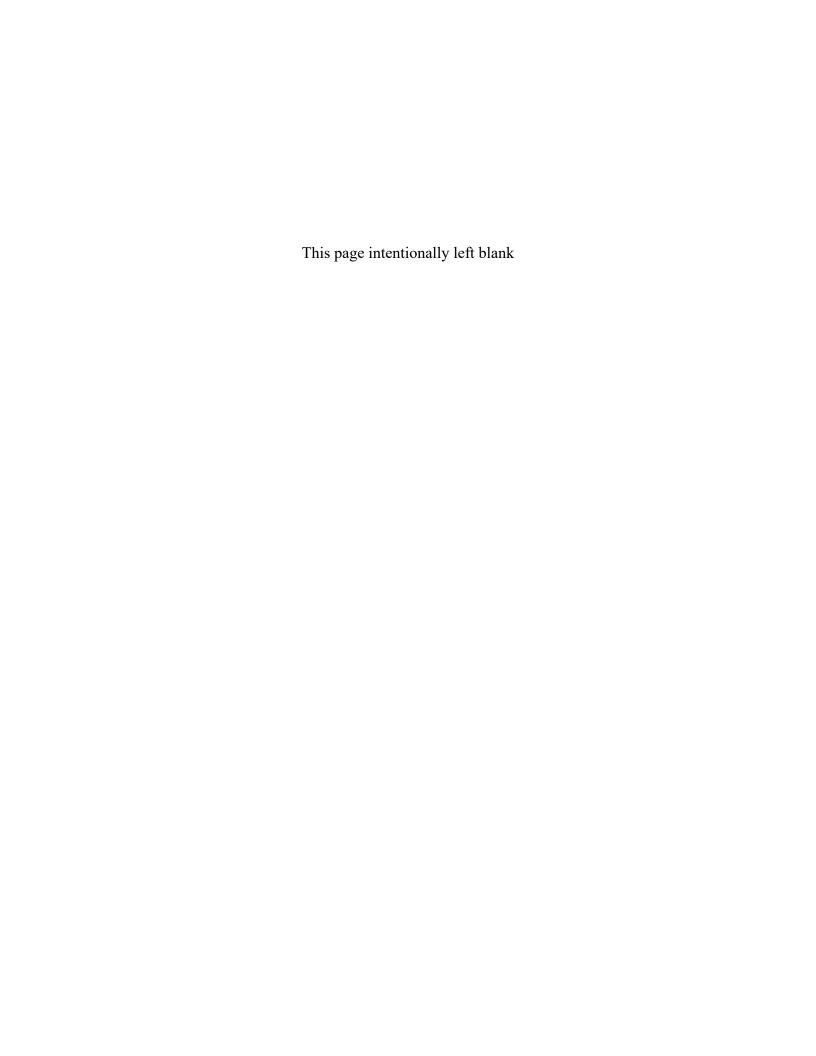


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^{*}This report is available at the Hawai'i DBEDT website: http://dbedt.hawaii.gov/overview/annual-reports-to-the-legislature/



I. PURPOSE AND HIGHLIGHTS

Hawai'i Revised Statutes (HRS) Sections 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 the 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, 2017 to June 30, 2018.

OP's mission is to provide central direction and cohesion in the allocation of resources and effectuation of State activities and programs, and effectively address current or emerging issues and opportunities. The following are highlights of how we achieved our mission for the period July 1, 2017 to June 30, 2018.

OP by the Numbers Reports Published: 4

Activities and Accomplishments: 25 Federal Consistency reviews: 37 GIS Agency Users: 500+

The following further details the highlights for the period July 1, 2017 to June 30, 2018.

Reports Published:

- State of Hawai'i Strategic Plan for Transit-Oriented Development (December 2017)
- Hawai'i 2050 Sustainability Plan Ten Year Measurement Update (2008-2017)
- Hawai'i State Plan Update, Phase 1 (March 2018)
- Hawai'i Community Stewardship Directory (2018)

Activities and Accomplishments:

CZM Program

- Conducted three (3) SMA training sessions to Kaua'i Planning Commission, Hawai'i County Leeward Planning Commission and Hawai'i County Windward Planning Commission.
- Launched the Ocean Resources Management Plan (ORMP) online dashboard
- Continued support of the Marine and Coastal Zone Advocacy Council (MACZAC)
- Formed the Carbon Farming Task Force (CFTF), and led coordination and staffing of monthly meetings

Geographic Information Systems (GIS) Program

Added an interactive "Legislative Districts" application to the OP GIS website that allows a user to search for a State House or Senate district number and view or download a map of the district showing the boundary of the district with major streets names overlaid on high resolution satellite imagery (http://planning.hawaii.gov/gis).



• Developed a new elevation service utilizing all known publicly available lidar data (light detection and ranging) in the state collected from 1999-2017. For the first time, lidar

collected by the State, counties and other partners is readily available and can be downloaded from one location. The service also allows the public to easily visualize the data, slope, and aspect of the terrain. These layers can also be brought into mapping applications for analysis with other geospatial data.

- Conducted a vector tile workshop for state and county participants to create scalable and query-able data layers that combine the benefits of raster and vector data types.
- Managed the Esri Enterprise License
 Agreement, funded by Office of Enterprise
 Technology Services (ETS), which provides
 unlimited desktop and server GIS software licenses to state employees, and an online
 mapping platform, ArcGIS Online (AGOL)
- Managed the state's online mapping platforms with over 500 state agency users
- Provided mapping and analysis to state agencies and the legislature
- Maintained the State GIS database, which contains over 300 data layers
- Managed the state's Open Geospatial Data Portal, which allows keyword search, mapping and download of State GIS data

Special Plans Branch

- Participated in the National Association of State Procurement Officials (NASPO) Sustainable Purchasing Leadership Council (SPLC) 2018 Summit
- Collaborated with Hawai'i State Energy Office to pilot new Arc Skoru Sustainability Measurement Platform for State LEED Facilities.
- Assisted with the certification of Mililani Town Association as a "Tree City USA" by the National Arbor Day Foundation to improve urban forestry opportunities
- Assisted with Lieutenant Governor's 'Aina Pono Hawai'i's Farm to School Initiative USDA awarded 'Aina Pono \$100,000 grant to expand program to all public schools statewide.
- Managed Grant-in-Aid to provide an online resource to support the development of a green economy with community engagement and a toolkit (online launch of Sustainable Hawai'i website)
- Completed Phase 1 of the comprehensive review of HRS Chapter 226, the State Planning Act

Land Use Division

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

- Provided staff support to the Hawai'i Interagency Council for Transit-Oriented Development (TOD Council) which includes State and county agencies and community, business, and development representatives
- Coordinated and staffed monthly TOD Council meetings; eleven (11) meetings were held during FY 2018.
- 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 Maui.
- Updated the State TOD webpage on OP's website with all TOD Council meeting materials and presentations, including the State TOD Strategic Plan.
- Prepared, edited and published draft and final versions of the State of Hawai'i Strategic Plan for TOD, coordinating and compiling project information and reviews from State and county agencies.
- Prepared and issued a competitive Request for Proposals for the State TOD Planning and Implementation Project; conducted extensive offeror reviews and selected a master planning consultant team.

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.

A. 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 Hawai'i's people, and provide for the wise use of Hawai'i'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 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 Hawai'i's resources, and (5) guide the future development of the State.

B. 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 overtime, 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 63 percent of the funds appropriated to OP in the General Appropriations Act of 2017 for FY 2018 came from federal sources.

National Oceanic and Atmospheric Administration (NOAA)

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 \$2,128,136.00 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 Coastal Nonpoint Pollution Control Program (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 and Section 315 — National Estuarine Research Reserve System (NERRS) funds as described below. These Section 309 grants are competitively funded Projects of Special Merit (PSM) which support innovative projects that further local enhancement area strategies and focus on national priorities.

- Section 309 Enhancement Grant funds for the Development of High Resolution Probabilistic Tsunami Design Zone Maps: During this reporting period, OP continued management of an awarded for \$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 309 Enhancement Grant funds for update the Hawai'i Historical Shoreline Database: Modeling Past Present and Future Shoreline Change in Order to Empower Coastal Zone Management Agencies to Assess and Analyze Shoreline Management Policies for Greater Coastal Resilience: During this reporting period, OP received \$225,000 from NOAA to perform two phases of work: 1) use current aerial imagery to update the Hawai'i historical shoreline database and model updated historical rates of change in support of existing policies, and; 2) apply the updated rates to developing revised projections of future erosion probability for the major sandy portions of shoreline on Maui, O'ahu, and Kaua'i. These products will form the basis for discussions, planning, and potential new policies in recognition of rising sea level and the need for adaptation, hazard avoidance, and improved community resilience.
- Section 315 National Estuarine Research Reserve System (NERRS): OP completed the management and closure of the \$100,000 award issued in October 2014 for the development of the NERR Management Plan and assisting in the development and

completion of a National Environmental Policy Act document for the proposed designation. Services-in-kind by committee members and other stakeholders (state and county agencies, the university and non-governmental organizations) provided the non-federal match required for these funds.

In addition to the CZM and NOAA federal funds, OP managed federal monies for economic development and general monies for capital improvement projects.

Economic Development Administration (EDA)

• Economic Adjustment Assistance - Integration of Innovation Industries into the State Transit-Oriented Development (TOD) Plans: OP continued activities for management of the \$130,000 EDA grant to support the targeted emerging growth cluster industries identified in the 2016-2020 Hawai'i Statewide CEDS.

Capital Improvement Projects (CIP)

- In FY 2016-17, the Legislature appropriated \$500,000 in CIP funds to OP for TOD projects on O'ahu providing funding for site master planning for State lands in TOD areas that have TOD potential, infrastructure assessments, and planning for infrastructure improvements in areas where multiple agencies are involved. During 2018, OP continued to coordinate and manage the delegation of the funds with DAGS/Stadium Authority, DLNR and UH.
- In FY 2017-18, the Legislature appropriated \$250,000 in CIP funds to OP for a project that will deliver proof of concept plans and design for collaboration and coordination which may be implemented at other rail station sites. During 2018, OP entered into a Memorandum of Understanding (MOU) with the University of Hawaii Community Design Center (UHCDC) to complete a study of the TOD interagency communication, community engagement, research, planning, design, and funding process as well as an in-depth, multiscalar, and multi-disciplinary study of the Waipahu TOD area itself. The Waipahu TOD area acts as a pilot region and problem field to establish an applied research and design framework that support a macro to micro level systems based approach that better informs the funding of capital improvement projects moving forward.
- In FY 2017-18, the Legislature appropriated \$250,000 in CIP funds to OP for a project that will deliver proof of concept plans and design for resilience and connectivity study of the urban coastal area of the south shore of Oʻahu from Diamond Head to Pearl Harbor. During 2018, OP entered into an MOU with UHCDC to identify three catalytic project sites. For these sites, the project team would develop urban-design-scale site research, planning, and proof of concept designs for proposed interventions.
- In FY 2017-18, the Legislature appropriated \$1,000,000 in CIP funds to OP for master planning, site planning and infrastructure assessments for State agency transit-oriented development projects near proposed rail stations. During 2018, OP worked on the development of a State TOD Master Plan for TOD project implementation and investments on State lands along the Honolulu Rail Transit Project's rail line on O'ahu.

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

Authority: HRS Chapter 205A, Coastal Zone Management

HRS Section 225M(2)(b)(6), Coastal and Ocean Policy Management.

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.

OP is the lead agency under the federal Coastal Zone Management Act of 1972, as amended (CZMA). 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, and evaluates federal actions for compliance with the CZMA.

Federal Consistency Program

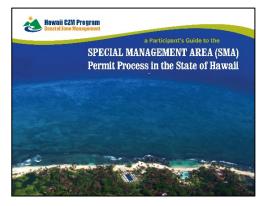
The CZMA requires federal agencies to conduct their planning, management, development, and regulatory activities in a manner consistent with federally-approved state CZM programs. The informational and procedural requirements for CZM federal consistency reviews are prescribed by federal regulations.

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 Major Federal Consistency Reviews (July 2017 – June 2018)

- National Marine Fisheries Service Critical Habitat Designation for Insular False Killer Whales (Federal Activity)
- Federal Transit Administration Non-Compliance (Federal Activity)
- Pililaau Army Recreation Center Seawall Replacement (Federal Activity)
- US Fish and Wildlife Service Critical Habitat Designation (Federal Activity)

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.

Special Management Area (SMA) and Shoreline Area



The CZM Program is the lead agency in the administration and management of the SMA, 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 Oʻahu). 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 Section 205A-2) and SMA Guidance (HRS Section 205A-26).

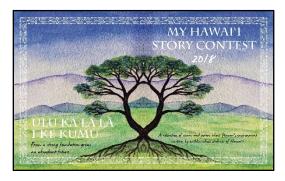
Citizen Participation

Public participation and outreach is an ongoing CZM Program 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 Facebook page (OfficeofPlanning.HIgov). This social media tool is used for posting announcements about projects that OP is working on or documents that are available online.

Sponsorship and Participation: The CZM Program 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 about Hawai'i's environment is 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, and best practices.



Community Watershed Snapshot (CWS) Guidebook – The CZM Program funded the printing of the CWS Guidebook of the Hawaii Conservation Alliance. The CWS Guidebook is an ecosystem-based capacity building tool for collaborative management, incorporating close consultation and partnership with community representatives. The CWS Guidebook will assist communities and conservation practitioners that want to produce their own watershed snapshot or status report on the health of the watershed for decision makers and communities. The analysis uses geospatial agency data and select information gathered by participating communities to inform development of a suite of communication tools to advance coastal management efforts. The CWS Guidebook reinforces ORMP perspectives: connecting with land and sea, promoting collaboration and stewardship.

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
- NOAA Pacific Regional Managers' Meeting and associated training sessions

Marine and Coastal Zone Advocacy Council: HRS Section 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 Section 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

webpage of the CZM Program's webpage (http://planning.hawaii.gov/czm/maczac/maczac-agendas-and-minutes/), and are widely distributed in electronic and hardcopy form.

Ocean Resources Management Plan (ORMP)

The ORMP sets forth guiding principles and recommendations for the State to achieve comprehensive and integrated ocean and coastal resources management. HRS Section 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 refinement and launch of the ORMP Dashboard and implementation of the updated 2013 ORMP.



ORMP Dashboard: CZM Program staff launched the on-line ORMP Dashboard. The ORMP Dashboard is an interactive webpage hosting a collection of information, designed to inform Hawai'i's constituents on agency progress in implementing the ORMP's priorities and goals by tracking 84

metrics. The successful implementation of the ORMP and the creation of the ORMP Dashboard are the result of cooperation and commitment on the part of Hawai'i's state agencies, county and federal partners, non-governmental organizations, and private parties dedicated to the collaborative management of Hawai'i's invaluable resources. The Dashboard will be continually updated as new data becomes available and will be used to guide the next iteration of the ORMP. The Dashboard may be viewed at: https://planning.hawaii.gov/czm/ormp/dashboard/.

Implementation of the 2013 ORMP: The Coordinated Working Group continues to meet monthly and Action Teams (ACTs) meet as needed to 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, ACT for Appropriate Coastal Development and ACT for Management of Coastal Hazards worked on projects to address implementation of the Managed Retreat Strategy and its nexus with



public access. The Hawai'i CZM Program hosted a Managed Retreat Symposium on January 11, 2018 on O'ahu. This symposium provided information for a report assessing the feasibility and implementation of managed retreat strategies for vulnerable coastal areas in Hawai'i.

Program Related Initiatives

Hawaii Climate Change Mitigation and Adaptation Commission: The OP continues to collaborate with the Department of Land and Natural Resources (DLNR) in their capacity as cochairs of the Hawaii Climate Change Mitigation and Adaptation Commission (Climate Commission), established by Act 32, Session Laws of Hawai'i (SLH) 2017. The Climate Commission provides direction, facilitation, coordination and planning among state and county agencies, federal agencies, and other partners about climate change mitigation (reduction of greenhouse gases) and climate change resiliency strategies. During FY 2018, four (4) Climate Commission meetings were convened and information on the Climate Commission can be found at http://climateadaptation.hawaii.gov/.

Coastal Resilience Networks (CRest) Project: In 2014, OP received \$100,000 (NOAA Coastal Services Center funds) to advance and strengthen Hawai'i'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 Hawai'i's built environment through planning and implementation at the state and county levels.

Coastal Hazards

Hawai'i is threatened by numerous hazards, many of which affect the nearshore 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.

During FY 2018, over 1,200 wheels were distributed in public and private schools and outreach events throughout the State. This work promotes the HRS Chapter 205A policy of developing & communicating information on coastal hazards and was one of the most successful uses of the wheel in Hawai'i because of the form of presentation and the audiences reached.



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. 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.

49th Annual Hawai'i Association of County Building Officials (HACBO) Conference: Federal funds and staff from the CZM Program supported the 49th HACBO Conference on Maui in furtherance of the State Hazard Mitigation Forum and State Building Code Council Subcommittee on Training's efforts to ensure that training on the new building codes is made available to relevant state and county officials and private design professionals.

Homeowner's Handbook to Prepare for Natural Hazards: The CZM Program funded the printing of the 4th Edition of this handbook which provide useful tips regarding readiness for coastal hazards that may affect Hawai'i. This 4th Edition of the Handbook includes new information for homeowners pertaining to natural and coastal hazards, such as wildfires, drought, volcanoes and erosion. The handbook is published by the University of Hawai'i Sea Grant College Program with the support from various public and private partnerships to build resilient communities through mitigation of different coastal hazards.

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). Hawai'i's CNPCP

is jointly administered by the U.S. Environmental Protection Agency (EPA) and NOAA. Locally, its development and administration are the responsibilities of the State Department of Health (DOH) Polluted Runoff Program and the Hawai'i CZM Program. The CNPCP primarily focuses on pollution prevention through the implementation of management measures developed by the U.S. 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 U.S. EPA in 2008. The CZM Program and DOH submitted drafts for two remaining conditions to U.S. EPA Region IX in January 2018. On May 9, 2018, the Hawai'i CZM Program and DOH met via teleconference with the U.S. EPA Region IX representative to discuss the January submittals and feedback for identified prospective project to address the outstanding management measures.

Carbon Farming Task Force

On June 6, 2017, Governor David Ige signed into law Act 33, SLH 2017 (Act 33), establishing the Carbon Farming Task Force within the OP for administrative purposes only. For the status of the CFTF, please see Appendix A.

B. Geographic Information Systems (GIS) Program

Authority: HRS Section 225M-2(b)(4), Statewide Planning and Geographic Information System.

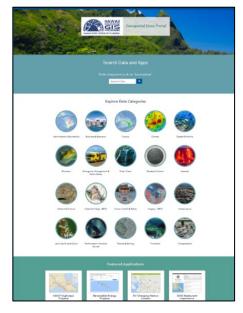
HRS Chapter 225M, tasks OP with leading and coordinating a State Geographic Information System (GIS). In carrying out its statutory mandate as the lead agency for GIS in Hawai'i State government, OP's GIS Program supports and coordinates GIS efforts across state agencies and conducts spatial analysis 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 Agreement: The GIS Program staff managed the State's Enterprise Agreement (EA) 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, and most recently the Hawai'i Emergency Management Agency (HI-EMA).



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 (https://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 350 users in the primary AGOL site with another 150 users in secondary AGOL sites. 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, cloud-based 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 2018 the State opened 38 Standard Support tickets, 29 Premium Support tickets, and responded to 165 public inquiries.

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.

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 coordinated with the TOD project, and 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.

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

GIS Program Collaborates with Agencies:

- Office of the Governor
- Hawai'i State Senate
- Hawai'i State House of Representatives
- Office of Elections
- Office of Enterprise Technology Services
- 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 (DBEDT)
- 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

U.S. Census Bureau's American Community Survey (ACS) 5-year selected estimate profiles showing population estimates by county of several periods through 2016, and showing demographic and economic information by census tract or legislative district.

In addition, during this reporting period, GIS Program staff responded to 42 mapping requests from legislators and a dozen different state offices, including the Office of the Governor.

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. An interactive Legislative Districts application was added to the 'Maps, Tools and Applications' section that allows a user to search for a State House or Senate district and view or download a pdf map of the district (http://arcg.is/rPri0). The map shows the boundary of the legislative district with major streets and street names overload on high resolution satellite imagery.

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.

- Presented overviews of the Statewide GIS
 Program to the Department of Health Alcohol
 and Drug Abuse Division staff, and
 Department of Commerce and Consumer
 Affairs IT office, and staff at various State
 Senate offices
- Presented an overview of the Statewide GIS Program and discussed data sharing challenges at a NOAA GIS Symposium for federal and state participants
- Provided training opportunities for more than 100 state employees from various agencies, including the Legislature and the Office of the Governor; training ranged from two- or threeday instructor-led courses to in-house introductory online mapping classes to fullday web mapping workshops
- Participated in GIS Day 2017, a day of educational activities focused on geospatial
 - analysis, tools, and resources, hosted at the NOAA facility on Ford Island, for 160 students from six public middle and high schools on O'ahu and Moloka'i
- Participated in GIS Expo 2018 held at the State Capitol Auditorium, a day of presentations about geospatial data, applications, and activities with over 100 participants from the federal, state, county, and private sectors. The Hawai'i Department of Agriculture (Plant Quarantine Branch), the Department of Defense (Army National Guard), and the Department of Business, Economic Development and Tourism (Statewide GIS Program) gave presentations.
- Participated in the second 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 three State GIS Users Meetings with a combined attendance (in-person and online)
of over 120 state employees, and including presentations from more than a dozen different
state offices highlighting work that they're doing using geospatial data, tools, and resources
provided by the State

HawaiiiBoardon Geographic Names

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. (https://planning.hawaii.gov/gis/hbgn)

Hawai'i Geographic Information Coordinating Council (HIGICC): The GIS Program is an active participant in HIGICC and one staff member currently sits on its board of directors. This private non-profit, 501(c)(3) organization consists of members from all sectors of Hawai'i's geospatial community – 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. (https://higicc.org)

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." 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. (https://www.nsgic.org)

C. Special Plans Branch

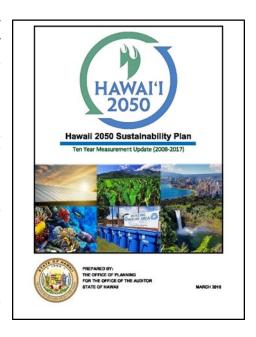
Authority: HRS Chapter 226, Hawai'i State Planning Act

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 statewide integration of Sustainability goals and objectives; completion of Phase 1 of a comprehensive review and update of the Hawai'i State Plan; administration and support of the Special Action Team on Affordable Rental Housing; and a project to identify innovation industry opportunities along the TOD corridor.

In order to implement the Sustainability Priority Guidelines that are a part of the Hawai'i State Planning Act (HRS Section 226-108), the Sustainability Coordinator serves as a liaison among state and other government agencies, as well as private or non-profit organizations, to guide and encourage sustainability initiatives. The Sustainability Coordinator is 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. Through collaborative efforts the Sustainability Coordinator works to fold the Aloha+ Challenge and 2030 goals the United Nations Sustainability Development Goals into the State's sustainability Priority Guidelines and implement them.

During this reporting period the Sustainability Coordinator completed of the Hawai'i Sustainability Plan-Ten Year Measurement Update, coordinated and collaborated with various state/county agencies, private sector and nongovernmental organizations, testified and lobbied at the sustainability legislature on initiatives comprehensive development of sustainable goals and objectives throughout the state. The Sustainability Coordinator also represented the State at the National Association of State Procurement Officials Sustainable Purchasing Leadership Council 2018 Summit, collaborated with Hawai'i State Energy Office to pilot a new Arc Skoru Sustainability Measurement Platform for State LEED Facilities, assisted with the certification of Mililani Town Association as a "Tree City USA" by the National Arbor Day Foundation to improve urban forestry opportunities, and coordinated a series of fresh water policy seminars and webinars with Hawai'i Community Foundation.

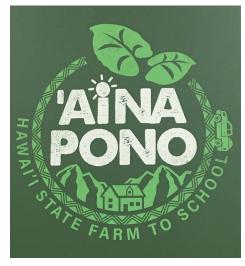


Hawai'i Sustainability Plan – Ten Year Measurement Update (2008-2017): While Act 8 of the 2005 Special Session of the Hawai'i State Legislature (Act 8) called for the auditor, with the assistance of the Office of Planning to update the sustainability plan every ten years and report to the legislature, no funding beyond Fiscal Year 2007 was appropriated for the purposes of this Act. Furthermore, Act 8 called for the Hawai'i 2050 Task Force to sunset on June 30, 2008. Therefore, the Task Force recommended the Legislature pass a law establishing an implementing agency, the Sustainability Council, to be a continuing, governmental organization with budgetary and staffing resources essential to carry forward the Hawai'i 2050 Sustainability Plan. However, a Sustainability Council was never established.

Given that a Sustainability Council was never established, and that the Auditor lacked the requisite expertise and financial resources to facilitate a full, formal update, this report represents an informal update of the Hawai'i 2050 Sustainability plan prepared by the Office of Planning. This informal update includes a compilation, review and analysis of available metrics originally established by the 2008 version of the Hawai'i 2050 Sustainability Plan, along with additional recommendations developed by the Office of Planning. This report is accessible through the Office of the Auditor's website at http://files.hawaii.gov/auditor/Reports/2018/2018H2050.pdf.

'Aina Pono – Hawai'i's Farm to School Initiative: This Lt. Governor initiative works to address the supply and demand issues surrounding the purchasing of local food for our State school cafeterias. The initiative also aims to systematically increase State purchasing of local food for our school menus as well as connect our keiki with the 'aina through their food, using products from the local agricultural community. The Sustainability Coordinator facilitates connection and collaboration between state agencies (DOA, DOE, State Procurement Office) and the many stakeholders and community organizations.

<u>Integration of Innovation Industries into the State</u> <u>Transit-Oriented Development (TOD) Plans:</u> The SPB continues to work on tasks for the EDA Grant, to support



Hawai'i Statewide Community Economic Development Strategy (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.

Sustainable Hawai'i website: In 2017, the Hawai'i State Legislature awarded grant-in-aid funds for the development of an online resource which can support the development of a green economy with jobs to enable Hawai'i's youth to practice economical, ecological, political, and cultural sustainability. The project involves community engagement and the development of an online toolkit. The project would provide an online toolkit for educators, students, and community to have the means to take action. During this year, the Sustainable Coordinator assisted in guiding Design Thinking Hawai'i, the grantee of the project, in the development and testing of this project.

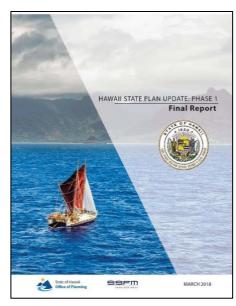


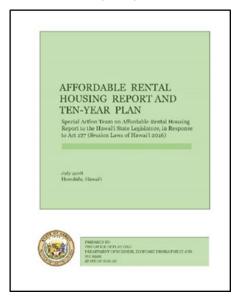
Comprehensive Review and Update of the Hawai'i State Planning Act: The SPB continues to work on a comprehensive review of HRS Chapter 226, the Hawai'i State Planning Act, which was first enacted in 1978 – with respect to how it aligns with current and emerging conditions and issues and its effectiveness in addressing the needs of Hawai'i's people and providing for Hawai'i'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. During this reporting period, Phase 1 of the comprehensive review was completed and published. The report is available online from the OP website: http://planning.hawaii.gov/spb/hawaii-state-plan-update-phase-1/.

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 5 times in 2017 (7/26, 8/25, 9/22, 10/27, 11/15 and 12/13). On July 27, 2018, the SAT published an Affordable Rental Housing Report and Ten-Year Plan to set out its findings, recommendations, and implementing plans to fulfill the tasks enumerated in Act 127. The report can be viewed online at http://planning.hawaii.gov/spb/special-action-team-on-affordable-rental-housing/.

IV. LAND USE DIVISION

Authority: HRS Section 225M-2(b)(5), Land Use Planning

HRS Chapter 205, Land Use Commission

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 Section 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 FY 2019.

Pursuant to HRS Section 225M-2(b)(5) and Chapter 205, OP is a mandated party on behalf of the State of Hawai'i to make recommendations on proposed land use district boundary reclassification dockets and proceedings before the Land Use Commission. OP's recommendations are based on the criteria for boundary designations as well as statutory objectives, policies and priority guidelines. OP also comments on petitions for special use permits and important agricultural lands designations.

A. 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 tsunami, 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.

B. State Transit-Oriented Development (TOD)

HRS Section 225M-2(b)(10) 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.

HRS Section 226-63 establishes 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 TOD initiatives. With representation from State and county governments and the community, the TOD Council also serves as the State's entity 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 (CIP) 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 provides staff support to the TOD Council, which includes 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. Eleven (11) meetings were held during the FY 2018 period. The State TOD webpage on OP's website was updated with all TOD Council meeting materials and presentations. The LUD also organized and conducted a Maui County Transit-Ready Development (TRD) Workshop in July 2017, and a second TRD Workshop on Kaua'i on Potential TOD-related projects on Kaua'i.

The main accomplishment in FY 2018 was the drafting and completion of the State of Hawai'i Strategic Plan for TOD, published in December 2017. The Plan was prepared by LUD staff in coordination with the State and county agencies on the TOD Council, and was the culmination of 18 months of working with TOD Council work groups, and numerous meetings with State and county agencies to discuss their plans and proposals for TOD. The Strategic Plan includes 65 proposed TOD projects on State and county lands Statewide in various stages of planning and development.

TOD funds for CIP appropriated OP in FY 2016-2017 and FY 2017-2018 provided 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 FY 2016-2017 appropriation was delegated to 1) DAGS/Stadium Authority (\$200,000) for preliminary master planning for the mixed-use redevelopment of the Aloha Stadium site, 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 participate as part of the project teams for the master planning efforts which are underway.

In FY 2017-2018, OP sought proposals for the development of a State TOD Master Plan for TOD project implementation and investments on State lands along the Honolulu Rail Transit Project's rail line on Oʻahu (\$1,000,000). The State TOD Master Plan will set out the infrastructure and investments needed to enable development of State TOD projects, and provide a schedule and financing strategy for these investments. The master plan's implementation and investment program will provide a critical tool for the State to assist and track actions needed to facilitate shared infrastructure investments and individual State agency project development, and will serve as the backbone for implementation and update of the State TOD Plan for projects along the rail corridor on Oʻahu. A consultant team was selected in May 2018, with the Plan expected to be completed by December 2019.

C. Hawai'i Brownfields Cleanup Revolving Loan Fund (HBCRLF)

LUD staff also provides program and administrative support to this loan fund program, which was seeded by a \$2 million grant from the U.S. EPA in 2005. The HBCRLF provides low-cost loans to eligible public and private entities to clean up brownfields sites where economic or community development projects show the greatest need, exhibit long-term project viability, and demonstrate the capacity for repayment. The program is currently operating under a closeout agreement with the U.S. EPA, which governs the type of brownfields activities eligible for HBCRLF funding and eligibility requirements for borrowers.

Program loans have funded the cleanup of a pesticide mixing and loading facility site on Department of Hawaiian Home Lands (DHHL) property in East Kapolei, clearing the way for the site's redevelopment as a neighborhood park in DHHL's Ka'uluokaha'i master planned community. This loan was paid in full in 2014. Loan funds were also used to successfully clean up a former pesticide mixing and loading facility site in Hāwī, Hawai'i, allowing the property owner, the non-profit housing developer, Hawai'i Island Community Development Corporation (HICDC), to move forward with Phase III of their self-help Kumakua Affordable Housing Project. The HICDC loan was paid in full in September 2017.

In the reporting period, HBCRLF program staff received inquiries and discussed potential HBCRLF funding opportunities with the Department of Health's Office of Hazard Evaluation and Emergency Response (HEER Office) and U.S. EPA, for the following projects:

Ola Ka 'Ilima Artspace Lofts, Honolulu, Oahu. Artspace, a Minnesota-based non-profit
organization is developing 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 was working with

- HEER to determine soil removal and disposal options, and whether funding would be required.
- Former tire recycling facility, Pearl City, Oahu. U.S. EPA referred an inquiry to HBCRLF program staff from the current property owner as to the potential for using HBCRLF funds to remove and dispose of tires stored onsite and to restore the site for reuse. The site and property owner were later deemed to be ineligible for HBCRLF funds.
- Former canec manufacturing facility, Hilo, Hawai'i. HEER has been working with the prospective property owner to determine the cleanup requirements and potential funding sources for cleanup of the property for the redevelopment of a natural foods store. The prospective property owner has expressed preliminary interest in a HBCRLF loan. Additional follow-up is needed for this potential site.
- Hawai'i Public Housing Authority housing site, Hilo, Hawai'i. HEER communicated that HPHA indicated interest in the potential use of HBCRLF loan funds for one of their properties. Additional follow-up is needed for this potential site.

HBCRLF program staff continues to collaborate with the HEER Office and U.S. EPA to identify potential sites and property owners for HBCRLF loans, participate in outreach activities to promote brownfields assessments and cleanups statewide, and support State and county agency brownfields initiatives. In the reporting period, OP provided a support letter for the City and County of Honolulu's successful application for a \$300,000 U.S. EPA Brownfields Assessment Grant, which was awarded in April 2018. Program staff provided updated HBCRLF information for a HEER Office/U.S. EPA Hawai'i County Brownfields Workshop held in November 2017. Staff also provided the Hawai'i State Energy Office and HEER Office with recommendations for HBCLRF eligibility criteria to be incorporated in filters for querying potential contaminated sites for renewable energy development.

V. LEGISLATIVE PROPOSALS

For the upcoming 2019 legislative session, OP is proposing the following legislative actions:

Sustainability Program – Establishment of a statewide sustainability program within the OP to ensure long-term planning, coordination, and implementation of Hawai'i's sustainability goals and policies by amending Section 225M-1, HRS and adding a new chapter. The Sustainability Program is needed to assist, organize, and coordinate state agencies, the private sector, and the public to meet Hawai'i's sustainability goals and policies. The proposed bill establishes a formal sustainability coordinating entity and formal legislative framework to execute Hawai'i's sustainability goals and policies.

Update of the Hawai'i 2050 Sustainability Plan – Formally update the Hawai'i 2050 Sustainability Plan to modernize sustainability metrics and indicators and assist in advancing Hawai'i's sustainability goals and policies through a comprehensive updated plan through an amendment to Section 4 of Act 8, SSLH 2005, as amended by Act 210, SLH 2006. The ten-year measurement update of the Hawai'i 2050 Sustainability Plan (2008-2017) was recently published in March 2018 by the Office of the Auditor with assistance of the Office of Planning, which evaluated the metrics and indicators established in the Hawai'i 2050 Sustainability Plan.

VI. ACRONYMS

ACT	CZM ORMP Action Team	HICDC	Hawai'i Island Community Development	
AGOL	ArcGIS Online		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	
CZARA	Coastal Zone Act Reauthorization Amendments	LUD	Land Use Division	
		MACZAC	Marine and Coastal Zone Advocacy Council	
CZM	Coastal Zone Management	NEPA	National Environmental Policy Act	
CZMA	Coastal Zone Management Act (Federal)	NERRS	National Estuarine Research Reserve	
DBEDT	Department of Business, Economic Development and Tourism	NEKKS	System System	
DHHL	Department of Hawaiian Home Lands	NGO	Non-governmental Organization	
DLNR	Department of Land and Natural Resources	NOAA	U.S. Department of Commerce, National Oceanic and Atmospheric Administration	
DOH	Department of Health	OCM	Office for Coastal Management (NOAA)	
EDA	U.S. Department of Commerce,	OP	Office of Planning	
	Economic Development Administration	ORMP	Ocean Resources Management Plan	
EIS	Environmental Impact Statement	SLH	Session Laws of Hawai'i	
EPA	Environmental Protection Agency	SMA	Special Management Area	
ETS	Office of Enterprise Technology Services	SPB	Special Plans Branch	
GIS	Geographic Information System	SSV	Shoreline Setback Variances	
HAR	Hawai'i Administrative Rules	TOD	Transit-Oriented Development	
HBCRLF	Hawai'i Brownfields Cleanup Revolving Loan Fund	TRD	Transit-Ready Development	
HBGN	Hawai'i Board on Geographic Names			
HCDA	Hawai'i Community Development Authority			
HEER	Hazard Evaluation and Emergency Response			
HHFDC	Hawai'i Housing and Finance Development Corporation			

APPENDIX A

Status of the Carbon Farming Task Force (CFTF)

On June 6, 2017, Governor David Ige signed into law Act 33, SLH 2017 (Act 33), establishing the CFTF within the OP for administrative purposes only. The purpose of the CFTF is to:

- Identify and study agricultural and aquacultural practices, public and marine use policies, and on-farm management practices that would increase climate resiliency and improve carbon sequestration and greenhouse gas benefits in Hawai'i;
- Work with public and private stakeholders to establish short- and long-term benchmarks for increasing carbon sequestration to help the Hawai'i reach carbon neutrality in the State's agricultural and natural environments and aquacultural activities;
- Identify appropriate criteria to measure baseline levels and increase in carbon sequestration, improvements in soil health, and other key indicators of greenhouse gas benefits from beneficial agricultural and aquacultural practices that may be used to create a certification program for promoting agricultural and aquacultural practices that generate greenhouse gas benefits;
- Identify land and marine use policies, agricultural policies, and mitigation options that would encourage agricultural and aquacultural practices and land use practices that would promote increased carbon sequestration, build healthy soils, and provide greenhouse gas benefits;
- Identify ways to increase the generation and use of compost in Hawai'i to build healthy soils;
- Identify agroforestry practices that can be used to enhance carbon sequestration in Hawai'i;
- Make recommendations to the legislature and governor on measures that would increase climate resiliency, build healthy soils, or provide greenhouse gas benefits;
- Develop incentives and funding mechanisms for these incentives (e.g., loans, tax credits, or grants), research technical assistance, or educational materials and outreach to participating agricultural activities, aquacultural activities, or on-farm demonstration projects that are identified and approved by the task force as those that would promote greenhouse gas benefits, build healthy soils sequester carbon, increase water-holding capacity, and increase crop yields; and
- Provide for research, education, and technical support for agricultural activities and aquacultural activities identified by the task force.

During this reporting period, OP organized the formation of the CFTF, pursuant to Act 33 mandates, which includes State agencies, academia, county representatives, and members appointed by the President of the Senate and Speaker of the House of Representatives. Three (3) meetings were held during FY 2017-2018 (September 15, 2017, January 30, 2018, and May 22, 2018) and meeting agenda, minutes and materials can be viewed on OP's website.

Four (4) Working Groups – Economics, Legal / Policy, Public Education / Outreach, and Science – were formed to facilitate the activities of the CFTF. With \$25,000 in funds appropriated by the Legislature to the OP for Fiscal Year 2017-2018 for CFTF operations, CFTF members and staff

educated themselves about the sequestration potential of Hawai'i's natural and working lands and the certification programs for carbon markets and registries. CFTF members and coordinator met with various stakeholder communities, such as Hawai'i Cattlemen's Council, Inc., Waimanalo Agricultural Association, Hawai'i Agriculture Research Center and Hawai'i Center for Food Safety to learn about the natural and working lands in Hawai'i and to promote the efforts of the CFTF. Members of the CFTF attended the North American Carbon World meeting in San Francisco to gain comprehensive and up-to-date information on pressing issues in climate policy and carbon markets and obtain a detailed look at carbon offset projects and carbon market topics.

By Act 15, SLH 2018, signed by Governor Ige on June 4, 2018, the CFTF was repealed and replaced with the Greenhouse Gas Sequestration Task force, which has similar aims as the CFTF created by Act 33, but expands and makes it permanent.