

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

SYLVIA LUKE LT GOVERNOR JAMES KUNANE TOKIOKA DIRECTOR

KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI A HO'OMĀKA'IKA'I

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December 18, 2024

The Honorable Ronald D. Kouchi, President and Members of the Senate Thirty-Third State Legislature State Capitol, Room 409 Honolulu, Hawaii 96813 The Honorable Nadine K. Nakamura, Speaker and Members of the House of Representatives Thirty-Third State Legislature State Capitol, Room 431 Honolulu, Hawaii 96813

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

For your information and consideration, I am transmitting a copy of the Department of Business, Economic Development, and Tourism's Report, as required by Section 205A-3(4), (7), and (10), Hawai'i Revised Statutes.

In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that the report may be viewed electronically at:

http://dbedt.hawaii.gov/overview/annual-reports-reports-to-the-legislature/.

Sincerely,

James Kunane Tokioka DBEDT Director

Enclosure

c: Legislative Reference Bureau

FISCAL YEAR 2024 COASTAL ZONE MANAGEMENT PROGRAM REPORT TO THE LEGISLATURE REGULAR SESSION OF 2025



Prepared by

OFFICE OF PLANNING AND SUSTAINABLE DEVELOPMENT 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 2024

PROGRAM BACKGROUND

1. Introduction

Hawai'i Revised Statutes (HRS) Sections 205A-3(4), (7), and (10) requires the preparation of an annual report on the Hawai'i Coastal Zone Management (CZM) Program for submittal to the Governor and the Legislature. This report discusses the CZM Program for the period of July 1, 2023 through June 30, 2024.

Unlike single-purpose programs, the CZM Program works within a framework of cooperation among federal, state, and local entities. The CZM Program utilizes a wide variety of regulatory and non-regulatory techniques to address coastal resource management challenges and uphold environmental law.

Among the program's focus areas are identification of emerging issues and exploration of solutions, planning, policy development and implementation, stewardship, education and outreach, and technical assistance for local governments with permitting authority.

2. Funding Mechanisms

The CZM Program was enacted through HRS Chapter 205A, as the State's policy umbrella for facilitating and assuring interrelated and comprehensive coastal resource management.

Primarily funded through a cooperative agreement with the National Oceanic and Atmospheric Administration (NOAA), Office for Coastal Management (OCM), the CZM Program provides guidance and financial assistance to counties to support their administration of the special management area permitting process, prepares and updates the Ocean Resource Management Plan (ORMP), and evaluates federal actions for compliance with the Coastal Zone Management Act.

1:1 funding match by the State is required by the NOAA cooperative agreement. However, steadily diminishing dedications of State general funds places the CZM Program at risk of a potential decertification by NOAA.

With recent charges to the CZM Program, specifically related to sea level rise adaptation coordination (Act 45, SLH 2020), the State will need to provide additional resources to ensure appropriate adaptations are incorporated into land use decisions in vulnerable areas.

ACTIVITIES AND ACCOMPLISHMENTS

1. Building Statewide Resilience

Probabilistic Tsunami Design Zone Mapping for Maui and Kaua'i

This project pertains to the development and subsequent adoption of comprehensive high resolution probabilistic Tsunami Design Zone (TDZ) maps for the State of Hawai'i. These maps will be used in the International Building Codes 2024 and 2028/ American Society of Civil Engineers (ASCE) 7-2022, Chapter 6 standard that will include tsunami loads and effects. The CZM Program procured services from a contractor, who completed the final phase of the TDZ maps project during this reporting period.

On July 24, 2023, an informational meeting was held that focused on presenting and soliciting feedback on final map products for Maui Island (Phase II) and Kaua'i Island. Data from both phases of the TDZ project was shared to assist in strengthening hazard mitigation datasets in both Hawai'i and on the continental U.S. including:

- The Hawai'i Emergency Management Agency's National Tsunami Hazard
 Mitigation Program Project used the TDZ data to update its' Hazus tsunami loss
 modeling and casualty estimates for Hawai'i.
- FEMA used the TDZ data to help train/evaluate the performance of the transfer function, which will be used to develop hazard curves for the U.S. west coast.
- A U.S. Navy Contractor used the TDZ data to update a Wastewater Treatment Plant (WWTP) Master Plan for a WWTP located in Pearl Harbor.

Administrative

Participation in the State Climate Commission, Sanctuary Advisory Council, NARSC, HISC, CGAPS, SHMF, PacIOOS Governing Council, and AAOTF

2. Coastal Nonpoint Control Program

Preliminary Approval from NOAA and EPA on the CNPCP

The federally mandated Coastal Nonpoint Pollution Control Program (CNPCP) is administered jointly by the Hawai'i CZM Program and state DOH PRC Program. 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, and wetland and vegetated shorelines, or riparian areas. These measures are backed by enforceable state policies and actions that will ensure implementation of the program.

3. Hawai'i Ocean Resources Management Plan (ORMP) 2020 – Implementation

The ORMP is a comprehensive statewide plan that employs collaboration amongst agencies with land and water resources responsibilities to address management gaps. The CZM Program serves as the lead agency for the coordination of the implementation of the Plan and is tasked with periodic updates. The 2020 ORMP prioritizes three (3) focus areas. Activities and implementation updates are below. Further information about the most recent version of the Plan is on the OPSD website (link). Similar resources will be developed as implementation progresses.

FOCUS AREA 1: COASTAL HAZARDS AND DEVELOPMENT

Analysis of Managed Retreat Strategies in Hawai'i: Policy and Funding Opportunities and Challenges

Managing coastal hazards remains a concern for the State of Hawai'i. Climate change adaptation has been identified as a high management priority in need of significant investment towards quantifying impacts and implementing reasonable planning and regulatory solutions.

During this reporting period the project team began development of a "Financing and Funding Assessment" which outlines existing strategies for funding managed retreat, both inside and outside of Hawai'i. The first draft of the assessment is anticipated to be completed and ready for stakeholder review in early January 2025.

Coastal Management Fellow

The NOAA Coastal Management Fellowship was established in 1996 to provide on-thejob education and training opportunities in coastal resource management and policy for postgraduate students and to provide project assistance to state coastal zone management programs. The CZM Program was one (1) of nine (9) programs selected for a Fellowship placement for 2022-2024.

During this reporting period, the NOAA Fellow completed a project titled *Social Vulnerabilities and Coastal Hazards*.

ACT 178, SLH 2021 Relating to Sea Level Rise Adaptation

In the 2021 legislative session, OPSD was mandated to coordinate with state agencies with facilities management responsibilities to identify state facilities vulnerable to sea level rise and other natural hazards and identify mitigation and adaptation strategies. The CZM Program was allocated \$400,000 to facilitate the development of a standardized method for conducting sea level rise vulnerability assessments for State managed facilities.

During this reporting period, the CZM Program continued to coordinate with the Action Team to draft a scope of work to procure professional services to develop a standardized method for conducting sea level rise vulnerability assessments for State

managed facilities. See <u>DBEDT Annual Report Website</u> for 2024 Act 178, SLH 2021 Annual Report.

FOCUS AREA 2: REDUCTION OF LAND-BASED POLLUTION

Nonpoint Source Pollution

The CZM Program continues to identify and analyze management gaps and the nonpoint source pollution regulatory framework in Hawai'i to progress ORMP implementation through land-based pollution reduction projects. During this reporting period, staff explored options to support estuarine identification and restoration and met with stakeholders to identify where ORMP initiatives may arise.

Low Impact Development (LID) Guidance

During this reporting period, the CZM Program secured contracted services to revise, update, and refresh the LID Guidance. The updated guidance was renamed "Low Impact Development (LID) Users Guide." The contractor completed the following tasks:

- Researched existing LID Best Management Practices (BMPs) in the State
- Ensured compatibility with State/county practices
- Developed a "Decision Making Matrix" to assist with LID BMPs implementation
- Incorporated more engaging graphics and materials, for OPSD website and social media platforms

FOCUS AREA 3: MARINE ECOSYSTEMS

Projects of Special Merit

Every five years, states and territories work with NOAA to develop multi-year improvement strategies that focus on one or more priority enhancement goals (e.g. Coastal Hazards). NOAA subsequently administers the annual Projects of Special Merit (PSM) competition to support innovative projects that further support state and territories' strategies.

The CZM Program continues to administer a PSM award to fill data gaps in statewide monitoring of nearshore marine resources. The Kōkua Community-Based Monitoring (KCBM) Program simultaneously implements two State plans: the Holomua: Marine Initiative led by the DLNR Division of Aquatic Resources (DLNR-DAR), and the ORMP. The KCBM program focuses on community engagement and empowerment to influence community-driven management of nearshore marine resources.

4. CZM-funded County Collaborations

CZM Program funds supported county projects to improve Special Management Area (SMA) and shoreline setbacks administration in compliance with HRS Chapter 205A.

County of Hawai'i Shoreline Pursuit Project

During the reporting period, the County of Hawai'i completed project Phases 5, 6, and 7. Phase 5 involved change detection analysis, shoreline typology classifications, and sea level rise inundation modeling for documented coastal priority areas. Phase 6 involved digital surface creation and refinement of shoreline delineation methods. Phase 7 addressed amendments to County codes.

The County of Hawai'i submitted a scope of work for project Phase 8, which includes the Shoreline Atlas Web GIS application, tools package, and configuration model.

5. Public Outreach and Awareness

Marine and Coastal Zone Advocacy Council (MACZAC)

The MACZAC serves as the public advisory body to the CZM Program and consists of 13 volunteer members statewide representing a diverse background of experience. The MACZAC held 4 (four) public meetings on July 7, 2023; October 20, 2023; February 27, 2024; and May 10, 2024. Six (6) Permitted Interaction Groups (PIGs) were held, four (4) on Public Engagement and two (2) on the Hawai'i Congress of Planning Officials. Monthly meetings are held with the MACZAC Chair, the Vice Chair, and CZM Program staff to ensure that consistent communication between quarterly meetings.

Website and Social Media

During the reporting period, CZM staff conducted ongoing improvements to webpage and social media accounts to increase user engagement.

6. Regulatory

The CZM Program conducts a number of regulatory responsibilities for environmental compliance.

Federal Consistency Reviews

These reviews are for federal activities or development projects. Additionally, activities requiring a federal permit or license, and activities conducted with federal financial assistance are reviewed to ensure the activities are undertaken to the maximum extent practicable with the State's CZM program.

Special Management Area (SMA) Reviews

The CZM Program conducts SMA assessments and issues approvals in the state community development districts (CDD). Outside of the CDD, authority is delegated to the counties. As the lead agency, the CZM program coordinates with the County Planning Departments monthly, provides technical assistance to county planners in their

administration of the SMA, and reviews and provides comments on county consultations for SMA permits.

Monitoring and Compliance

The CZM program reviews and monitors agency activities and decisions through the environmental compliance process to ensure that agencies and decisionmakers are conducting activities that are consistent with the State coastal zone management objectives and policies.

During the reporting period, the CZM Program completed the following:

- 28 Federal Consistency Reviews
- 78 Environmental Reviews
- 3 Special Management Area reviews in the community development districts
- 32 reviews for county SMA consultations