

CLIMATE CHANGE COMMISSION

CITY AND COUNTY OF HONOLULU

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BETTINA MEHNERT, FAIA, LEED AP

Climate Change Commission Thursday, August 20, 2020 Zoom Virtual Meeting Meeting Minutes

Members Present: Rosie Alegado (arrived at 10:43am), Makena Coffman, Charles Fletcher, and Bettina Mehnert.

Members Absent: Victoria Keener.

Public: Uyen Vong, Laurien Nuss, Matt Gonser, Sophie Lee, Taylor Ursulum, and Michael Nguyen (Office of Climate Change, Sustainability and Resiliency); Courtney Sue-Ako (Corporation Counsel); Layla Kilolu, Susan Asam, Henry Curtis, Dave Martin, Paul Bernstein, Dane Sjoblom, Kathleen Pahinui, Pane Meatoga, Nancy McPherson, Jessie Faige, Kirstin Punu, Abbey Seitz, Dawn Kurisu, Rafael Lee, Pradip Pant, and Anu Hittle.

Call to Order: Commissioner Coffman called the meeting to order at 9:32 a.m.

Roll Call: Three Commissioners were present. Quorum was established.

Approval of the Meeting Minutes of July 14, 2020: The minutes were adopted as written (**AYE:** Coffman, Mehnert; Fletcher; **NAY:** None; **ABSTAIN:** None)

Presentation on Climate Ready O‘ahu – Climate Adaptation Strategy: Coastal and Water Program Manager Matthew Gonser presented the following:

- CCSR has launched the development of a climate adaptation strategy, in accordance with the *Ola: O‘ahu Resilience Strategy*, Action #28 (Chart a Climate Resilient Future by Creating and Implementing a Climate Adaptation Strategy).
- The adaptation strategy timeframe is July 2020 – September 2021.
- Project deliverables include: risk assessments, economic analyses, exposure maps and analyses, community plan area climate change briefs, adaptation action areas and strategies, and decision support recommendations.
- ICF International is the consulting firm that will assist in facilitating the internal discussions about climate adaptation among City departments. Susan Asam is the ICF International team lead for Honolulu.
- The CCSR team is aiming to improve equity and engagement in both the process and implementation.
- Integration of related resilience actions, mayor directives, commission papers, building off of existing work.
- Gonser request two commissioners to participate as members of advisory/stakeholder groups.
- Gonser requests all commissioners to participate in any engagement/participation platforms.

The entire slide deck for this presentation is available here: <https://resilientoahu.org/climate-change-commission/#meetings>

Questions and Comments that followed:

1. Commissioner Fletcher inquired about the implementation timeline for the adaptation strategy.

Gonser responded that the strategy is already in process, and that the City Resilience Team is facilitating City department participation. Early phase project deliverables are scheduled to be released by the end of this year.

2. Commissioner Fletcher inquired if there will be a final report or website. Gonser replied that there will be a final written product and CCSR is looking into the feasibility of transitioning the plan into a completely interactive website format. There is a project website available through the entirety of the project – www.climatereadyoahu.org.
3. Commissioner Coffman inquired about the strategy's risk assessment and what types of risks are being incorporated. Asam responded that the team is currently working on defining the risks. Sea level rise, flooding, extreme heat are examples of scenarios that would be placed into a risk assessment context. There are risk events that are catastrophic and other events that occur frequently, based on what we already know.
4. Commissioner Fletcher stated that in the Climate and Financial Risk guidance document there exists a table on shocks and stressors, which could be helpful for the initiative.
5. Commissioner Mehnert inquired which Commissioners were needed for this adaptation initiative, given their diverse expertise. If there are sectors and venues for convening discussions that the Commissioners have access to, the adaptation team would be willing to participate. In addition, there will be other online and virtual engagement opportunities where they hope the Commissioners will be able to participate.
6. Layla Kilolu inquired about how the Mayor's 100,000 Tree Directive and how the urban canopy is related to the climate adaptation plan. Gonser replied that the Mayor's Directive 20-14 addresses increasing temperatures and the community forest. The 100,000 trees initiative is a campaign, but there are additional goals around tree canopy cover that will be developed in the strategy and through the ongoing work of the Department of Parks and Recreation Division of Urban Forestry and community partners.
7. Kathleen Pahinui inquired that North Shore Sustainability Plan is coming up for review and SSFM is the consultant. Climate change is one of the things that they need to start integrating into the plan. Gonser responded that he is already in discussions with Department of Planning and Permitting (DPP).

Presentation on the Community Kūkākūkā Project Findings and Recommendations: Climate Resilience and Equity Program Manager Lala Nuss presented the following:

- From the Ola Resilience Strategy, this program focuses on the two pillars, “Remaining Rooted” and “Community Cohesion.”
- In particular, the program is focusing on specific issues such as affordable housing, reducing cost burdens, increasing economic opportunity, grassroots resilience, & affirming island values.
- The program's priorities are: Community Relationships, Environmental Justice, Equitable Governance, and Adaptation & Mitigation.
- The Climate Resilience and Equity Program is dedicated to facilitating access, agency, and advocacy with communities to increase participation and representation. It is also defines equity as ensuring all people have the opportunity to benefit equally from solutions, while not taking on an un-equal burden of negative impacts; the correction of systems in order to eliminate disparate outcomes based on identity, and thinking about what systems we are working with in government, and what is really working for the communities for the communities that the City/CCSR serves.
- There are five dimensions of equity:
 - Procedural – Public meetings held during accessible dates, times, locations, with childcare support and translation services.
 - Distributional – Looking at the outcomes of programs and policies. For example, the solar rebate programs were not represented by middle and lower-income households.
 - Structural – How the government is institutionalizing equity; ensuring that decision makers understand the historical and cultural dynamics that have disadvantaged particular groups and have advantaged other groups.

- Trans-Generational – Multigenerational approaches to solutions; incorporating Native Hawaiian sustainability practices and partnerships.
- Cultural – Centering the understanding of uniqueness and vast resources we have in Hawaii. Commitment to undoing racism and historical marginalization.
- Frontline communities are typically communities of color and lower income whose neighborhoods lack basic infrastructure and will be increasingly vulnerable to climate change impacts.
- The equity team conducted a “Virtual Community Kūkākūkā”, which are listening sessions with people from frontline communities to gather community knowledge during the COVID-19 crisis. Emerging themes from interviews include resilience, disruption; jobs/economy;, funding, communication, human and cultural needs.
- Equity is critical as Nuss observes the effects of the COVID-19 crisis, where 24% to 43% of households in Hawaii are at risk of eviction, and up to 59% may be living paycheck to paycheck by the end of the year.
- Nuss asked how can we incorporate this work into the Commission’s Climate Equity guidance document?

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Commissioner Alegado joined the meeting at 10:43am.

Questions and Comments that followed:

1. Commissioner Alegado inquired the status of the equity statement. Nuss responded that it is part of the equity resolution that will be presented to the City Council on August 26. .

Communication and Correspondence from the Public: There were no communication or correspondence from the public.

Discussion on the Status of Guidance Documents:

Social/Racial/Climate Equity (paper and statement): Commissioner Alegado stated that she and Chair Keener have taken the lead on the document and have been through a couple of drafts. The next step is incorporating the data from Nuss’s presentation along with incorporating public comments.

Presentation on the Social Cost of Carbon: Commissioner Coffman presented the following:

- Mayor Caldwell requested information on: “...carbon pricing and methods for determining the cost and value of greenhouse gas (GHG) mitigation and climate adaptation measures using the social cost of carbon (SCC), social value of mitigation action (SVMA), or other environmental and economic modeling constructs.”
- Social cost of carbon is a monetary estimate of social and economic damages of climate change, normalized to a 1 metric ton increase in carbon dioxide (CO2) emissions. SCC is sensitive to the discount rate and the scope of included damages.
- The Intergovernmental Working Group (IWG) went with 3% as benchmark, including an estimate of global damages. The discount rate changed and the scope of damages changed under the Trump administration. Only U.S. damages considered and using 7% discount rate.
- Integrated Assessment Models (IAM) are good starting points, but likely underestimating global climate damages to begin with. Coffman’s strong recommendation is that SCC should be conceptualized in a global framework.
- The SCC can be used in cost-benefit analysis – examples given of state entities and universities; not all of them are using the IWG numbers, some are using higher numbers.
- The SCC can also be used to set an explicit carbon price, though there may be taxation authority issues for the Honolulu municipal level.
- Another way to determine carbon price is to focus on the date a jurisdiction aims to reach net zero (or

carbon neutrality goal) and then determine how it wants to get there, optimizing the carbon price (recent study published in Nature Climate Change, Kaufman et al.). However, the strategy as proposed is meant for the national level, unclear the implications on a subnational level due to leakage issues.

- The City can use for internal cost-benefit analysis – infrastructure investments, city purchases, to inform environmental review processes.
- The City can also look at other municipalities such as Austin and Boulder on their carbon pricing schemes but must understand the City's taxing authority.

Questions and Comments that Followed:

1. Commissioner Fletcher inquired how the damage function is calculated in the future, and what assumptions about the future are used. Commissioner Coffman replied that the scope of the damages is different based on the model. Some incorporate agricultural production and others use sea level rise, as an example. There is a wide range, and also a level of simplification which has been highly critiqued. The damage function is one component (equating a dollar of abatement to a marginal damage cost), but the other issue is the discount rate.
2. Commissioner Fletcher inquired how these models consider the widely disparate future scenarios if extreme events are being used or averaging, normalized process. Since we are an island setting not a continent setting, the next 20 to 30 years could show the collapse of global trade or just hotter days and sea level rise. Commissioner Coffman replied that the models could consider these disparate scenarios, but on a global scale. For example, the DICE model has been highly critiqued because of a low damage function and too high of a discount rate. There are now additional modules of damage functions and new assessment models.
3. Commissioner Fletcher inquired about the discount rate. Commissioner Coffman used a 30 year mortgage where you pay a rate of interest. You're calculating how much you're willing to pay in total in order to get your house now. Implicitly you've stated a rate of time preference for consumption now versus payment in the future. Conceptually this is what the discount rate is getting at. At a policy scale, it is also normative and a statement of values. There is a time value of money component but there is also the question of how to put this into policymaking. But there is no empirical or theoretical reason that something as high as 7% as a discount rate should be justified.
4. Henry Curtis inquired about what the social value of tourism is – should we count the emissions of tourists? Coffman responded that we should count their emissions and that this builds off of co-benefits. If you have a mitigation intervention, you want to look at the social cost of carbon, but also the other benefits of such actions.
5. Commissioner Fletcher inquired if we have global or local options, or a hybrid. Commissioner Coffman argues no, because it is a global pollutant but this is a point of contention since the current administration just localized it. However, recommends that the global number is the number to go with because it's a global pollutant. As an island we are going to experience the impacts of climate change, but if we mitigate and no one else does, then it doesn't change our damage function at all. This reflects how this is a global issue and the integrated assessment model is harmonizing a global price of action.
6. Henry Curtis acknowledged that some sections of the law states we should be net zero through the state and others say we should be net zero globally, which adds to the confusion.
7. Commissioner Mehnert stated that the Mayor's letter that the City is looking to decarbonize O'ahu. Where does the carbon come from, and where the does construction industry contribute? Where does the system reward these trends? What mechanisms do we have to address those that are not part of the solution? There are no examples in Hawai'i but there are examples worldwide and from U.S. municipalities. It's basically a carbon tax. Developers would be rewarded with future tax reductions depending on how green a building is constructed. There are two types of carbon that feed into the building – the carbon used to build the structure and the carbon used to run the structure. One can be changed over time, one is a big decision. It is worth finding a spot in this paper because 40% of GHG emissions are being generated in her sector. The Mayor's directive asks how to decarbonize O'ahu, and an example could come from the building industry. Commissioner Coffman affirms that the

construction industry is a good example. Commissioner Coffman is working with HSEO on statewide modeling effort on a carbon tax, how we decarbonize within the state and what would that rate look like.

Public Input for Matters Not on the Agenda: There were no comments.

Tentative Next Meeting Date: The next meeting dates will be scheduled at a later time.

Announcements: There were no announcements.

Adjournment: The meeting was adjourned at 11:17 AM.