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GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
OFFICE OF CONSERVATION AND COASTAL LANDS
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

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DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

Testimony of
SUZANNE D. CASE
Chairperson

Before the Senate Committees on
JUDICIARY
and
WAYS AND MEANS

Tuesday, April 05, 2022
10:05 a.m.

State Capitol, Conference Room 211 & Videoconference

In consideration of
HOUSE BILL 1672, HOUSE DRAFT 1, SENATE DRAFT 1
RELATING TO SPECIAL IMPROVEMENT DISTRICTS

House Bill 1672, House Draft 1, Senate Draft 1 proposes to amend Section 46-80.5, Hawaii Revised Statutes, to expand the purpose and rationale for which counties may create special improvement districts to include environmental research, restoration, and maintenance; natural resource management; natural hazard mitigation; climate change and sea level rise adaptation; and other improvements that the council of the county determines will improve environmental conditions and provide community benefits. **The Department of Land and Natural Resources (Department) supports this measure.**

It is the mission of the Department to manage public lands and ocean resources, including beaches throughout the State. The Department, with its partner state and county planning agencies, is at the forefront of addressing impacts related to coastal erosion and beach loss in Hawaii. The Department is directly engaged in efforts to improve natural and cultural resources along Hawaii coasts including beach restoration and management projects. The Department has also played a key role in longer-term efforts toward climate change adaptation including development of the 2017 Hawaii Sea Level Rise Vulnerability and Adaptation Report, companion Hawaii Sea Level Rise Viewer, and partnership in follow-on reports and guidance for considering sea level rise hazards in planning activities. Therefore, the Department understands, first-hand, the challenges and costs of mitigating coastal erosion and flooding hazards, which are increasing with climate change and sea level rise, and the need to develop creative and community-engaged financing mechanisms to support restoration and adaptation projects.

Special improvement districts are a viable option for raising funds to support coastal restoration and natural resource management projects, as demonstrated through the Department's partnership with the Waikiki Beach Special Improvement District for beach restoration projects in that area. A similar community facilities district has recently been created at Kahana, Maui for addressing shoreline erosion and beach loss. Special improvement districts provide the opportunity to finance and develop coastal management and adaptation projects at the appropriate scale of one or a few ahupuaa. Further, a special improvement district association can provide a venue for direct involvement of community in developing and prioritizing projects to improve community sustainability and resilience.

Thank you for the opportunity to comment on this measure.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Judiciary and
Senate Committee on Ways and Means
Tuesday, April 5, 2022 at 10:05 a.m.

By

Darren T. Lerner, PhD
Director, Sea Grant College Program,
School of Ocean and Earth Science and Technology

And

Charles "Chip" Fletcher, PhD
Dean, School of Ocean and Earth Science and Technology

And

Michael Bruno, PhD
Provost
University of Hawai'i at Mānoa

HB 1672 HD1 SD1 – RELATING TO SPECIAL IMPROVEMENT DISTRICTS

Chairs Rhoads and Dela Cruz, Vice Chairs Keohokalole and Keith-Agaran and members of the committees:

The University of Hawai'i Sea Grant College Program (Hawai'i Sea Grant) and the Climate Resiliency Initiative (CRI; formerly Coastal Geology Group) supports HB 1672 HD1 SD1. This legislation proposes to expand the rationale for which counties may create special improvement districts to include environmental research, restoration, and maintenance; natural resource management; and natural hazard mitigation to improve environmental conditions and provide community benefits through amendments to Section 46-80.5 Hawai'i Revised Statutes. Hawai'i Sea Grant and CRI offer the following comments in support of this Bill.

Hawai'i communities are experiencing acute effects of the climate emergency as exemplified by the record-setting rainfall and flooding in Hanalei and Ha'ena, Kaua'i in 2018, recurring tidal flooding in the streets of Māpunapuna, O'ahu, and ongoing coastal erosion crises on the North Shore of O'ahu, in West Maui, and many other locations on Hawai'i coasts. Addressing these challenges through adaptation of private and public development will be very expensive and requires comprehensive planning efforts across a range of state and county agencies in close cooperation with community.

Special improvement districts can provide a vital means for communities to directly fund or finance community resilience, adaptation, and natural resource conservation and restoration efforts. Special improvement districts may be set up at the scale of one to a few ahupua'a to be most effective for addressing local priorities developed with a community-based special improvement district association. The Waikīkī Beach Special

Improvement District and its association have demonstrated the effectiveness of these special tax districts for developing and funding coastal management and restoration projects in partnership with local government. A similar community facilities district has recently been created at Kahana, Maui for addressing shoreline erosion and beach loss.

Hawai'i Sea Grant and CRI are pleased to see the addition of climate change and sea level rise adaptation to the proposed expanded purposes of creating the special improvement districts in Section 46-80.5, Hawaii Revised Statutes to further enable communities to utilize these districts for improving resilience and environmental conditions.

Hawai'i Sea Grant's mission is to provide integrated research, extension, and education activities that increase understanding and use of ocean and coastal resources of the Hawaiian and Pacific Islands and support the informed personal, policy, and management decisions that are integral to realizing this vision. Hawai'i Sea Grant is part of a national network of 34 university-based programs associated with the National Oceanic and Atmospheric Administration (NOAA) that promote better understanding, conservation, and use of coastal resources.

The Climate Resiliency Initiative (CRI) is a newly-established applied research program at the University of Hawai'i at Mānoa. CRI is an affiliation of researchers, technicians, undergraduate, and graduate students spread across campus working on challenges related to climate change. CRI researchers conduct investigations of sea level rise and community design, increasing resiliency to extreme weather events, projecting future climate stresses and shocks, marine and reef impacts, and better understanding community exposure to rising heat, storms, and drought. This requires cross-disciplinary and integrated research investigation on a range of spatial and temporal scales

Hawai'i Sea Grant and the CRI support HB 1672 HD1 SD1 to expand the purpose and rationale for special improvement districts to improve management and adaptation to natural and climate change hazards.

Thank you for the opportunity to testify on this measure.



Testimony Presented Before the
Senate Committees on
Judiciary
and
Ways and Means
Tuesday, April 5, 2022; 10:05am
Senate Capitol (Via Video conference)

Waikiki Beach Special Improvement District Association
By
Rick Egged, President

HB 1672 HD1 SD1 – RELATING TO SPECIAL IMPROVEMENT DISTRICTS

Chairs Rhoads and Dela Cruz, Vice Chairs Keohokalole and Keith-Agaran and members of the committees:

The Waikiki Beach Special Improvement District Association (WBSIDA) **supports House Bill (HB 1672 HD1 SD1)**. This measure expands the purpose and rationale for which counties may create special improvement districts to include environmental research, restoration, and maintenance; natural resource management; and natural hazard mitigation to improve environmental conditions and provide community benefits. This measure is an important step towards the development and facilitation of additional special improvement districts for all communities in Hawai'i.

Hawai'i's coastal communities are experiencing the disproportionate impacts of climate change as illustrated by the December, 2021 record rainfall and coastal flooding in Waikiki and ongoing coastal erosion crises at many locations in Hawai'i. Addressing these challenges requires comprehensive planning efforts across a range of state and county agencies in close cooperation with community.

Special improvement districts can provide a vital means for communities to directly fund or finance community resilience, adaptation, and natural resource conservation and restoration efforts. Special improvement districts in Waikiki have demonstrated success in addressing local priorities and needs and have developed with a community-based special improvement district association. The Waikiki Beach Special Improvement District and its association have demonstrated the effectiveness of these special tax districts for developing and funding coastal management and restoration projects in partnership with local government.

The ability to create new special improvement districts is an important tool to address the growing demands of communities throughout Hawai'i with unique challenges and needs.

We are pleased to see the amendment expanding the justification and objectives for the creation of these improvement districts to include environmental and natural hazard considerations and climate change impacts which will enhance the ability of communities to create sustainable and resilient communities. For these reasons the WBSIDA supports the expansion of the objectives of this statute as it currently reads.

Thank you for the opportunity to testify.

The Waikiki Beach Special Improvement District Association (WBSIDA) is dedicated to enhancing the resilience of Waikīkī by ensuring the coordinated management and long-term sustainability of Waikiki Beach and nearshore waters.

<https://www.wbsida.org/>



4/5/2022

JDC/WAM Committees
Hawaii State Capitol
Honolulu, Hawaii 96813

Dear Chairs Rhoads and Dela Cruz, Vice Chairs Keohokalole and Keith-Agaran, and Members of the Senate Committees on Judiciary and Ways & Means,

Position: Support HB1672 HD1 SD1

The Surfrider Foundation is a national nonprofit organization dedicated to the protection and enjoyment of our ocean, waves, and beaches. Surfrider maintains a network of over 150 chapters and academic clubs nationwide, including 4 chapters in the Hawaiian Islands. The Surfrider Foundation focuses on many aspects of the environment such as coastal protection, plastic pollution, and water quality.

The sandy beaches in Hawaii are facing severe chronic erosion that is being exacerbated by climate change and sea level rise. While it is evident that we need to move away from the coastline, Hawaii has few mechanisms in place to facilitate the relocation or buy out of coastal properties that are in imminent danger from coastal erosion. Special Improvement Districts may be one option for potential managed retreat, as well as support other sea level rise and coastal hazards adaptation.

Sea Grant's technical paper for the North Shore of O'ahu entitled "Climate Change & Sea Level Rise" specifically suggests pursuing special improvement districts or other shared community or neighborhood-scale funding mechanisms for sea level rise and coastal hazards adaptation. These funding mechanisms may be used to support nature-based conservation and resilience strategies and exit strategies for land owners impacted by land loss from coastal erosion or severe recurring flooding. Hawaii Revised Statute (HRS) §46-80.5 Special Improvement District allows for the creation of special localized tax collections for community benefit. There are already several Special Improvement Districts on O'ahu that serve as successful examples.

We desperately need more tools in our toolbox to address and adapt to climate change and sea level rise, and the expansion of Special Improvement Districts is one of those important tools. Thank you for your consideration of this testimony in support of HB1672, submitted on the behalf of the Surfrider Foundation's 4 Chapters in Hawaii and all of our members who live in the state and visit to enjoy the many coastal recreational opportunities offered by all of the islands' coastlines.

Sincerely,

Camile Cleveland
Volunteer Policy Coordinator
Surfrider Foundation, O'ahu Chapter

HB-1672-SD-1

Submitted on: 4/1/2022 4:01:52 PM

Testimony for JDC on 4/5/2022 10:05:00 AM

Submitted By	Organization	Testifier Position	Testify
L Basha	Individual	Support	Written Testimony Only

Comments:

Any additional care and support we can give to restoring and protecting our natural resources is a good use of tax payer money.

HB-1672-SD-1

Submitted on: 4/2/2022 5:58:53 PM

Testimony for JDC on 4/5/2022 10:05:00 AM

Submitted By	Organization	Testifier Position	Testify
B.A. McClintock	Individual	Support	Written Testimony Only

Comments:

Please support this important bill.

Mahalo for your consideration.