

STATE OF HAWAII
DEPARTMENT OF DEFENSE
HAWAII EMERGENCY MANAGEMENT AGENCY

TESTIMONY ON SENATE BILL 2725,
RELATING TO SPECIAL IMPROVEMENT DISTRICTS

BEFORE THE SENATE COMMITTEE(S) ON
WATER AND LAND, AND GOVERNMENT OPERATIONS

BY

Luke P. Meyers
Administrator, Hawai'i Emergency Management Agency (HI-EMA)

FEBRUARY 14, 2022

Aloha Chair(s) Inouye and Moriwaki, Vice-Chair(s) Keith-Agaran and Dela Cruz, and Members of the Committee:

Thank you for the opportunity to submit testimony providing **COMMENTS** on SB 2725.

Senate Bill 2725 expands the purposes and rationales for which counties may create special improvement districts to add environmental research, restoration, and maintenance; natural resource management; and natural hazard mitigation to improve environmental conditions and provide community benefits.

The Hawai'i Emergency Management Agency (HI-EMA) sees substantial value in creating additional tools which communities may use to enhance hazard mitigation strategies and pay for important projects which will provide better resiliency for the residents of the State.

As the bill progresses, the HI-EMA would recommend that the bill incorporate language to align the local hazard mitigation planning with statewide hazard mitigation efforts, allowing HI-EMA to better support the districts in maximizing the impact of mitigation projects and in maximizing federal funding. This would also be consistent with the hazard mitigation plans that are adopted by each county and the state and are approved by the Federal Emergency Management Agency. These hazard reduction documents identify activities that reduce the loss of life, property, and the environment from hazards impacting our communities.

The HI-EMA supports this bill provided that the appropriation does not conflict with the Governor's budget priorities.

Thank you for the opportunity to provide testimony offering comments on Senate Bill 2725.

Luke P. Meyers: Luke.P.Meyers@hawaii.gov; 808-733-4300



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Water & Land and
Senate Committee on Government Operations
Monday, February 14, 2022 at 1:10 p.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

SB 2725 – RELATING TO SPECIAL IMPROVEMENT DISTRICTS

Chairs Inouye and Moriwaki, Vice Chairs Keith-Agaran and Dela Cruz, 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 SB 2725. 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 and one suggestion for improving the measure.

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 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. 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 recommend also adding 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 SB 2725 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.

DAVID Y. IGE
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

ROBERT K. MASUDA
FIRST DEPUTY

M. KALEO MANUEL
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
WATER AND LAND
and
GOVERNMENT OPERATIONS

Monday, February 14, 2022
1:10 p.m.

State Capitol, Conference Room 229, Via Videoconference

In consideration of
SENATE BILL 2725
RELATING TO SPECIAL IMPROVEMENT DISTRICTS

Senate Bill 2725 proposes to amend Section 46-80.5, Hawaii Revised Statutes (HRS), to expand 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. **The Department of Land and Natural Resources (Department) supports the bill and offers the following comments:**

The Department recommends adding climate change and sea level rise adaptation to the proposed expanded purposes of creating the special improvement districts in Section 46-80.5, HRS, to further enable communities to utilize these districts for improving resilience and environmental conditions.

The Department proposes the following amendment (as underlined):

Page 2, line 20: (5) Climate change and hazard mitigation;

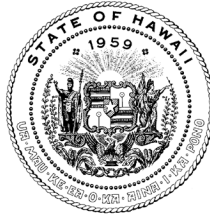
It is the mission of the Department to manage public lands and ocean resources, including beaches throughout the State. The Department, with its partner state and county planning agencies, is at the forefront of addressing impacts related to coastal erosion and beach loss in Hawaii. The Department is 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 Waikīkī 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.

DAVID Y. IGE
GOVERNOR OF HAWAII



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Chairperson

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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.

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Thank you for the opportunity to comment on this measure.



Testimony Presented Before the
**Senate Committees on Water & Land and
Government Operations**
February 14, 2022 at 1:10pm
Senate Capitol (Via Video conference)

Waikiki Beach Special Improvement District Association

By
Rick Egged, President

SB 2725– RELATING TO SPECIAL IMPROVEMENT DISTRICTS

Chairs Inouye and Moriwaki and, Vice Chairs Keith-Agaran and Dela Cruz and members of the committees:

The Waikiki Beach Special Improvement District Association (WBSIDA) **supports Senate Bill (SB 2725)**. SB2725 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. Expanding the justification and objectives for the creation of these improvement districts

to include environmental and natural hazard considerations and climate change impacts 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.

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/>