

STATE OF HAWAI'I DEPARTMENT OF DEFENSE HAWAI'I EMERGENCY MANAGEMENT AGENCY

TESTIMONY ON HOUSE BILL 1672, HD 1, RELATING TO SPECIAL IMPROVEMENT DISTRICTS

BEFORE THE HOUSE COMMITTEE(S) ON FINANCE

ΒY

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

FEBRUARY 28, 2022

Aloha Chair Luke Inouye, Vice-Chair Yamashita, and Members of the Committee:

Thank you for the opportunity to submit testimony providing **COMMENTS** on House Bill 1672, HD 1.

House Bill 1672, HD 1 expands the purposes and rationales for which counties may create special improvement districts to add environmental research, restoration, and maintenance; natural resource management; natural hazard mitigation; climate change and sea level rise adaptation 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 House Bill 1672, HD 1.

Luke P. Meyers: <u>Luke.P.Meyers@hawaii.gov</u>; 808-733-4300



Legislative Testimony

Testimony Presented Before the House Committee on Finance Monday, February 28, 2022 at 12:30 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

HB 1672 HD1 – RELATING TO SPECIAL IMPROVEMENT DISTRICTS

Chair Luke, Vice Chair Yamashita, and members of the committee:

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. 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 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 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 HB 1672 HD1 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





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

ROBERT K. MASUDA

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 RESERVATION KAHOOLAWE ISLAND RESERVE COMMISSION LAND STATE PARKS

STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

> OFFICE OF CONSERVATION AND COASTAL LANDS POST OFFICE BOX 621 HONOLULU, HAWAII 96809

> > Testimony of SUZANNE D. CASE Chairperson

Before the House Committee on FINANCE

Monday, February 28, 2022 12:30 p.m. Conference Room 308 & Videoconference

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

House Bill 1672, House 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; and natural hazard mitigation to improve environmental conditions and provide community benefits. **The Department of Land and Natural Resources (Department) supports the bill.**

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.



Testimony Presented Before the HOUSE COMMITTEE ON FINANCE February 28, 2022 at 12:30pm Senate Capitol (Via Video conference)

Waikīkī Beach Special Improvement District Association By Rick Egged, President

HB 1672 HD1 – RELATING TO SPECIAL IMPROVEMENT DISTRICTS

Chair Luke, Vice Chair Yamashita and members of the committee:

The Waikīkī Beach Special Improvement District Association (WBSIDA) supports House Bill (HB 1672 HD1). HB 1672 HD1 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 Waikīkī 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 Waikīkī 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 longterm sustainability of Waikiki Beach and nearshore waters. <u>https://www.wbsida.org/</u>

HB-1672-HD-1

Submitted on: 2/27/2022 1:51:42 PM Testimony for FIN on 2/28/2022 12:30:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Denise Boisvert	Individual	Support	No

Comments:

I FULLY SUPPORT HB1672 HD1. Please keep moving this much-needed bill forward.

<u>HB-1672-HD-1</u>

Submitted on: 2/27/2022 1:53:11 PM Testimony for FIN on 2/28/2022 12:30:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Kim Jorgensen	Individual	Support	No

Comments:

Please accept my FULL SUPPORT of HB1672 HD1 regarding Special Improvement Districts.