



**UHERO**  
THE ECONOMIC RESEARCH ORGANIZATION  
AT THE UNIVERSITY OF HAWAII

**ORNP Working Group Meeting**

Methodologies to Assess the Value of the  
 Coastal Zone Management (CZM) Special  
 Management Area (SMA) Program

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 April 4, 2013

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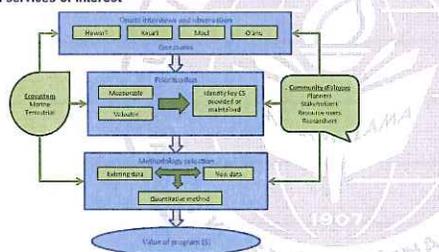
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### Aims and Scope

- Develop a methodology for valuing the resources protected by the SMA program
- Potential applications of techniques are demonstrated through case studies in each of the counties
- The key is linking actions resulting from the program to value changes in coastal and ecosystem services of interest



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### Environmental Valuation Concepts

- **Stated preference techniques:** individuals state willingness-to-pay for a specified ecosystem service (e.g. through a survey)
  - Contingent valuation method (CVM)
  - Choice modeling (CM)
- **Revealed preference techniques:** information is “revealed” through actual actions taken in a market
  - Travel cost method (TCM)
  - Hedonic pricing method (HPM)
  - Ecosystem service approach (ESA)
- **Other techniques:** values inferred from other studies
  - Benefits transfer method (BTM)

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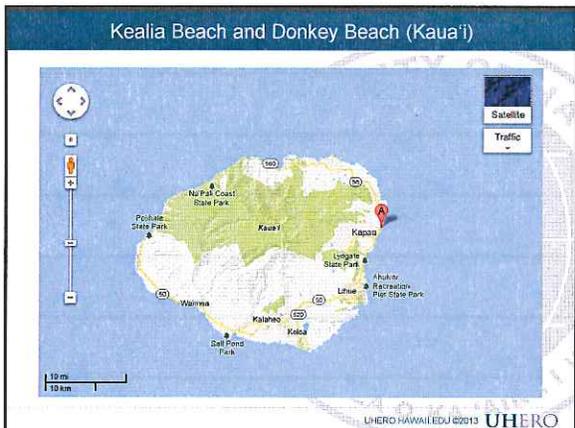
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### Kealia Beach and Donkey Beach (Kauai)



Public beach path



Comfort station

**Site description**

- Development of a 28-lot subdivision
- Part of the land is within the State Conservation District for public use
- Existing cane haul road used for pedestrian and bike access

**Mitigative actions**

- Grading, clearing, grubbing
- Construction of two public parking lots
- Provision of a mauka-makai pedestrian pathway
- Maintenance of view corridors along Homalukawaa and Kumukumu streams as well as to the ocean
- Dedication of 57 acres to the County of Kauai or another government agency for public recreational purposes

Ecosystem service	Beneficiaries	Recommended valuation method	Data required
Public beach access	Beach users	CVM, CM	Beach user survey
Scenic amenity	Highway users and ocean recreationists	CVM, CM	Resident survey

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### Next steps

- More details on O'ahu case study (Moana Surfrider Hotel in Waikiki)
- Develop appendix that gives step-by-step instructions on how to employ the suggested valuation methodologies
- Consider how estimated values could be applied in a more comprehensive cost-benefit analysis used for decision-making

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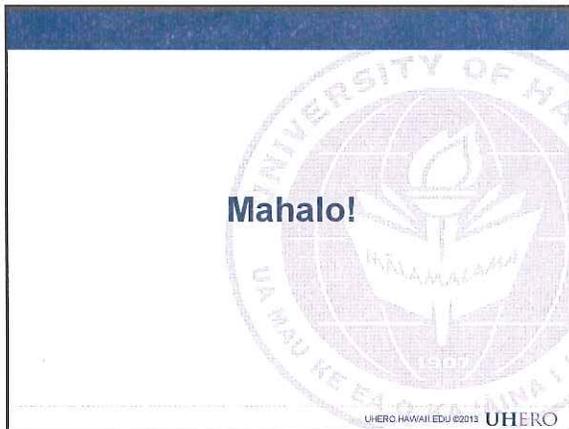
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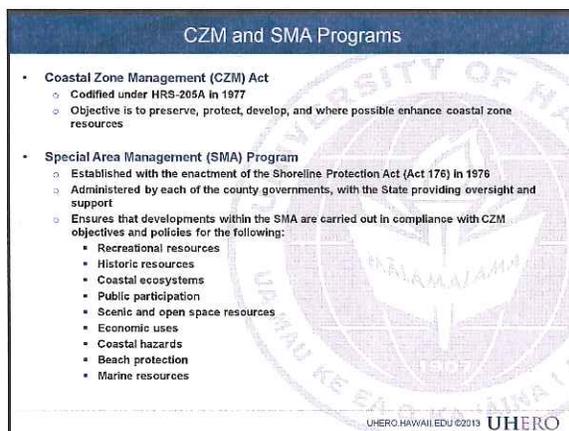
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