



WAIKĪKĪ BEACH SPECIAL IMPROVEMENT DISTRICT ASSOCIATION REPORT TO THE HONOLULU CITY COUNCIL

FY 2018-19

May 31, 2019

INTRODUCTION

Fiscal Year 2018-19 is the fourth year of operation for the Waikīkī Beach Special Improvement District Association (WBSIDA). Created by ROH 15-11 signed into law May 18, 2015 and taking effect July 1, 2015, the purpose of the District is to provide for and finance supplemental services and improvements in and to Waikīkī Beach as authorized by Chapter 36, Revised Ordinances of Honolulu.

Waikīkī Beach Management District

Waikīkī Beach Special Improvement District #3 (the WBSIDA District) includes all the commercial properties of Waikīkī, bounded by Kapahulu Avenue, the Ala Wai Canal and the Ala Wai Harbor. The WBSIDA strives to support beach management and maintenance projects in Waikīkī through providing support and coordination of the Waikīkī Beach Management Plan (WBMP) and related beach maintenance projects in Waikiki. The WBSIDA serves as the coordinating organization for the evaluation, development and implementation of beach, nearshore and water quality improvement projects in Waikīkī. The WBSIDA is intended to serve as the conduit for project funding, stakeholder engagement and stakeholder input and oversight of proposed projects in close coordination with the State of Hawai'i and the City and County of Honolulu as project partners. The initial draft of the WBMP was completed in May, 2018, approved by the WBSIDA Board of Directors and the Association members and was submitted to the Honolulu City Council as part of the 2017-18 Annual Report to the Council.

The WBSIDA has taken the lead on facilitating, coordinating and supporting key beach improvement projects in Waikīkī. The WBMP identifies site-specific strategies to support the goals of the Waikīkī Beach Management District and community. The WBSIDA provides a unique private partnership for Waikīkī beach planning, research and scientific studies in addition to project support, management and coordination of beach maintenance and improvement projects in Waikīkī and the Ala Wai Canal. The WBSIDA leadership, coordination and cost share for improvement projects plays an important part in the ability of State and local partners to secure leveraged funding for ongoing and new beach improvement projects in Waikīkī. The Waikīkī Beach Management Plan provides a clear management strategy and framework for prioritized projects that have been vetted through a community advisory committee to ensure the projects meet the goals and expectations of the Waikīkī community.

FISCAL YEAR 2018-19 MAJOR PROJECTS SUMMARY

Royal Hawaiian Groin (Planned Spring, 2020)

- Project has received final regulatory approvals (May, 2019).
- Anticipated start date March/April, 2020.
- Anticipated funding provided from WBSIDA in July, 2019.
 - Updated and renewed MOU with the DLNR for increased cost share and new dates.
 - New MOU expiration date of June 30, 2020.
- **\$2.5 million estimated total construction cost of RHG Project.**
- **\$1.25 million (50% cost share) between the WBSIDA and the DLNR.**



Kuhio Beach Stub Groin

- Project partnership with the WBSIDA, DLNR & City and County of Honolulu.
- DLNR engineering consulting contract issued.
 - Final engineering designs completed.
 - All permits secured and approved.
- WBSIDA facilitation role for expedited regulatory review.
- Waikīkī Community Advisory committee support and outreach.
- Fall, 2019 construction timeframe (pending DLNR construction contract)
- **\$670,000 estimated total construction cost of project.**
- **WBSIDA 50% Cost share (\$335,000)**



Waikīkī Beach EIS/Feasibility Study (In Progress) (Ho'omau o Waikīkī Kahakai)

- This project is a partnership between the DLNR, UH Sea Grant and the WBSIDA.
- Project objective is to develop a technical engineering assessment of various options for improvement to the shoreline conditions in Waikīkī Beach.
- Project outcome is an Environmental Impact Statement for 2-3 priority beach improvement projects with for project scoping, design and permitting.
- Three priority project areas have been identified for the EIS/Feasibility study (Halekulani Cell, Royal Hawaiian Cell and Kuhio beach cell).
- The WBSIDA is a project partner providing technical, in-kind support for the effort along with community outreach and engagement.
- **Timeline: 3-year project 2017-2020**
- **\$800,000 total cost of project.**

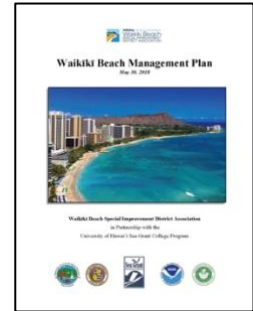




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Waikiki Beach Management Plan (Completed May, 2018)

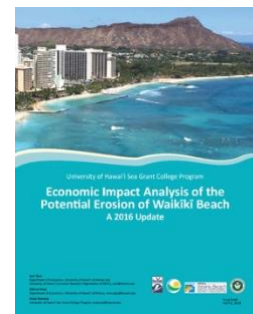
The Waikiki Beach Special Improvement District Association in partnership with Hawai'i Sea Grant has developed the Waikiki Beach Management Plan (WBMP). The WBMP serves as an overarching framework for the development, evaluation and implementation of a technical beach management alternatives for Waikiki. The WBMP supports innovative, science-based beach management planning in Waikiki including the development and implementation of ongoing community planning and visioning process through the WBSIDA. This project is a partnership between University of Hawaii Sea Grant, WBSIDA and DLNR.



- Project will assess community/stakeholder and visitor surveys of beach experience as well as develop cost vs benefit economic assessment of various alternatives.
- Coordinated project with the DLNR's Waikiki Beach Feasibility Study/EIS.
- Utilizes the Waikiki Community Advisory Committee to inform the management plan process.
- Project objective is to develop a stakeholder-driven comprehensive "vision" for Waikiki Beach under future scenarios and management priorities.
- **Initial draft completed in May, 2018.**
- **\$120,000 total cost of project.**

Waikiki Beach Economic Study (Completed May, 2018)

- Partnership with the UH Dept. of Economics and UH Sea Grant.
- Project scope is to update the (Hospitality Advisors, 2008) economic report on Waikiki Beach.
- Phase I Economic study update cost (Complete)
- Phase II Develop new research methodology 2019-20
- **Study estimates Waikiki Beach provides economic value to local economy of \$2.2 Billion/year.**



Waikiki Beach Visitor Perception Surveys (Planned July, 2019)

- Partnership with the University of Hawaii Dept. of Economics and UH Sea Grant.
- Project scope is to conduct in-person surveys of visitor's perceptions of Waikiki Beach and to develop a quantitative assessment of community sentiment of the beach conditions.

Ala Wai Watershed Collaboration (In Progress)

- Initially started in 2015 and formalized in 2016/17.
- Coordination with the Army Corps of Engineers 100 Year (1% probability) flood mitigation and ecosystem restoration for the watershed of the Ala Wai.
- Focus is on coordination of Community Investment Vehicle (CiviC) as a watershed management district for enhanced recreation and economic development opportunities.
- Pursuing funding for project legal and policy framework for public/private partnership model.
- AWWC Working groups and organizational framework formalized.
- **Primary focus on improving water quality of the Ala Wai Canal.**

PROJECTS UNDER DEVELOPMENT

Waikiki Beach

- Waikīkī Beach conceptual engineering designs.
 - Design assessment, community outreach and education.
 - Conduct project outreach through the Waikīkī Beach Community Advisory Committee
- Waikīkī beach aerial beach surveys and beach monitoring (UH Research Study)
- Beach monitoring using citizen science applications
- Emergency beach erosion control assessment and evaluation
- Public lateral access assessment and walkway evaluation
 - Sheraton Waikīkī, Halekulani, Royal Hawaiian and Kuhio public beach access
 - Project scope is to improve lateral public shoreline access and safety improvements.
- Beach maintenance and compaction
 - Beach cleaning systems and tilling equipment
 - Sand back-passing system at Ft. DeRussy groin
 - Evaluation of small-scale pumping systems for ongoing beach maintenance



Nearshore Reefs and Water

- Nearshore water quality assessment and monitoring
- Nearshore coral reef conservation, restoration and enhancement
- Waikīkī groundwater mapping research and impacts assessment
- Sea-level rise adaptation options and design charrettes (UH Study)



Ala Wai

- Ala Wai Maintenance Dredging- DLNR coordination and outreach
- Army Corps of Engineers Ala Wai Flood Mitigation project
 - Project outreach and coordination through the Ala Wai Watershed Collaboration.
 - Debris management system assessment.





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Fiscal Year 2018-19 Financial Report (Projected to June 31, 2019)

Fiscal Year 2018-19 ending June 30, 2019

\$ 1,105,240	Fund Balance Beginning of Year
\$ 996,851	Revenues
(\$ 291,581)	Expenses
\$ 1,810,510	TOTAL BALANCE

Expenses:

\$139,518	University of Hawai'i Sea Grant (Waikīkī Beach Coordinator)
\$ 62,500	Ala Wai Collaboration
\$ 48,348	Waikīkī Improvement Association Administration fee
\$ 45,631	City and County collection fee
\$ 15,041	Accounting and Insurance
\$ 15,890	Communications
\$ 8,717	Professional fees (Accounting)
\$ 4,456	Misc. administration expenses (BOD meetings and parking)
\$ 3,136	Travel and Conferences and Dues
\$ 2,692	Special Beach Management Projects
(\$ 291,581)	TOTAL EXPENSES

Fiscal Year 2019-20 Approved Budget

The Fiscal Year 2019-20 Operating Budget was approved by the WBSIDA Board of Directors on April 24, 2019 and approved by the membership at the 2018-19 Annual Meeting on May 22, 2019. The WBSIDA Board and membership voted to approve a reduced the tax assessment rate of 6.58 cents per \$1,000 of assessed value for the 2019-20 Fiscal year effective July 1, 2019. The assessment rate was reduced 5% from the 6.97cents/\$1000 rate for Fiscal Year 2018-19.

Fiscal Year 2019-20 Operational Budget Breakdown

\$ 1,063,000	Assessment Fee Revenues
\$ (53,160)	Less City Collection fee
\$ 1,009,840	TOTAL REVENUE

Expenses:

\$1,250,000	Royal Hawaiian Groin Project (50% cost share)
\$ 335,000	Kuhio Beach Sandbag Groin Project (50% cost share)
\$ 150,720	University of Hawai'i Sea Grant (Waikīkī Beach Coordinator)
\$ 53,160	Waikīkī Improvement Association Administration fee
\$ 50,000	Ala Wai Watershed Collaboration
\$ 25,000	Ala Wai Canal Catchment System
\$ 30,000	Special Beach Management Projects
\$ 30,000	Waikīkī Beach Profile Monitoring Survey (UH)
\$ 18,700	Accounting and Insurance
\$ 25,000	Communication and meetings (Website and annual meeting)
\$ 2,400	Other and Parking expenses
(\$1,969,980)	TOTAL EXPENSES