



WAIKĪKĪ BEACH SPECIAL IMPROVEMENT DISTRICT ASSOCIATION REPORT TO THE HONOLULU CITY COUNCIL FY 2020-21

May 31, 2021

INTRODUCTION

This year has been a busy year for beach improvements in Waikīkī. With a new groin and a replenished beach, Waikīkī Beach is in good shape for the anticipated visitor industry recovery. The Spring of 2021 brought the onset of COVID-19 recovery and easing of travel and social restrictions. The Waikīkī Beach Special Improvement District Association (WBSIDA) has been utilizing the economic down-turn of 2020-21 as an important time of renewal and rejuvenation of Waikīkī Beach. With a significant decrease in visitors to Waikīkī, this was a unique opportunity to make much-needed improvements to Waikīkī Beach. So, like the rest of the world, the WBSIDA is adapting to the times. We've had the opportunity to change some of our plans for projects in Waikīkī, having worked to accelerate the reconstruction of the [Royal Hawaiian Groin](#) project that was completed in August, 2020. The WBSIDA also partnered with the state to complete the [Waikīkī Beach Maintenance project](#) in May, 2021 ahead of schedule with an expedited construction timeframe. The WBSIDA has spent the last three years in partnership with the Department of Land and Natural Resources developing a "Master Plan" [Environmental Impact Statement, \(EIS\)](#) for Waikīkī Beach that identifies potential beach improvements that will serve us for generations to come. We expect the Draft EIS to be publicly released in June, 2021 and the final EIS to be completed by the end of the year. We look forward to major beach improvements as a result of the EIS effort and expect some of these projects to come to fruition possibly in 2022-23.

Waikīkī Beach Special District

Fiscal Year 2020-21 is the sixth year of operation for the WBSIDA. Created by Revised Ordinance of Honolulu (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, ROH. Under the ordinance, a private non-profit entity was formed to govern the Special Improvement District. The WBSIDA is governed by a Board of Directors and an Executive Committee directed by representatives of Waikīkī property owners, other stakeholders and by state and county government designees. 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.

For the upcoming fiscal year 2021-22, the special assessment rate was kept at the same rate as 2020-21 at 6.58 cents per \$1000 of assessed value (\$0.0658/\$1000) (Figure 1). This is the third consecutive year the assessment rate has remained the same. Maintaining the assessment rate the same as last year is necessary in order to budget for upcoming major improvement projects in Waikīkī Beach, as you will see in the 3 year operational budget.

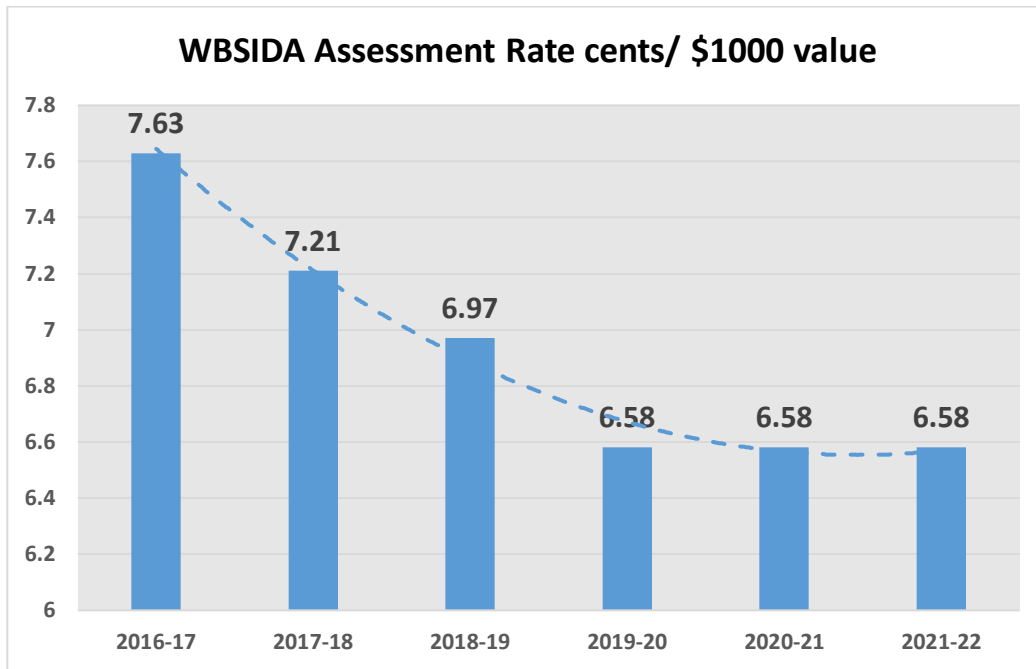


Figure 1. WBSIDA Assessment

Waikiki Beach Management Plan

The WBSIDA strives to support beach management and maintenance projects in Waikiki through providing support and coordination of the [Waikiki Beach Management Plan](#) (WBMP) and related beach maintenance projects in Waikiki. The WBSIDA serves as in a coordinating, communication and education function for the development and implementation of beach improvement projects in Waikiki. The WBSIDA serves as a public-private partnership and conduit for project funding, facilitates stakeholder engagement and provides third party oversight of beach improvement projects in close coordination with the State of Hawai'i and the City and County of Honolulu as project partners. The WBSIDA provides a unique private partnership to support policy, planning, research and scientific studies in Waikiki Beach and the Ala Wai Canal. The WBSIDA leadership, coordination and cost share for improvement projects has proven to be an important part in the ability of State and local partners to secure leveraged funding for ongoing and new beach improvement projects in Waikiki.

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 Waikiki 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 Waikiki community. The WBSIDA has taken the lead on facilitating, coordinating and supporting key beach improvement projects in Waikiki. The WBMP identifies site-specific strategies to support the goals of the Waikiki Beach Management District and community. The WBMP is complementary and coordinated with the Waikiki Beach Improvements EIS that is currently underway.



Fiscal Year 2021-22 Approved Operating Budget

The Fiscal Year 2021-22 Operating Budget was approved by the WBSIDA Board of Directors on April 22, 2021 and approved by the membership at the 2021 Annual Meeting on May 27, 2021. The WBSIDA Board and membership voted to keep the tax assessment rate of 6.58 cents per \$1,000 of assessed value and approved a \$1.9 million operating budget for the 2021-22 fiscal year effective July 1, 2021.

Waikīki Beach Special Improvement District	2020-21	2021-22	2022-23
Operating Budget		BUDGET	Projected
OPERATIONS REVENUES			
<i>Assessments-</i>	1,108,044	952,500	1,047,750
<i>City Collection Cost</i>	(55,535)	(47,630)	(52,390)
Interest	192		
TOTAL OPERATIONS REVENUES	1,052,701	904,870	995,360
OPERATIONS EXPENSES			
UH Sea Grant	156,908	146,698	151,575
WIA Admin Expenses	55,392	55,400	60,940
<i>Accounting</i>	10,500	11,025	11,576
<i>Insurance</i>	3,173	3,330	3,500
Communications (JF & Website)	25,655	26,940	28,290
Meeting Expenses	123	130	140
Annual Meeting	2,770	2,910	3,060
<i>Conferences & Dues</i>	500	5,000	5,000
Legislative Monitoring		2,000	2,000
<i>Other (Office Parking Etc)</i>	1,000	1,050	1,100
SPECIAL PROJECTS:			
<i>Beach Maintenance Project (2012 follow up)</i>	1,000,483		
<i>DLNR RHG Project Share</i>	(295,987)		
<i>Ala Wai Canal Feasibility Match (HGG)</i>	50,000	50,000	
<i>Duke Kahanamoku Beach Maintenance</i>		300,000	
<i>Waikīki Beach Improvements Special Projects</i>		20,000	20,000
<i>Waikīki Beach Monitoring</i>		50,000	50,000
<i>Gray's Beach Halekulani Boardwalk</i>			125,000
Total Special Projects	754,496	420,000	195,000
TOTAL OPERATIONS EXPENSES	1,010,517	674,483	462,181
NET INCOME/(LOSS) OPERATIONS	42,184	230,387	533,179
BALANCE	1,696,895	1,927,282	2,460,461



Fiscal Year 2020-21 Financial Report

Financial Position Fiscal Year 2020-21 ending April 30, 2021

\$ 1,654,712	Net Assets July 1, 2020
\$ 1,738,636	Net Assets April 30, 2021
\$ (83,924)	Net Change
\$ 1,738,636	TOTAL BALANCE (April 30, 2021)

WAIKIKI BEACH SPECIAL IMPROVEMENT DISTRICT ASSOCIATION

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

TEN-MONTH PERIOD ENDED APRIL 30, 2021

NET ASSETS WITHOUT DONOR RESTRICTIONS:

Revenue and other support:

Member assessments:

Assessments	\$1,108,044
Less: City collection fee	(55,535)
	1,052,509
Interest	195
	1,052,704

EXPENSES:

Program services:

DLNR Royal Hawaiian groin project share	(295,987)
Waikiki beach coordinator	130,757
Beach management project	1,000,483
Ala Wai watershed collaboration	50,000
Other projects	2,377

Management and general:

Waikiki Improvement Association administrative fees	46,160
Communication	20,942
Professional fees	8,902
Other	2,385
Insurance	2,638
Board meeting	123
	968,780

CHANGE IN NET ASSETS

83,924

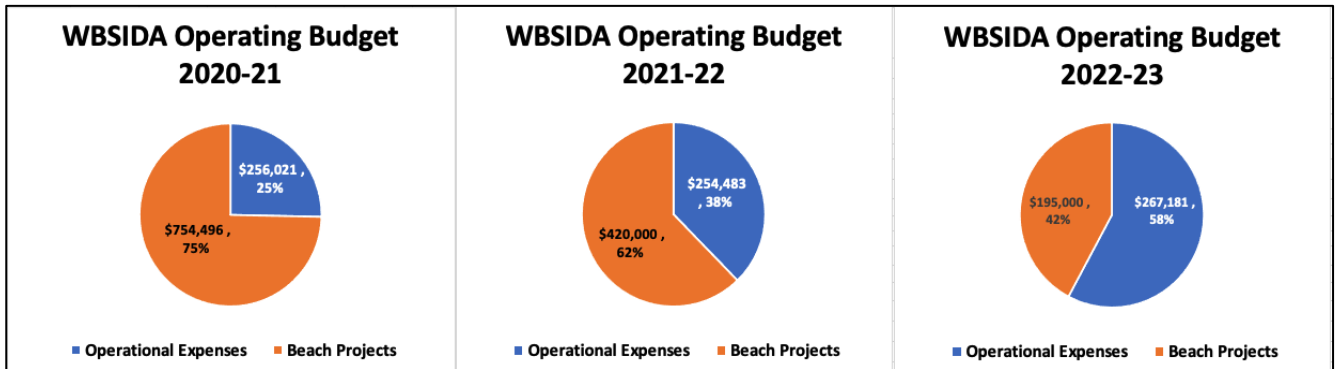
NET ASSETS, July 1, 2020

1,654,712

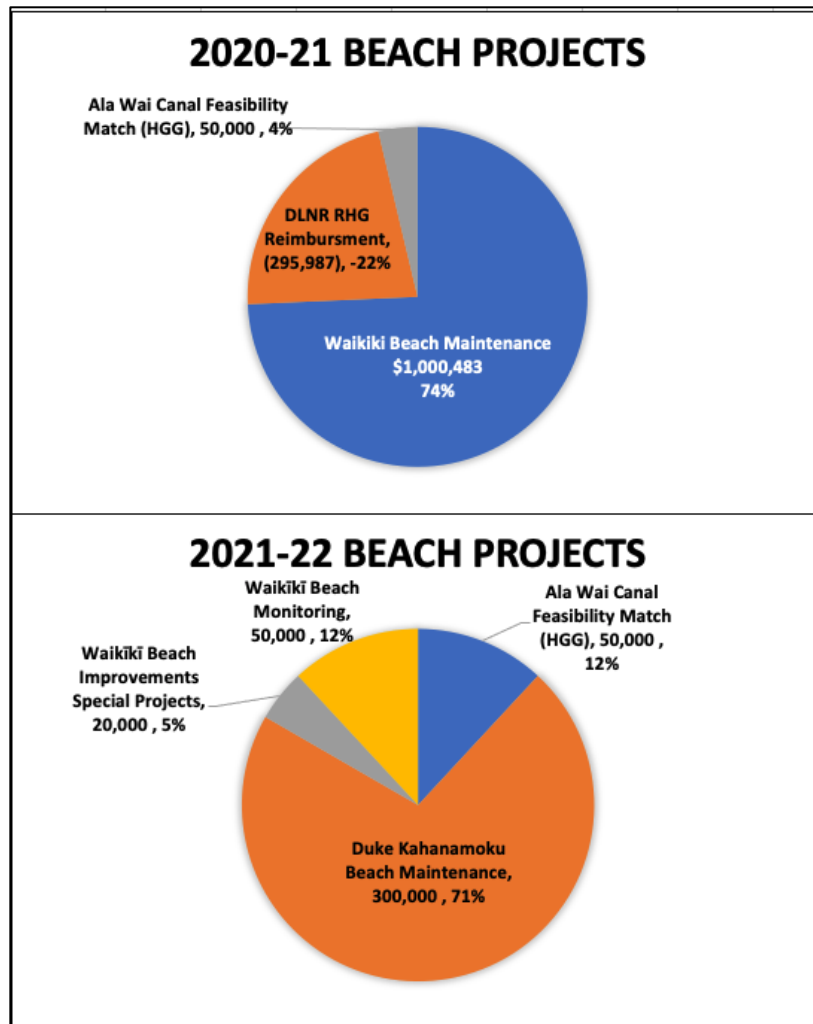
NET ASSETS, April 30, 2021

\$1,738,636

Operational Budget Breakdown



Special Beach Projects Breakdown



FISCAL YEAR 2020-21 WAIKĪKĪ BEACH PROJECTS SUMMARY



Waikiki Beach Improvement Accomplishments

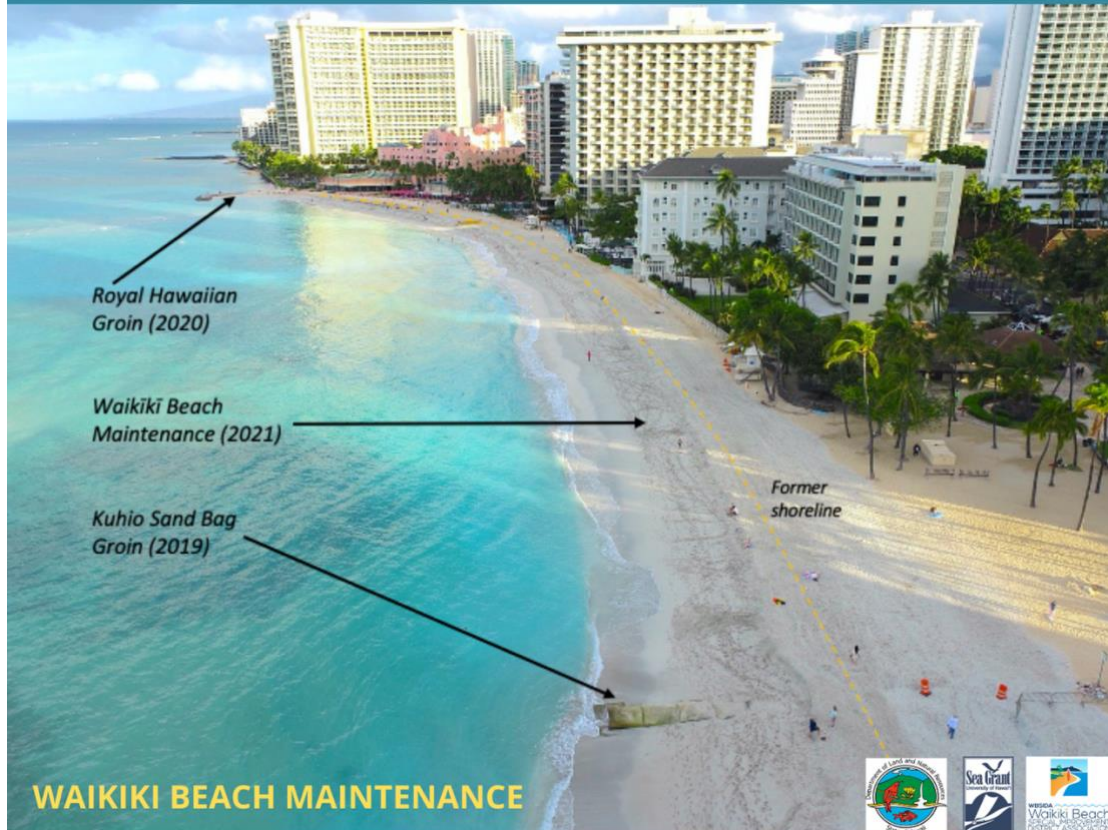
2019- Kuhio Sand Bag Groin (\$635k)

2020- Royal Hawaiian Groin (\$1.5 million)

2021- Waikiki Beach Maintenance (\$3.5 million)

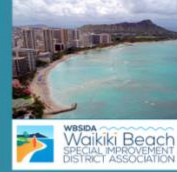
2021- Waikiki Beach Improvements EIS

www.wbsida.org



Beach Improvement Projects

www.wbsida.org



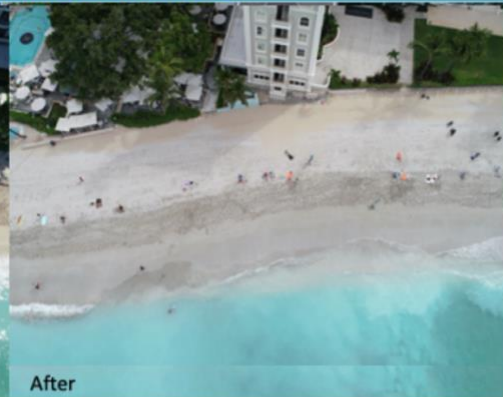
ROYAL HAWAIIAN GROIN



KUHIO SAND BAG GROIN



WAIKIKI BEACH MAINTENANCE



ENVIRONMENTAL IMPACT STATEMENT PREPARATION NOTICE

Waikiki Beach Improvement and Maintenance Program

December 2020



Prepared for:
 Hawaii's Department of Land and Natural Resources
 Office of Conservation and Coastal Lands
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Job No. 2554R

WAIKIKI BEACH EIS CONCEPTUAL DESIGNS



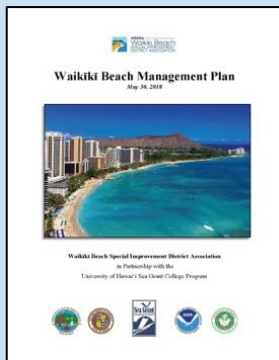
Waikīkī Beach Improvements EIS

(Ho‘omaui o Waikīkī Kahakai)

- *In Progress- estimated completion early 2022.*
- Draft Environmental Impact Statement (EIS) June, 2021.
- Final expected December, 2021.
- Partnership with WBSIDA, DLNR and UH Sea Grant.
- 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 EIS for 2-3 priority improvement projects with 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).
- \$12 million CIP state appropriation for construction in 2019-21.
- \$3 million identified as match from the WBSIDA.
- **Timeline: 4-year project 2018-2022**

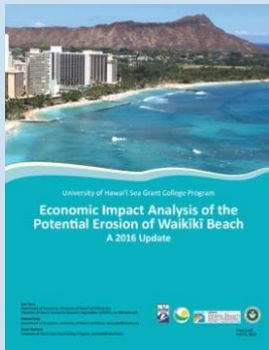


Waikīkī Beach Management Plan



The Waikīkī Beach Special Improvement District Association in partnership with Hawai‘i Sea Grant has developed the Waikīkī Beach Management Plan (WBMP). The WBMP serves as an overarching framework for the development, evaluation and implementation of a technical beach management alternatives for Waikīkī. The WBMP supports innovative, science-based beach management planning in Waikīkī 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 assesses 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 Waikīkī Beach Feasibility Study/EIS.
- Utilizes the Waikīkī Community Advisory Committee to inform the management plan process.
- Project objective is to develop a stakeholder-driven comprehensive “vision” for Waikīkī Beach under future scenarios and management priorities.
- **Initial draft completed in May, 2018.**
- **\$120,000 total cost of project-** 100% Funded by the WBSIDA



Waikiki Beach Economic Study

- 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 2021-22.
- **Study estimates Waikiki Beach provides economic value to local economy of \$2.2 Billion/year.**

Waikiki Beach Community Advisory Committee

- The Waikiki Beach Community Advisory Committee helps to address the complex issues associated with beach sustainability by building consensus and identifying and resolving conflicts relating to Waikiki Beach management.
- The committee provides important guidance for planning and prioritizing future beach management projects at Waikiki.
- The primary purpose of the advisory committee is to identify and prioritize beach management projects in Waikiki and to help inform these projects.
- Advise the WBSIDA, the DLNR and Hawaii Sea Grant on the development and implementation of a Waikiki Beach Management Plan.
- Ensure that future beach management projects address the issues and concerns of the Waikiki community and local stakeholders.

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.
- **Current feasibility project to evaluate watershed improvement project (2021).**
- **Primary focus on improving water quality of the Ala Wai Canal and watershed.**

Waikiki Beach Visitor Perception Surveys (Completed, February 2020)

- Project scope was 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.
- Final data analysis and surveys results expected in June, 2021.

BEACH IMPROVEMENT PROJECTS UNDER DEVELOPMENT

Grays Beach (Halekulani beach cell) Pedestrian boardwalk

- Conceptual engineering designs.
- Design assessment, community outreach and stakeholder engagement.
- Conduct project outreach through the Waikīkī Beach Community Advisory Committee.
- Facilitated conceptual designs and preliminary cost estimates.

Public lateral access assessment and walkway evaluation

- Potential applications at Sheraton Waikīkī, Halekulani, Royal Hawaiian and Kuhio public beach access.
- Project scope is to improve lateral public shoreline access and safety improvements.



Research and Design

- a) Waikīkī beach aerial beach surveys and beach monitoring (UH Research Study).
- b) Beach monitoring using citizen science applications (Coast snap).
- c) Emergency beach erosion control assessment and evaluation.
- d) 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, Surf sites and Water Quality

- e) Nearshore water quality assessment and monitoring.
- f) Nearshore coral reef conservation, restoration and enhancement.
- g) *World Surfing Reserve* Application facilitation.
- h) Waikīkī groundwater mapping research and impacts assessment.
- i) Sea-level rise adaptation options and design charrettes (UH Study).



Ala Wai Canal

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

