Fiscal Year 2015-16 is the first 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.

**Introduction**

Fiscal Year 2015-16 Program Summary

Royal Hawaiian Groin project update.

The project is a State-lead replacement for the Royal Hawaiian groin, due to structural failure and imminent threat of collapse.

State of Hawai‘i project Draft Environmental Assessment publicly released January 23, 2016. WBSIDA submitted written comments in favor of the project.

Waikīkī Beach Special Improvement District Association (WBSIDA) hosted 2 public meetings, several stakeholder briefings and briefed the Waikīkī Neighborhood Board, twice.

Final Environmental Assessment expected ~July, 2016.

Hawai‘i Department of Land and Natural Resources (DLNR) will select final design after the completion of the DLNR Conservation District Use Application.

**WBSIDA/DLNR Memorandum of Agreement (MOU):**

Cost-sharing agreement (MOU) between the WBSIDA and the DLNR.

The estimated total construction cost of RHG Project is $1.5 million with a 50% cost share between the WBSIDA and the DLNR. WBSIDA cost share with state for $750,000, anticipated funding from WBSIDA in October, 2016. MOU termination date of June 30, 2018

WBSIDA BOD approved the draft MOU in January, 2016.

Pending final approval of the DLNR Board.

**DLNR Waikiki Beach Recreational Use Guidelines update.**

Beach use guidelines have been jointly developed by the DLNR and the WBSIDA for the area from the RHG to the DH end of the Moana property line.

Guidelines are for self-regulation and intended for self-enforcement of use of rented beach equipment and watercraft in Waikiki.

“Presetting” of beach equipment a primary driver for DLNR requiring the new guidelines.

Possible future expansion to the beach fronting Outrigger Reef Hotel and City-administered portions of Kūhiō Beach.

WBSIDA formed a project working group.

WBSIDA submitted draft final plan to the DLNR on May 24, 2016. Awaiting final approval of the plan from the DLNR, anticipate implementation of new guidelines in the summer of 2016.
Waikīkī Beach Management Plan

Partnership between UH Sea Grant/WBSIDA and DLNR.

Coordinated project with the DLNR’s $800k Waikīkī Beach Feasibility Study/EIS.

Management plan will develop a comprehensive “vision” for Waikīkī Beach under future scenarios and priorities.

Stakeholder-driven management and improvements plan with long-term goals and cost vs. benefit considerations for various priorities-based beach improvement projects.

Developing a Waikīkī Community Advisory body to inform the management plan process.

Beach Maintenance Projects: (Pending)

Sheraton Waikīkī/Halekulani Public Beach Access and Beach Maintenance

Lateral public shoreline access and safety improvements.

Continued chronic beach loss has resulted in unsafe public access at the Halekulani/Sheraton Waikīkī beach interface.

WBSIDA facilitated discussion, coastal assessment and project scoping for safety improvements to the public access corridor fronting the Halekulani and Sheraton Waikīkī.

Possible cost share with the DLNR for public safety improvements.

Fiscal Year 2015-16 Financial Report

The Fiscal Year 2015-16 ending June 30, 2016 the WBSIDA received $727,247 in assessment revenues from landowners and $97 interest income. Total Expenses are projected to be $210,151 leaving a budget surplus of $517,269. The expenses included $96,356 to the University of Hawai‘i Sea Grant to fund a Waikīkī Beach Coordinator, a collection fee to the city of $36,362, $32,308 in organizational and start-up expenses, $30,000 to the Waikīkī Improvement Association for administration, $9,428 for community outreach and $1,200 in miscellaneous administration expenses.

The budget surplus will be needed to help fund the $750,000 payment to the State of Hawai‘i (SOH) of Department of Land and Natural Resources (DLNR) to pay half the cost of replacing the Royal Hawaiian Groin which may fail at any time. Although the actual replacement will most likely not take place until 2017 the funds must be in place to execute a contract for the work.

Fiscal Year 2016-17 Budget

The Fiscal Year 2016-17 Budget approved by the WBSIDA Board of Directors on April 19, 2016 and the approved by the membership at the 2015-16 Annual Meeting on May 26, 2016, anticipates maintaining an assessment rate of 7.63 cents per $1,000 of assessed value the same rate as for Fiscal Year 2015-16. The total revenue is projected to be $833,864. Total expenses will be $1,090,940. Expenses include the aforementioned $750,000 to the SOH DLNR, $122,520 to the UH Sea grant to fund the Waikīkī Beach Coordinator, $60,000 as the first increment of the Waikīkī Beach Management Plan, $42,000 to the Waikīkī Improvement Association for administration costs, $41,700 to the City for collection costs, $25,000 for beach maintenance projects, $23,000 for a Waikīkī Beach economic study update, $11,760 for community outreach, $6,260 for audit and tax filing, $3,700 for annual meeting, $3,000 for insurance, $800 for board meetings, and $1,200 for miscellaneous.