

WAIKĪKĪ SPECIAL IMPROVEMENT DISTRICTS

SEPTEMBER 10, 2016

Presented by the
Waikīkī Improvement Association



What is a Improvement District?

A business improvement district (BID) is a defined area within which businesses are required to pay an additional tax (or levy) in order to fund projects within the district's boundaries.

The BID is often funded primarily through the levy but can also draw on other public and private funding streams. BIDs also go by other names, such as **business improvement area (BIA)**, **business revitalization zone (BRZ)**, **community improvement district (CID)**, **special services area (SSA)**, or **special improvement district (SID)**.

These districts typically fund services which are perceived as being inadequately performed by government with its existing tax revenues, such as cleaning streets, providing security, making capital improvements, construction of pedestrian and streetscape enhancements, and marketing the area. The services provided by BIDs are supplemental to those already provided by the municipality.

Enabled in Hawai'i 1999

TITLE 6 - COUNTY ORGANIZATION AND ADMINISTRATION

CHAPTER 46 - GENERAL PROVISIONS

§46-80.5 - Special improvement district.

Special improvement district (SID)... any county may enact an ordinance... for the purpose of providing and financing supplemental maintenance and security services and such other improvements, services, and facilities within the special improvement district as the council of the county determines will restore or promote business activity in the special improvement district and making and financing improvements therein.

Waikīkī's Challenge

- An aging resort
- Visitor spending down
- Lowest visitor satisfaction rate
- Lack of reinvestments
- Loss of Hawaiian identity



The sidewalks of
Waikīkī were unfriendly
to pedestrians

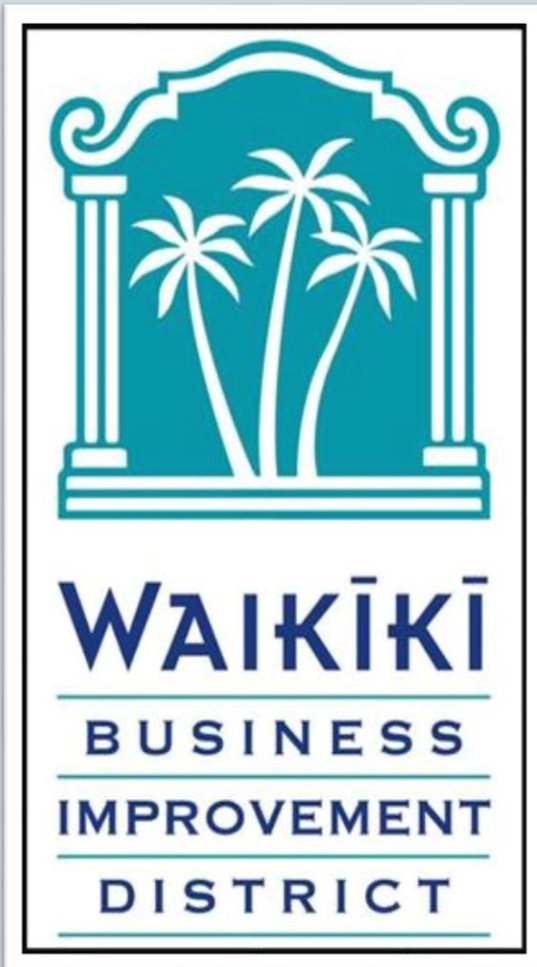




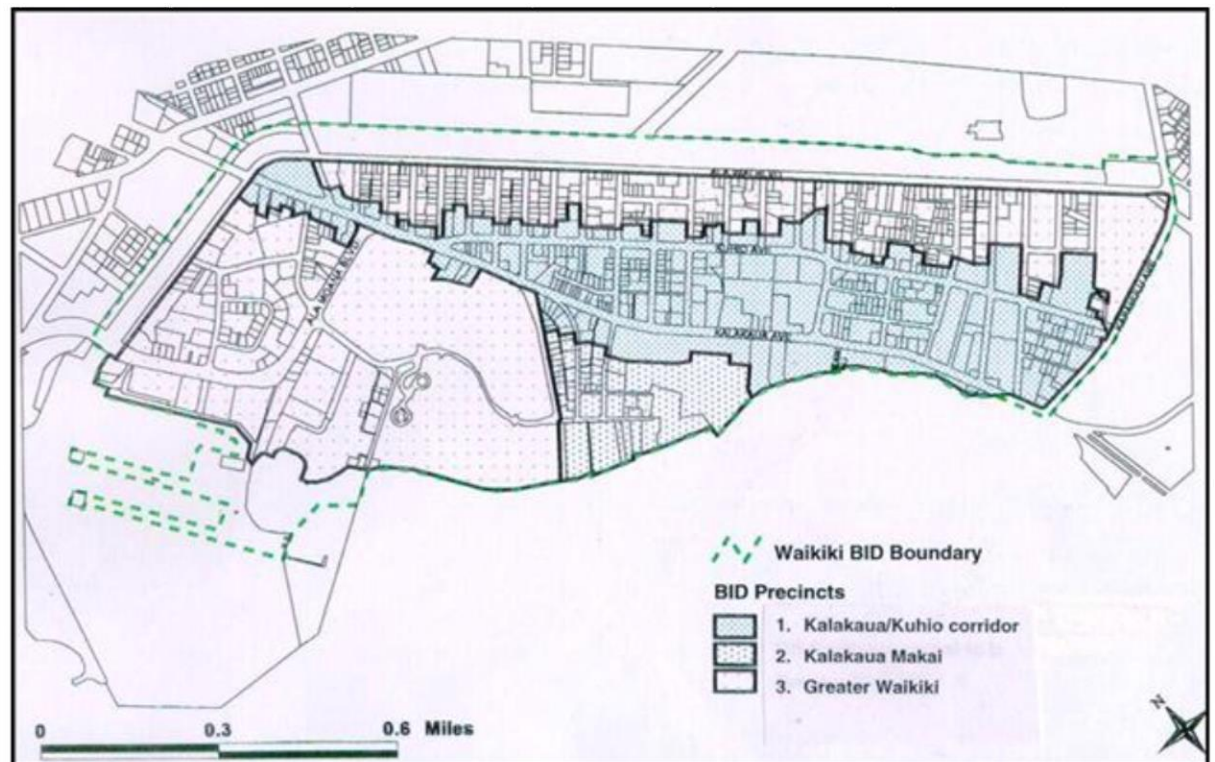
Our city streets were cluttered and unsightly.



Business Improvement District



Hawai'i's First Special Improvement District



BID Formation

Established in June 2000 by Honolulu City and County ordinance to:

- Improve the physical environment
- Enhance the pedestrian experience
- Create a positive, healthy district/neighborhood identity

Governance

Managed by the Waikīkī Business Improvement District Association
(WBIDA)

Nonprofit, 501(c)(3) corporation established in September 2000

Staffed by three full-time employees

Executive Director

Program Coordinator

Governed by a 25-member Board of Directors

Class A (14 property owner representatives)

Class B (5 commercial tenant representatives)

Class C (6 ex-officio members)

Long-Term Goal



A clean, safe, vibrant resort destination area reflective of its Hawaiian heritage that is attractive and welcoming to both visitors and residents, and contributes to the economic prosperity of Oahu, and the State of Hawai'i.

Funding

Funded by assessments on nearly 1,600 commercial property owners in the Waikīkī Special District

(area bound by the ocean, Ala Wai Canal and Kapiʻolani Park)

Rates vary by precinct, and are subject to change each year

Kalakaua/Kuhio Corridor (\$0.45/\$1,000 assessed value)

Kalakaua Makai (\$0.15/\$1,000 assessed value)

Greater Waikiki (\$0.1125/\$1,000 assessed value)

Current Budget: \$1.7 million per year

WBIDA Precincts



Programs

Based on the concept of stewardship;

The slogan is *Malama Waikiki*
(Caring for Waikīkī)

Reflect the Hawaiian values of:

Aloha 'Aina – Love of the Land

Malama 'Aina – Care of the Land

Palekana – Safety/Safe Passage

Ho'okipa – Hospitality

Malama Waikīkī Crew

24 hours a day, 7 days a week!



Malama Waikīkī Crew



Scope of Work:

- Clean sidewalks and street furniture
- Maintain landscaping in optimum condition
- Report damaged sidewalks and street furniture for City repair

Malama Waikīkī Crew

Primary Service Area



Malama Waikīkī Crew

Primary Service Area



Over the past year, MWC has pressure washed the entire Primary Service Area at least twice...

Before and After Pressure Washing of Kuhio Avenue and Kalaimoku Street.

Malama Waikīkī Crew

Scraped off 182,000 pieces of gum



Gum Removal on
Kalaimoku Street



Mopped up 30,000 spills

Malama Waikīkī Crew



Removed 5,000 graffiti tags
and 17,000 stickers



Filled 16,000 trash bags

Aloha Patrol Officers

Scope of Work

- Greet and provide hospitality services to pedestrians
- Observe and report illegal activities
Issue warnings about sidewalk ordinance violations



Aloha Patrol Officers



Aloha Patrol Officers

Patrols Waikīkī Beach deterring theft and advising visitors



Aloha Patrol Officers

Dispatcher at the Waikiki Substation monitors CCTV Street Cameras from
10:00 a.m. – 11:00 p.m.

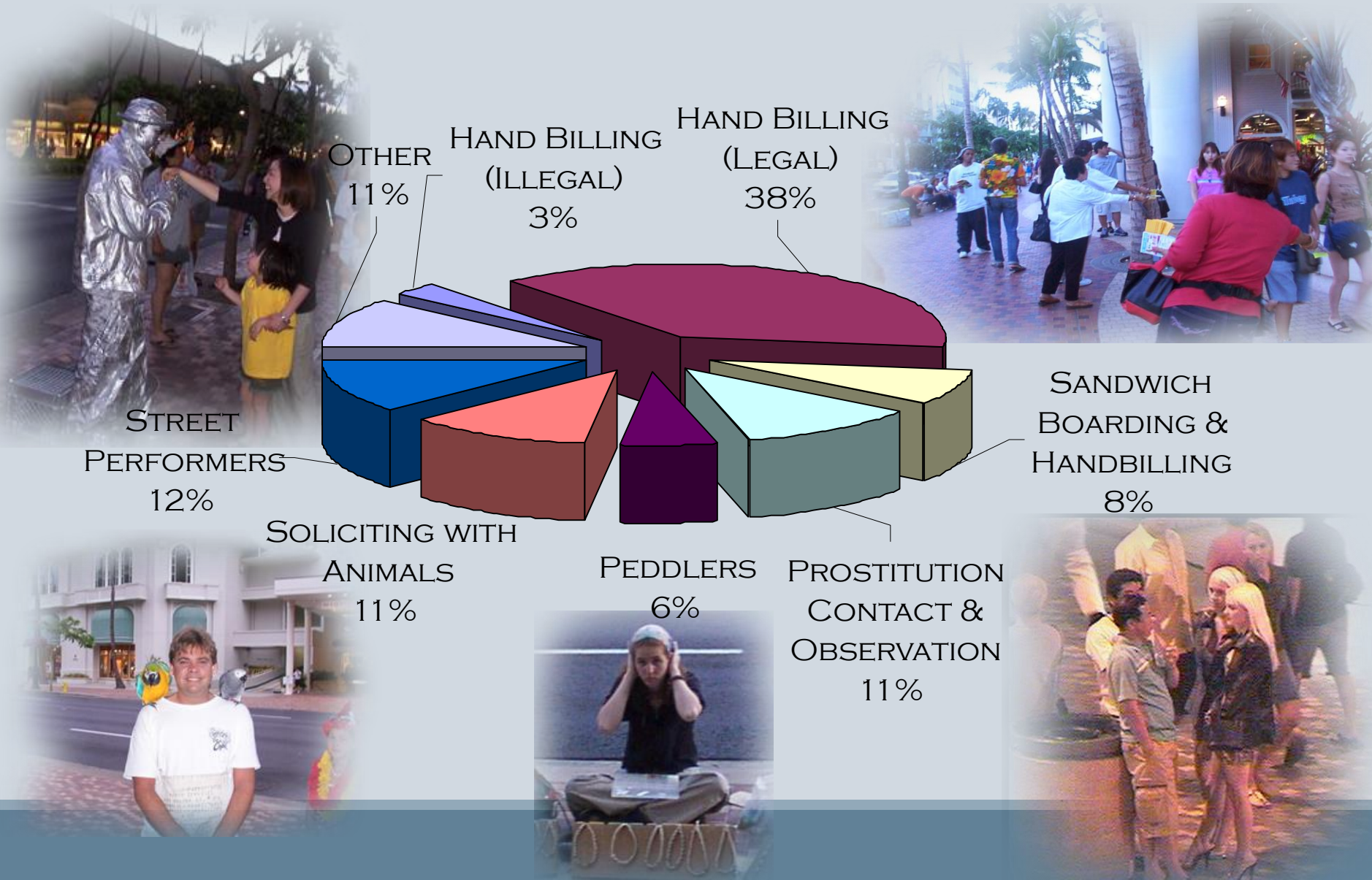


Aloha Patrol Officers

Hospitality & Information



Sidewalk/Public Space Activities



Aloha Patrol Officers

Types of Questions	% of Total
Accommodations	2.0
Bus	27.8
Community Resources	3.4
Directions	23.2
Emergency Care	0.2
Entertainment	2.6
History	0.7
Literature (maps, calendars of events)	9.1
Miscellaneous	1.5
Recreation	2.0
Restaurants/Shopping	10.5
Services	2.8
Sightseeing	4.7
Special Events	2.3
Transportation/Rentals	6.7

Waikīkī Beach

Our Single Most Important Asset



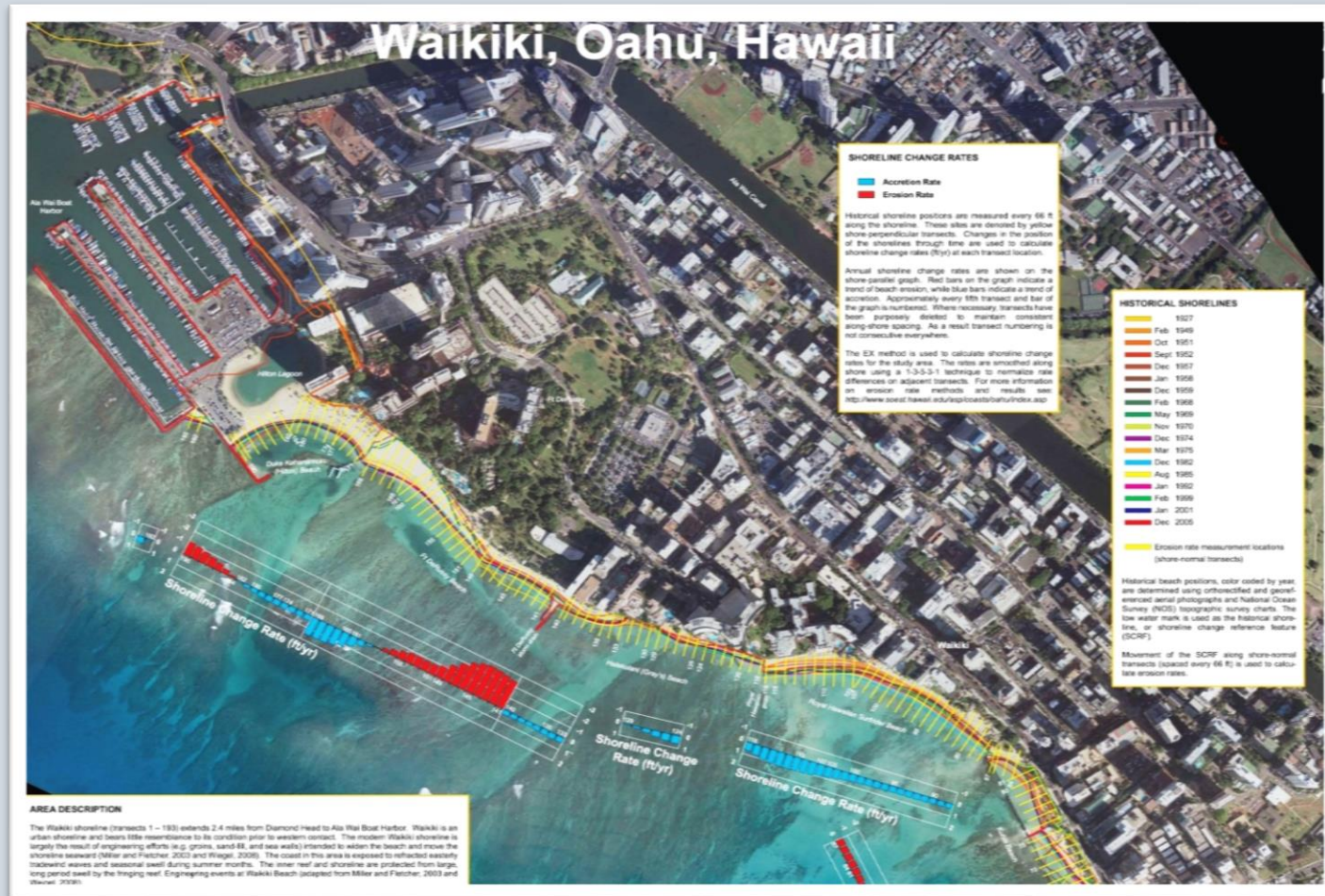
...a major playground for the people of Hawai`i



...and a site of great cultural significance!



Waikīkī Beach is eroding. . .



...and the impact can be devastating.

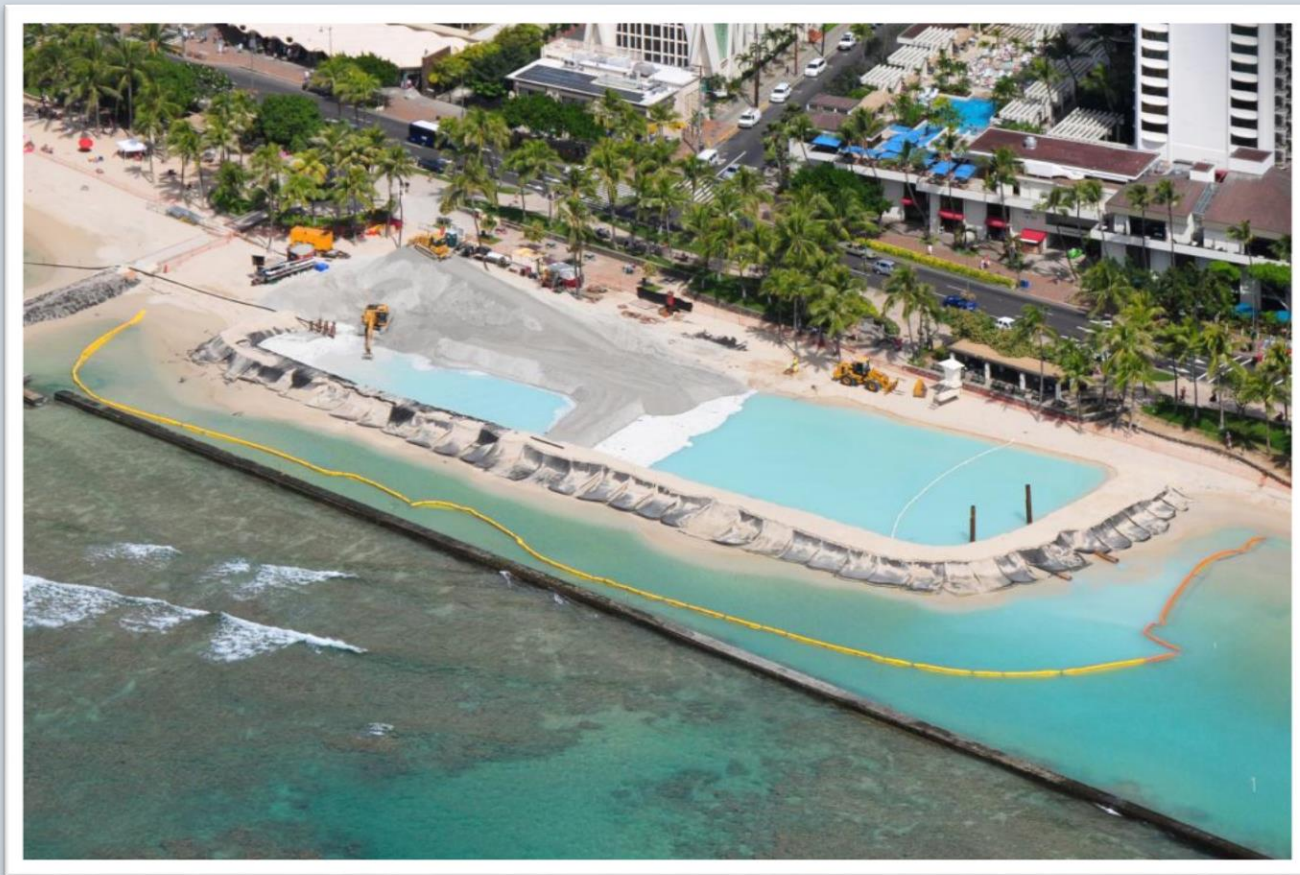


What is Waikīkī without a beach?

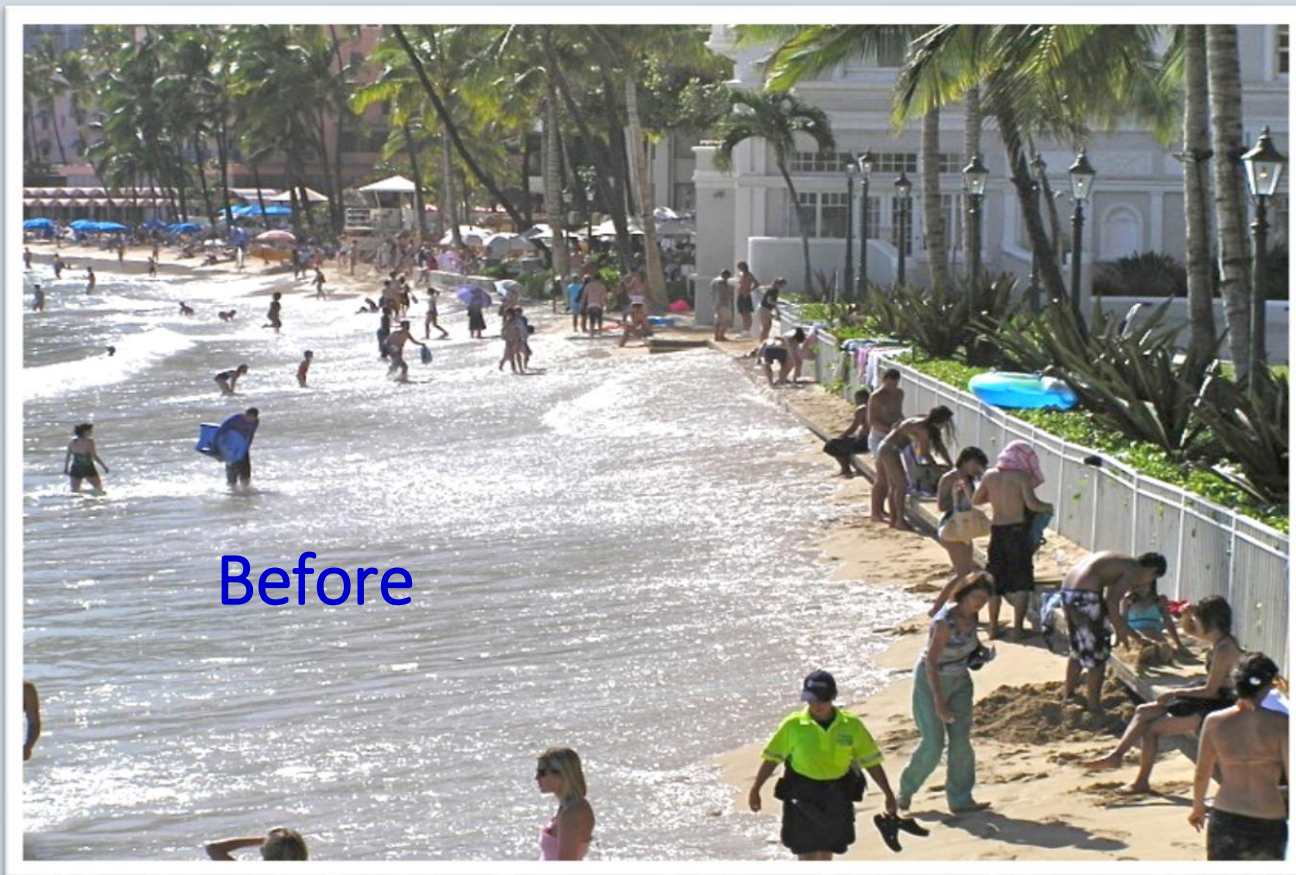
- Loss of 58% of westbound visitors
- Loss of 2.9 million occupied nights
- Loss of \$2 billion annual visitors expenditures
- Loss of 6,352 jobs

Economic Impact Analysis of the Potential Erosion of Waikīkī Beach
Waikīkī Improvement Association, 129p.

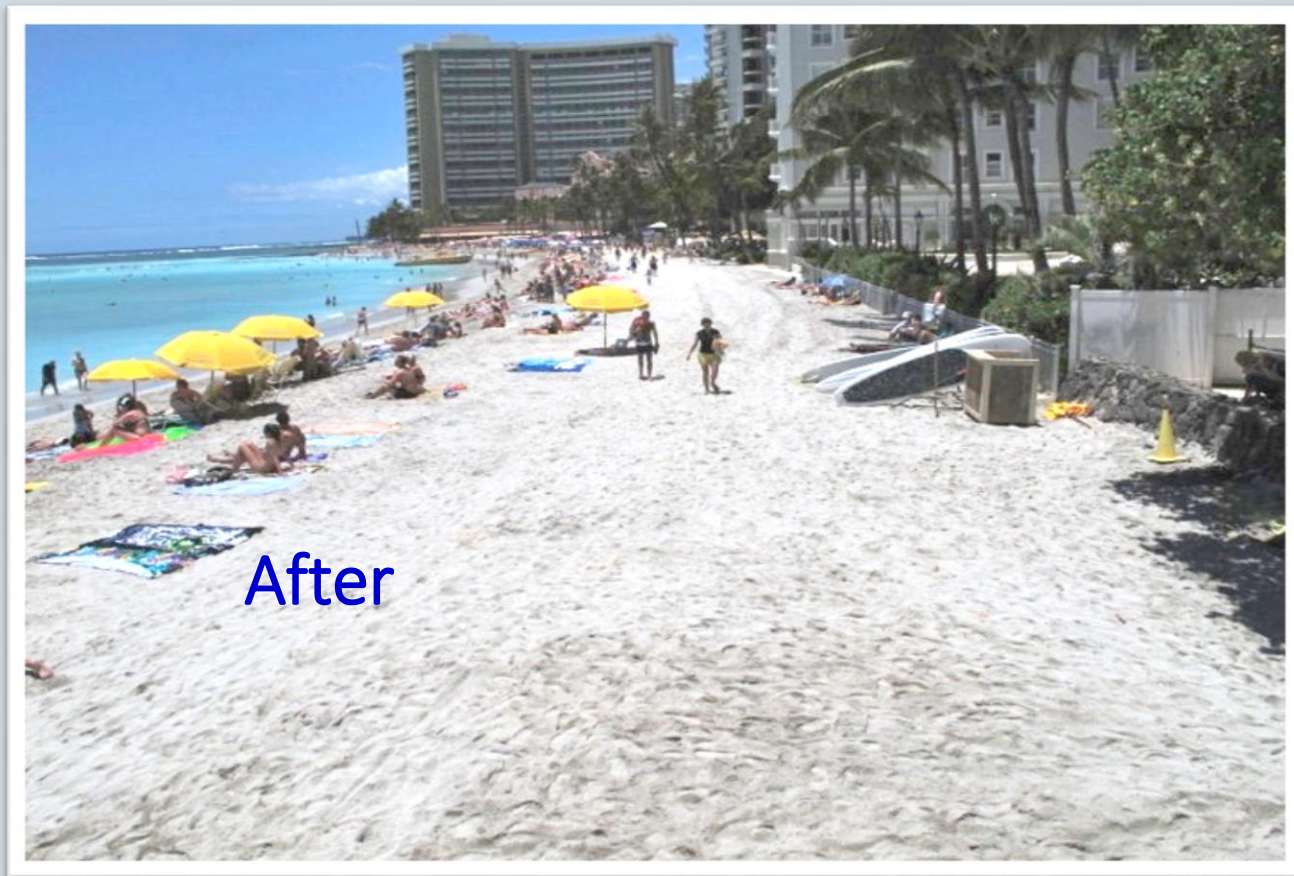
Waikīkī needs a comprehensive beach maintenance plan.



The results can be positive but need a reliable source of funding.



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Original Proposal

- Create a Waikīkī Beach Management District 
- Set-up Waikīkī Beach Special Improvement District Association 
- Engage UH Seagrant coordinator 
- Help Fund Replacement of the Royal Hawaiian Groin
- Draft a Waikīkī Beach Management Plan

Waikīkī Beach Special Improvement District

- District includes all commercial property in Waikīkī
- Initial budget \$605,000
- Initial Assessment approximately 7.6 cents per \$1,000
- Managed by Non Profit Waikīkī Beach Special Improvement District Association

Waikīkī Beach Management District

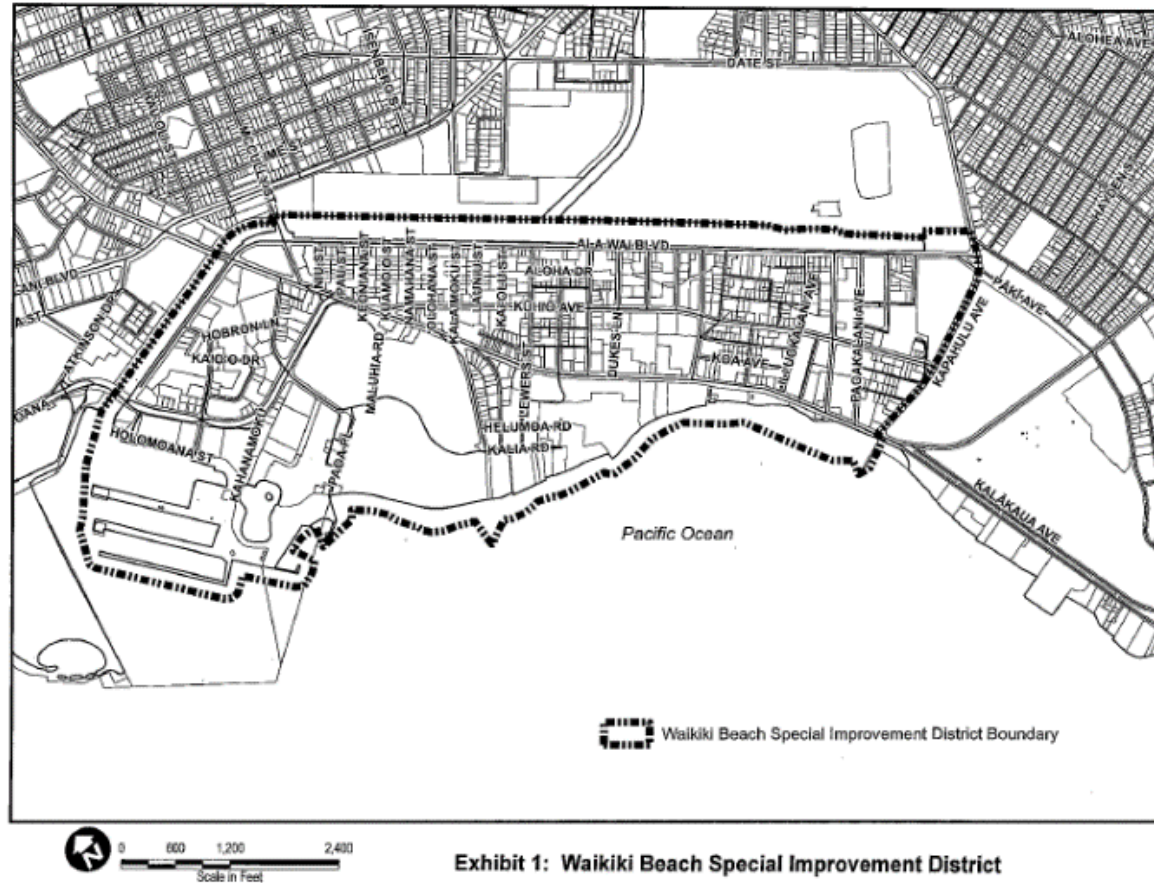


Exhibit 1: Waikiki Beach Special Improvement District

Hire Coordinator

- Oversee management plan development
- Stakeholder engagement
- Community education and outreach for plan
- Provide project oversight

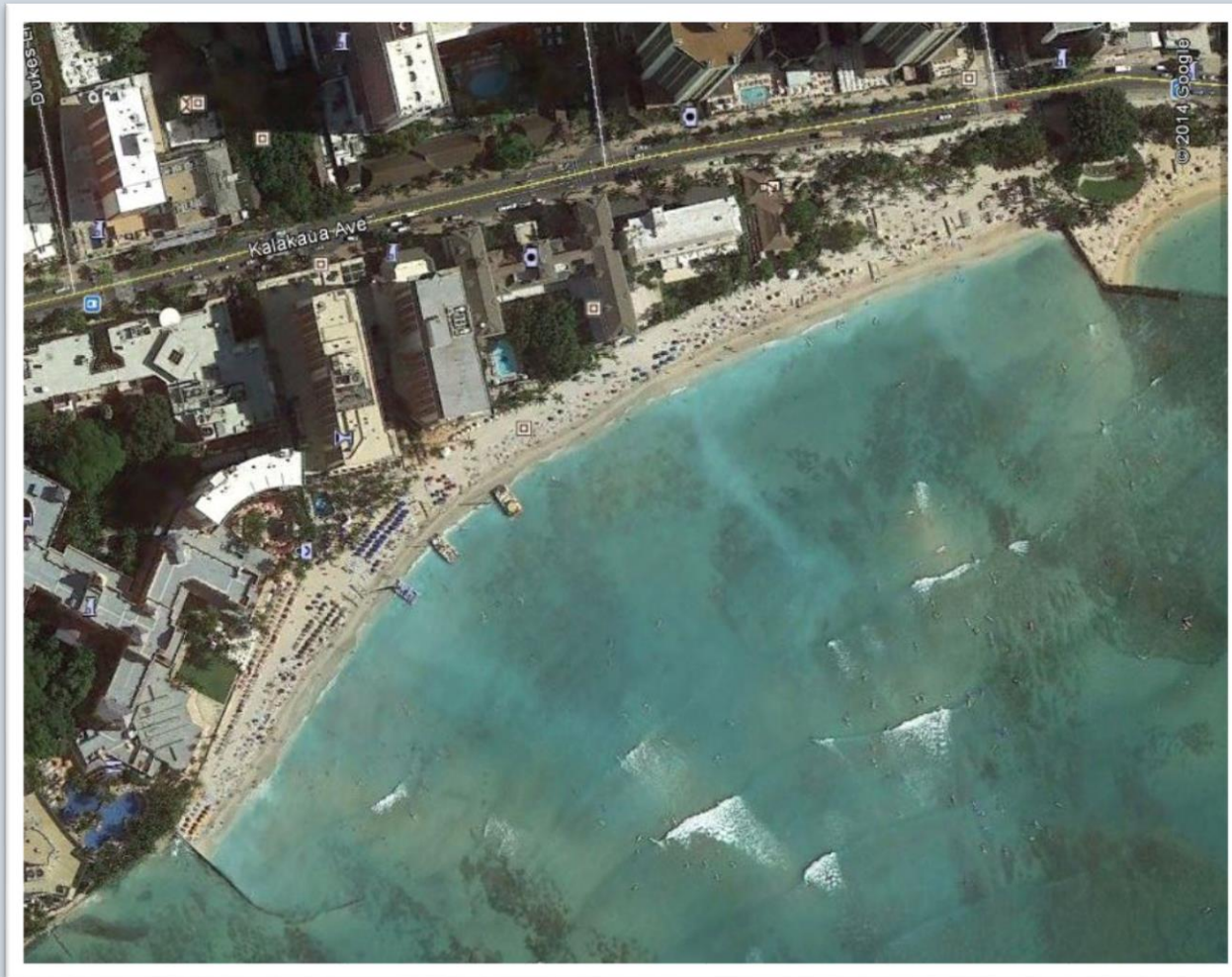
Waikīkī Beach Management Plan

- Inventory & Summary of past actions
- Identification and discussion of existing proposals
- Assess potential options
- Recommendations for improved collaboration
- Recommendations for future strategies & actions

Royal Hawaiian Groin

- Originally Constructed 1927
 - Maintains Beach from Kūhiō Beach Crib Walls to Royal Hawaiian Hotel (1,700 Ft.)
 - Constructed of stacked concrete blocks with mortar
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Royal Hawaiian Groin



Royal Hawaiian Groin



Waikīkī Beach Special Improvement District Progress to Date

- Ordinance passed May 2015
- Non Profit Waikīkī Beach Special Improvement District Association Established June 2015
- Initial Assessment August 2015
- Contracted with UH Seagrant for Waikīkī Beach Coordinator
- Fund RHG Fall 2017

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MAHALO!

