



10 February 2005

## **INFORMATION PAPER**

**SUBJECT:** Waikiki Area Erosion, Oahu, Hawaii

1. Purpose: To provide information on the subject project.
2. Points of Major Interest and Facts.

a. The Waikiki Area Erosion project is currently in the Preconstruction and Engineering (PED) phase. However, because of a lack of funds the project has been suspended until FY07. The Waikiki Area Erosion project was authorized under the River and Harbor Act of 1965. The goal of the project is to provide for a stable protective beach that is both publicly and environmentally acceptable. The authorized plan includes restoring and protecting approximately 10,800 feet of shoreline along Waikiki Beach from Duke Kahanamoku Beach to the Elks Club. Two of the eight project reaches authorized for construction in 1965 have been implemented to date. The Fort DeRussy reach was completed in 1971 with non-appropriated military funds. Construction of the Kuhio Beach sector was completed by the State of Hawaii in 1972. Construction of the uncompleted portions of the authorized project is currently estimated at \$24,000,000.

b. The project sponsor, State of Hawaii, Department of Land and Natural Resources (DLNR) has solicited assistance from the Hawaii delegation in the project implementation process. A study recommending Federal participation in the PED phase was submitted to Headquarters, U.S. Army Corps of Engineers (HQ USACE) in November 2002. The study concluded that the project, as authorized, fulfills the current day needs at Waikiki Beach and is economically justified based on estimated National Economic Development (NED) benefits exceeding project costs. However, the economic justification was based on recreation benefits, which is considered a low administration budget priority, and visitor expenditures which are not recognized as a NED benefits.

c. The issue of the Waikiki Area Erosion project being recreation based (low administration budget priority) was addressed in the Fiscal Year 2004 Energy and Water Appropriations Bill. In December 2004, HQUSACE directed the Honolulu District to initiate the PED phase. DLNR attempted unsuccessfully to acquire local matching funds in the State fiscal year 2007 to enter into a PED agreement with USACE and, a request will be made again in the State fiscal year 2007. Due to its designation as a low administration priority, Congressional add funds will be required for the remainder of the project implementation process. The schedule will be developed after receipt of non-Federal funds.