

**YEAR 2
REPORT
June 2017**



**KAUA'I TOURISM
STRATEGIC PLAN UPDATE
FY 2016 - 2018**



*Prepared for Kauai Visitors Bureau by
Diane Zachary, Consultant*

Mahalo to the sponsors of KTSPU Year 2

Kaua'i Visitors Bureau,
Hawai'i Lodging and Tourism Association,
and Royal Coconut Coast Association

and to ARDA-Hawai'i for its support

Prepared by

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Kaua'i Tourism Strategic Plan Update FY2016-2018

Year 2 Report – June 2017

Overview

The *Kaua'i Tourism Strategic Plan Update 2016-2018* (KTSPU) was completed in July 2015 through a grant to the County of Kaua'i Office of Economic Development (OED) from Hawai'i Tourism Authority. The plan's development included broad visitor industry participation. The Kaua'i County Council approved funding to OED for Year 1 of the plan (FY2016) to contract with a consultant to facilitate the plan's implementation; Kaua'i Planning & Action Alliance was contracted for that purpose. Kaua'i Visitors Bureau, Hawai'i Lodging and Tourism Association and Royal Coconut Coast Association, with additional support from ARDA-Hawai'i provided funding for facilitation services in Year 2 (FY2017). Kaua'i Visitors Bureau served as the managing organization for the project. Diane Zachary was contracted as the consultant for Year 2.

Leadership

Sue Kanoho, Executive Director, Kaua'i Visitors Bureau, George Costa, OED Director and Nalani Brun, OED Program Administrative Officer and Tourism Specialist, served as the Steering Committee for this project, providing direction and guidance.

An Implementation Committee, invited to serve by Kaua'i Mayor Bernard Carvalho, oversaw all activities. This diverse group is composed of visitor industry professionals representing hotels, timeshares, activities, business associations and chambers of commerce, higher education, Hawaiian culture and state and county agencies. The committee's task is to develop activities to: 1) implement the strategic plan; 2) oversee and monitor progress; and 3) communicate with others in the industry on the plan's activities. This volunteer group met four times during the second year of the plan's implementation (September 9 and December 12, 2016; March 6 and June 5, 2017).

George Thronas, General Manager of The Point at Po'ipu, served as the chair of the Implementation Committee until his May 2017 transfer to the mainland. Denise Wardlow, General Manager, Westin Princeville Ocean Resort Villas, took over as chair in June 2017.

Implementation Committee members include:

- Nalani Brun, Program Administrative Officer and Tourism Specialist, County of Kaua'i, Office of Economic Development
- Amy Chun, Kaua'i Grown Member, Kaua'i County Farm Bureau
- George Costa, Director, County of Kaua'i, Office of Economic Development
- Robert Crowell, Harbors District Manager, Kaua'i, Hawai'i Dept. of Transportation
- Sue Kanoho, Executive Director, Kaua'i Visitors Bureau
- Jody Kono-Kjeldsen, Executive Director, Po'ipu Beach Resort Association
- Cesare "Ce" Lucente, General Manager, Outfitters Kaua'i

- Mary Jane Naone, Kauaʻi Lead Archeologist, State Historic Preservation Division, DLNR
- Mark Perriello, President & CEO, Kauaʻi Chamber of Commerce
- Laura Richards, General Manager, Hanalei Colony Resort
- Neill Sams, Board Member, Kapaʻa Business Association and Owner, Orchid Alley
- Peter Sit, General Manager, Pono Kai Resort
- Dirk Soma, First Vice President, Kauaʻi Native Hawaiian Chamber of Commerce
- Lee Steinmetz, Multimodal Transportation Planner, County of Kauaʻi, Planning Department
- Melissa Sugai, Kauaʻi Made Program Manager, County of Kauaʻi, Office of Economic Development
- Candace Tabuchi, Assistant Professor, Hospitality & Tourism, Kauaʻi Community College
- George Thronas, Director of Operations, The Point at Poʻipu
- Paul Toner, General Manager, Kauaʻi Marriott Beach Resort
- Denise Wardlow, General Manager, The Westin Princeville Ocean Resort Villas and Member, Hawaiʻi Lodging & Tourism Association
- Marie Williams, Long-Range Planner, County of Kauaʻi, Planning Department

All Implementation Committee meetings are documented and meeting agendas and summaries are maintained in an online Dropbox for ready access and review by committee members.¹

Project Priorities

In the first and second year of the plan, the primary focus has been on the 10 priority strategies identified in the plan. These include:

Priority	Strategy #	Strategy
#1	1.b.	Support traffic management systems to address and reduce traffic congestion and improve pedestrian safety, which might include: developing feeder roads to mitigate traffic; improving street design and town centers; developing bus and shuttle service from airport to resort areas and within resort areas; and creating pedestrian networks in resort areas.
#2	2.b.	Support career preparation programs to attract new employees, especially local residents, to the visitor industry and build capacity of current employees to ensure an available, well-qualified workforce,
#3	2.e.	Advocate for lifting the cap on existing Transient Accommodation Tax (TAT) funds distributed to counties, thus increasing the allocation to Kauaʻi for services and infrastructure that support the island community.

¹ Dropbox URL: <https://www.dropbox.com/sh/lmmqya34vvhdI5I/AAB2fS4XslYN4nZ3e7uziD-na?dl=0>

- #4 1.a. Advocate for significant progress and/or completion of essential infrastructure improvements, including: congestion relief routes in Kapa'a; traffic circulation improvements for north and south Kaua'i; implementation of Koke'e and Ha'ena State Park Master Plans; and cruise ship harbor improvements.
- #5 3.a. Encourage two-way communications among residents, Native Hawaiians and the visitor industry to increase understanding of the visitor industry and local Kaua'i culture and their collective value to the island's economy.
- #6 5.a. Increase awareness of the Hawaiian culture among residents of all ages and the visitor industry, including employees and employers, such as by: encouraging guidance from respected Hawaiian cultural advisors and practitioners on Kaua'i to ensure that what is perpetuated is authentic for Kaua'i; encouraging the proper use of the Hawaiian language; and integrating Hawaiian culture into ongoing visitor industry training.
- #7 1.e. Support adequate funding and staffing for capital improvements, including maintenance and enforcement for public parks, trails and recreation areas.
- #8 1.f. Support the development of regulations and the administrative structure to appropriately identify, monitor and enforce homestays (Bed & Breakfasts) and Individual Vacation Units (homes and condos) and report the annual number of visitors staying in these accommodations.
- #9 2.d. Encourage the visitor industry, airlines and the growing cruise line industry, to buy and promote Kaua'i products and support businesses on Kaua'i.
- #10 1.d. Support the development and promotion of community-driven programs that reinforce the unique sense of place of communities, such as those with historical and/or cultural significance.

Sub-Committees and Action Plans

To implement the priorities established in the KTSPU, the Implementation Committee formed eight (8) topic area sub-committees. The sub-committees and dates they met are noted below:

- Priority 1 & 4* Traffic, Transit and Infrastructure (April 17, 2017)
- Priority 2* Employee Development (Sept. 12 and Dec. 5, 2016; Jan. 23, 2017)
- Priority 3* Alternative Revenues (Oct. 25, 2016)
- Priority 5* Visitor Industry/Community Communications (Jan. 23, 2017)
- Priority 6* Hawaiian Cultural Awareness (Nov. 21, 2016; Jan. 20 and Apr. 5, 2017)
- Priority 7* Parks and Trails Infrastructure, Maintenance and Enforcement (Feb. 9 and May 18, 2017)
- Priority 8* Alternative Accommodations (this group did not meet)
- Priority 9* Kaua'i Products and Services Promotion (Nov. 15, 2016; Feb. 14 and May 2, 2017)

The sub-committee members are all volunteers and include members of the Implementation Committee as well as related stakeholders from additional state and county agencies and businesses. Sub-

committee chairs help plan meeting agendas and run the meetings. The consultant documents meeting discussions and maintains communications with sub-committee members.

The sub-committees worked on the implementation of the three-year action plan related to their priority. Sub-committee members and other related partners and stakeholders are responsible for carrying out the activities outlined in the action plan.

Year 2 Progress

The following tables summarize the progress made in Year 2 on the top 10 priorities in the *Kaua'i Tourism Strategic Plan Update (TSPU) 2016-2018*.

Sub-committees developed the action plans for these priorities and these action plans have the endorsement of the Tourism Strategic Plan Implementation Committee.

The action plans are dynamic documents and, in some cases, they have been revised and updated as needed during the year, in accordance with changes that have occurred within the visitor industry or the community or in response to government policy decisions. (See the Appendix for a glossary explaining abbreviations used in this document.)

Progress to Date: TSPU Priority #1 & 4 – Traffic, Transit & Infrastructure Action Plan

Strategy 1b. Support traffic management systems to address and reduce traffic congestion and improve pedestrian safety, which might include: developing feeder roads to mitigate traffic; improving street design and town centers; developing bus and shuttle service from airport to resort areas and within resort areas; and creating pedestrian networks in resort areas.

Strategy 1a. Advocate for significant progress and/or completion of essential infrastructure improvements, including: congestion relief routes in Kapa‘a; traffic circulation improvements for north and south Kaua‘i; implementation of Koke‘e and Ha‘ena State Park Master Plans; and cruise ship harbor improvements.

#	Planned Action	Responsibility	Timeline	Desired Outcome	Status
1	Participate in and provide a visitor industry perspective in a Resort Shuttle Working Group to tackle: a) de-bundling parking fee from resort fee; b) creating a transit web-based reservation system and app; 3) establishing a resort surcharge to fund visitor usage of the shuttles within the resort areas; and 4) offering incentives and education in advance of travel to shift the mindset of visitors to using transit alternatives, rather than a rental car for their entire visit.	County HLTA Resorts Timeshares Vacation rentals	By Spring 2018	Visitors use prepaid shuttle transportation and other alternatives rather than car rental	Planning Dept. completed initial transit study. Showed lack of hotel support; instead, they think a shuttle system should supplement not replace current options. The pilot North Shore shuttle had promising ridership. New options will be explored.
2	Support establishing ongoing revenue source(s) for road, bridge and transit maintenance and repairs, including use of the Tourism Accommodation Tax (TAT).	TSP IC HLTA Chamber County Council	Funding plan completed by June 30, 2018	Funding to regularly maintain and repair roads, bridges and transit	HLTA and Chamber of Commerce members advocated for lifting counties’ TAT cap and for ½% GET increase. Neither passed. Now exploring other options to generate revenue for these improvements.

3	Support and coordinate with Hawai'i Dept. of Transportation (HDOT) to develop a bike and pedestrian path in Līhu'e Town from the harbor; tie in with Hokuāla intersection.	HDOT CoK Public Works	June 30, 2018 (confirm with HDOT)	Safer, more enjoyable route to Līhu'e Town	This has been tabled. It is suggested this be considered as part of the Līhu'e Town Revitalization Plan.
4	Support funding for the priorities HDOT has established for Kaua'i.	TSP IC Chamber	Ongoing	Funding in place begin work on DOT top priorities by end of FY2018	HDOT-Kaua'i District Engineer is a member of this group. Individual TSP IC members have advocated for funding for these priorities.

Progress to Date: TSPU Priority #2 – Employee Development Action Plan

Strategy 2b. Support career preparation programs to attract new and incumbent employees, especially local residents, to the visitor industry to ensure an available, well-qualified workforce.

#	Planned Action	Responsibility	Timeline	Desired Outcome	Status
1	Review visitor industry job projections, especially for Kaua'i, as well as wage opportunities and career ladders.	WorkWise, OED	June 30, 2016	Data to share with students and employees	Completed
2	Strengthen the school-visitor industry pipeline by encouraging career awareness and preparation programs in elementary, middle school and high school; identify what student interest tool each school uses.	HLTA KCC-HOST AOHT Keiki to Career	Ongoing	<ul style="list-style-type: none"> Increased understanding of HOST as a career Increased enrollment in KCC HOST and Kaua'i HS AOHT 	Discussions initiated with Keiki to Career's High School-Post-secondary Committee.

3	Continue to offer Early College HOST 101 at Kaua'i High School; encourage Kapa'a and Waimea High Schools to add this program.	KCC-HOST DOE	Annually	Increased understanding of HOST as a career	Ongoing; Waimea High School now planning to offer HOST 101 as Early College option; Kapa'a High School interested.
4	Work with visitor industry associations to sponsor a HOST Week with Career Day speakers, student invitations to open houses at visitor industry properties and facilities, such as the LEI Program (Leader, Exploration, Inspiration).	Sub-Committee, HTA, HLTA, Climb Hi	Offer in September 2016 in line with World Tourism Day or tie in with LEI	Increased understanding of visitor industry and HOST as a career	Successful LEI events held in April 2016 and 2017, with KVB among the sponsors. Planning for events around World Tourism Day September 27, 2017.
5	Encourage HLTA, RCCA and PBRA to develop an Adopt-a-School program to develop deeper relationships with students so they better understand the visitor industry	Sub-Committee HLTA, PBRA, RCCA	December 2016	Increased understanding of visitor industry and HOST as a career	No action taken to date. Will continue to work on this.
6	Encourage visitor industry to invest in the development of employees and ensure employers are aware of tuition support offered by the Employment Training Fund	KCC-OCET, WorkWise, HLTA	March 2017	Increased support for training and increased use of available funds	KCC OCET completed employer survey; follow-up actions undertaken at hotels to promote ETF and college opportunities.
7	Encourage visitor industry to accept national certifications as a basis for advancement within the industry	KCC-OCET, WorkWise, HLTA	June 2017	Increased professionalism in the industry	This action has been deleted, as not necessary on Kaua'i.

Progress to Date: TSPU Priority #3 – Alternative Revenues Action Plan (New name for this priority)

Strategy 2e. Advocate for lifting the cap on existing Transient Accommodation Tax (TAT) funds distributed by the State to counties, thus increasing the allocation to Kaua’i for services and infrastructure that support the island community.

#	Planned Action	Responsibility	Timeline	Desired Outcome	Status
1	Secure and review Maui Council Chair Mike White presentation.	Alternative Revenues Sub-Committee	Jan. 25, '16		Completed, shared with Implementation Committee
2	Determine if there is a coalition of all county mayors to support the state/county TAT working group’s recommendations	Alternative Revenues Sub-Committee	Jan. 25, '16		Completed; coalition exists, according to Mayor’s office
3	Disseminate information on state/county TAT working group recommendations to Implementation Committee and industry	Alternative Revenues Sub-Committee	Jan. 25, '16		Completed, information distributed through IC and HLTA
4	Meet with Kaua’i’s State legislators to encourage their support of the working group recommendations	Alternative Revenues Sub-Committee	Prior to key votes	Kaua’i legislators support increased TAT funds to Kaua’i	Completed; met with legislators, but not enough support to lift cap at this time; County Council adverse to excise tax increase. Try again for FY2019 budget.
5	Determine author of legislation to be considered by state legislators, track legislation, encourage Kaua’i visitor industry testimony	Alternative Revenues Sub-Committee	Through May 2017	Pass legislation to lift TAT cap, increase TAT funds to Kaua’i	Completed, legislation tracked, testimony was offered.
6	Explore other options to generate funds to support visitor industry infrastructure improvements and marketing and identify the process for developing the most viable options.	Alternative Revenues Sub-Committee	June 2018	New revenue source identified, support from elected officials secured, process in place to initiate new source.	Explored several options. In process of gathering more information.

Progress to Date: TSPU Priority #5 – Two-Way Communications Action Plan

Strategy 3a. Encourage two-way communications among residents, Native Hawaiians and the visitor industry to increase understanding of the visitor industry and local Kaua’i culture and their collective value to the island’s economy.

#	Planned Action	Responsibility	Timeline	Desired Outcome	Status
1	Plan and hold annual kukakuka with Native Hawaiian community to share and discuss issues related to the role of the visitor industry on Kaua’i.	County OED KNHCC KVB	Hold annually	Increased understanding of the value of the visitor industry to families and the economy.	Planning underway for events to be held in July 2017. Survey of cultural practitioners developed and disseminated to identify issues for discussion.
2	Arrange a dialog on local radio stations with a panel consisting of a visitor industry person, small businessperson and an employee to share information and answer questions related to the value of the visitor industry to the community.	Sub-committee	2017	Increased understanding of the value of the visitor industry to families and the economy.	KVB plans to show recap of 2016 tourism on Ho’ike community television.
3	Arrange dialog sessions through community associations and the Lihue Business Association on the visitor industry on Kauai. Develop key messages to share, e.g., the scope of the visitor industry, economic impact (revenue and expenditures), number of employees, number of arrivals, near-term target is 1.1 million, who controls the numbers, need for the industry to benefit everyone.	Sub-committee	2017 and ongoing	Increased understanding of the value of the visitor industry to families and the economy.	Set of talking points developed; to date, presentation made to Native Hawaiian Chamber of Commerce and Kaua’i Visitors Bureau.
4	Prepare series of 3 videos on what is Kauai’s visitor industry. Post on Hawaii Stream, show at events.	KVB HTA	2017	Increased understanding of the value of visitor industry to families and the economy.	In development.

5	Hold series of events to celebrate World Tourism Day on September 27.	KVB Mayor OED KCC	September 2017	Increased understanding of the value of the visitor industry to families and the economy.	Plans underway for a Mayor's proclamation, media event, information booths at community events, and activity and product giveaways for kama'aina.
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Progress to Date: TSPU Priority #6 – Hawaiian Cultural Awareness Action Plan

- Strategy 5a.** Increase awareness of the Hawaiian culture among residents of all ages and the visitor industry, including employees and employers, by:
- requiring guidance from respected Hawaiian cultural advisors and practitioners on Kaua'i to ensure that what is perpetuated is authentic for Kaua'i
 - encouraging the proper use of the Hawaiian language
 - integrating Hawaiian culture into ongoing visitor industry training.

#	Planned Action	Responsibility	Timeline	Desired Outcome	Status
1	Conduct survey of Kaua'i visitor industry to see if and how they integrate Hawaiian Culture into their organizations.	KNHCC KVB and visitor industry-related entities and associations	Nov. 2016	TSP Implementation Committee will have a more focused perspective of the current "landscape" regarding Hawaiian culture and the industry	Survey of hotel and visitor industry businesses completed.
2	Develop directory of Hawaiian cultural practitioners for industry to tap into for programs and services; update as needed	KNHCC HTA NaHHA OED	March 2017 - Gathering of practitioners, then annually	Industry will have human resources on Kaua'i to help integrate Hawaiian cultural values into operations	Presentation made to cultural practitioners and they can submit listings for NaHHA directory.

3	Inventory current human and programmatic resources that are available for industry to access.	OED KNHCC	1 st Qtr 2017	Resource list available to visitor industry	Native Hawaiian resources and practitioners posted on OED website.
4	Support HTA and NaHHA in offering business workshops for cultural practitioners.	KNHCC HTA NaHHA	June 2018	Increase business skills among practitioners.	Assisting NaHHA in arranging workshops.

Progress to Date: TSPU Priority #7 – Parks & Trails Infrastructure, Maintenance & Enforcement Action Plan

Strategies 1a & 1e.

- Advocate for significant progress and/or completion of essential infrastructure improvements, including implementation of Koke'e and Ha'ena State Park Master Plans
- Support adequate funding and staffing for capital improvements, including maintenance and enforcement for public parks, trails and recreation areas

#	Planned Action	Responsibility	Timeline	Desired Outcome	Status
1	Support the Ha'ena State Park Master Plan, including establishment of the park shuttle: <ul style="list-style-type: none"> • Establish shuttle service • Charge entry fees • Reduce current parking by half • Create tow away zones • Enforce parking violations (outside park) • Funnel all traffic through the overflow lot. (Note: if a combination of measures is adopted, then the need to reduce the volume of traffic won't be so drastic.)	<ul style="list-style-type: none"> • SHPD • Ha'ena State Park CAC • County Planning • County OED • KVB • HDOT • DOE (potential parking site) • Parks & Trails Sub-Cte. 	<ul style="list-style-type: none"> • Shuttle: Summer 2016 & 2017 • Plan: Nov 2017 • Improve-ments in 2-5 years • Facilities: State Parks needs to secure funds 	<ul style="list-style-type: none"> • Higher quality experience and reduced park impacts by reducing park visitors. • Improvements implemented in 2-5 years: <ul style="list-style-type: none"> - Alternative path to beach - Traffic control - Facilities and restrooms 	Draft Ha'ena State Park Master Plan complete, ready for approval by CAC, then approval by BLNR. Upper parking lot graded. Improvements will be phased in.

2	Encourage early communication and collaboration among County and State agencies and the community in order to clarify permit requirements and facilitate action for park repairs and improvements.	State Parks County Parks and Recreation Parks & Trails Sub-Cte.	Ongoing	<ul style="list-style-type: none"> • Officials are briefed/ educated early in the process about the rules • Fewer delays • More efficiency • More projects completed 	Collaboration is improving through ongoing discussions among government and visitor industry members at sub-committee meetings. DLNR divisions are holding public events to explain rules, permitting and answer questions.
3	Support DLNR State Parks in its requests for State funds for improvements and park positions.	Implementation Committee	As Needed	Sufficient funds are secured	Individual IC members advocated for State Parks FT2018 funding for positions; not approved by Legislature. Will try again next year.
4	Support the development of park and trail stewardship groups and the work they do.	<ul style="list-style-type: none"> • State Parks Interpretive Program • County OED • County Parks • Friends of Kamalani • Friends of Kalalau Trail • Curator Groups • Tour operators 	Ongoing	More volunteers and staff caring for parks and trails.	New State Parks stewardship agreements have been initiated with 3 community groups. Interested groups can contact Victoria Wichman, State Parks. Eddie Sarita is the contact for County Parks and Recreation. No change to County agreements.

5	Encourage State Parks to develop a system to legitimize commercial users in appropriate locations.	<ul style="list-style-type: none"> • State Parks • Commercial users 	2018	Draft guidelines, selection criteria and identification of appropriate locations completed	State Parks has begun authorizing appropriate commercial users. This is generating additional funds for parks.
6	Support the creation of volunteer service days, where the visitor industry helps with promotion and volunteers.	<ul style="list-style-type: none"> • State Parks Archeologist • State Parks • County Parks • Kaua'i Visitors Bureau • PBRA • Royal Coconut Coast Assn. • Tour Providers • Hotel cultural liaisons 	Ongoing	<ul style="list-style-type: none"> • Improved parks • Outreach to visitor industry workers and their guests for work days • Shared knowledge and education about the resource • Increased visitor industry visibility in the community 	Volunteer service days held by local groups such as Surfrider and Friends of Kamalani. Annual community event to clean Tree Tunnel area. State Parks has also begun sponsoring occasional volunteer workdays.
7	Strengthen visitor industry/parks partnerships.	<ul style="list-style-type: none"> • State Parks Interpretive Program • Kaua'i Visitors Bureau 	Ongoing	Enhanced promotion, education and presence in the community through e-blasts, community talks, brochures, and visibility at events	As noted above, partnerships have developed through the work of this sub-committee. DLNR has created app for public to report violations (http://khon2.com/2017/06/14/new-app-from-state-land-department-allows-public-to-report-violations/).

8	Urge State Parks to develop an emergency communications network to provide timely notification to the County Mayor and Kaua'i Visitors Bureau when the Kalalau Trail is closed.	State Parks Mayor's Office KVB	2016 (Completed)	Improved, timely communication to visitors.	State Parks has implemented an improved system of communications on park and trail closures.
9	Support construction of a bridge over Hanakapi'ai Stream.	State Parks	2018	Allow hikers and campers to exit safely when the trails is closed due to poor weather conditions.	Funding in place, design nearly complete. DLNR holding meetings with the community to answer questions.

Progress to Date: TSPU Priority #8 – Alternative Accommodations Action Plan

Strategy 1f. Support the development of regulations to appropriately monitor and enforce homestays (bed & breakfasts) and Individual Vacation Units (homes and condos).

#	Planned Action	Responsibility	Timeline	Desired Outcome	Status
1	Ask the County Council to support tax equity for all types of visitor accommodations by making the following changes: a. In proposed homestay bill (No. 2609), charge homestays at the hotel and resort real property tax rate (not commercialized home rate) b. Request legislation to charge TVRs at the hotel and resort rate (not vacation rental rate)	All interested organizations and businesses on Implementation Cte. as advocates Partners: Chamber of Commerce, HLTA	Early 2016, while Council is considering Proposed Bill No. 2609 -	-All tourist accommodations share an equal tax burden -Those unwilling to pay the higher rate might make their property available for long-term rentals for local residents.	Recommended tax increase but not included in Bill 2609. County Council did not approve property tax increases for FY2018.

2	<p>Request County legislation that will:</p> <p>a. Require all TVR and homestay advertising to meet all state requirements for advertising (online and in print) and permitting, including listing the location, TAT number, permit number, and if a TVR, the management company information</p> <p>b. Authorize a substantial fine, enforceable and collectable by the County, for each day of any violations.</p>	<p>All interested organizations and businesses on Implementation Cte. as advocates</p> <p>Partners: Chamber of Commerce, HLTA</p>	<p>-Amend current homestay bill to include this</p> <p>-Amend TVR legislation within 6 months</p>	<p>-Regulatory support for County enforcement of TVR and Homestay violations in advertising</p> <p>-Easier identification of legal and illegal TVRs and homestays</p> <p>-Fines that would provide County an added source of revenue for enforcement</p>	<p>Meeting held with Ka’aina Hull of Planning Dept.; Planning Dept. has begun taking action on enforcement.</p>
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Progress to Date: TSPU Priority #9 – Kaua’i Products & Services Action Plan

Strategy 2d. Encourage the visitor industry, airlines and the growing cruise line industry to buy and promote Kaua’i products and services to support businesses on Kaua’i. (Revised wording)

#	Planned Action	Responsibility	Timeline	Desired Outcome	Status
1	<p>Widely distribute the Kaua’i Made Shopping Guide and the Kaua’i Made “business card” through visitor industry businesses to share with visitors (e.g., hotel concierges, rental car companies, cruise ships, Kaua’i Chamber of Commerce, HTLA members)</p>	<p>OED Kaua’i Farm Bureau</p>	<p>2016 and ongoing</p>	<p>Increased sales through expanded market and increased use of local vendors</p>	<p>Shopping Guide available at the airport, KVB, OED and other key locations; KVB buys Kaua’i products for amenities given to media and travel trade; business card developed.</p>

2	Encourage broad promotion and attendance by visitor industry, retailers and restaurant chefs at the annual Kaua'i Made/Kaua'i Grown Trade Show (for wholesalers in morning and general public in afternoon)	OED, Kaua'i Farm Bureau, HLTA, KVB	Fall 2016 and annually	Increased sales through expanded market and increased use of local vendors	This event has been expanded to include the public. Next event Sept. 15, 2017.
3	Encourage the County to organize a Kaua'i Made/Kaua'i Grown vendor section at the annual HLTA Expo at the Blaisdell Center in Honolulu.	OED Kaua'i Farm Bureau	Summer 2017 and annually	Statewide exposure and expanded market	Two representatives will attend July 2017 event to assess feasibility of a Kaua'i booth at 2018 event.
4	Develop an app of the Kaua'i Made Shopping Guide (promoted through business cards with a message such as: "To see all Kaua'i Made products, go to..." and show the website and a QR bar code)	OED	2018	Expanded market for local vendors and increased sales	Planned for 2018
5	Support County's development of a system to connect farmers to restaurants (growers to users) to increase use of locally grown foods; system to include distribution of product availability lists.	OED Kaua'i Farm Bureau Distributors	2018	Expanded market and increased sales for local farmers	OED commissioned a study. OED plans to develop a 3-month pilot to test feasibility of a produce cleaning and distribution hub.

Scorecards to Measure Progress

The *Kaua'i Tourism Strategic Plan* included 7 scorecards to measure 45 aspects related to Kaua'i's visitor industry. The following scorecards report on progress since completion of the plan. For a number of the measures, the year 2005 is used as a baseline year to indicate change over time.

It should be noted that a large number of scorecard measures relied on two surveys conducted by Hawai'i Tourism Authority, the Resident Sentiment Survey and Visitor Satisfaction Monitoring Survey. Unfortunately, the Resident Sentiment Survey has not been conducted in the past 18-24 months and the methodology for the Visitor Satisfaction Monitoring Survey was changed in 2016, therefore data are not comparable to previous years. Therefore many measures show NA (Not available) or Unk (Unknown) regarding whether target has been met.

A frequent difficulty and frustration in tracking and reporting progress based on data is the lack or inconsistency of data availability. Where data are no longer available from previous sources, no other source of similar data was available, therefore no update can be provided.

KTSPU Scorecards 2016-2018

Progress to Date
(As of June 5, 2017)

Objective 1 Scorecard <i>(To make positive contributions to quality of life for residents)</i>						
Ref.	Measure ²	Data Year 2014 ³	Data Year 2015 ⁴	Data Year 2016P	Desired Change	Target Met in 2016?
1.1	Residents surveyed: rate your perception of tourism on Kaua'i:	86% Top and Mid-Range 12% Bottom Tier	84% Top and Mid-Range 13% Bottom Tier	NA NA	Increase Top Rating	Unk
1.2	Residents surveyed: rate if tourism enhances residents' quality of life:	63% Top and Mid-Range 36% Bottom Tier	63% Top and Mid-Range 37% Bottom Tier	NA NA	Increase Top Rating	Unk
1.3	Residents surveyed: rate if... - Tourism creates well-paying jobs for residents: - Tourism creates jobs that have opportunities for advancement: - Tourism has brought more benefits than problems: - Tourism has had a mostly positive impact on self and family:	71% Top and Mid-Range 28% Bottom Tier 76% Top and Mid-Range 23% Bottom Tier 63% Top and Mid-Range 36% Bottom Tier 56% Top and Mid-Range 32% Bottom Tier	73% Top and Mid-Range 27% Bottom Tier 75% Top and Mid-Range 25% Bottom Tier 62% Top and Mid-Range 38% Bottom Tier 55% Top and Mid-Range 30% Bottom Tier	NA NA NA NA NA NA NA NA	Increase Top Rating Increase Top Rating Increase Top Rating Increase Top Rating	Unk Unk Unk Unk
1.4	Residents surveyed: rate if tourism increases traffic problems:	84% Top and Mid-Range 16% Bottom Tier	92% Top and Mid-Range 8% Bottom Tier	NA NA	Decrease Top Rating	Unk

² Hawai'i Resident Sentiment Survey scores are based on a scale of 1 to 10, with 10 being "Completely Agree" and 1 being "Do Not Agree at All". Scores are grouped: Top Box 9-10, Mid-Range 6-8 and Bottom Tier 1-5.

³ HTA Resident Sentiment Survey conducted by Market Trends Pacific, Inc., John M. Knox & Associates, OmniTrak Group, and QMark Research, 2014.

⁴ 2015 HTA Resident Sentiment Survey presentation by Qmark Research, 2016.

Objective 2 Scorecard (To increase economic contribution of visitor industry to Kaua'i)

Ref.	Measure	Baseline Data Year 2005	Data Year 2014F ⁵	Data Year 2015F ⁶	Data Year 2016P ⁷	Desired Change	Target Met in 2016?
2.1	Per Person Per Day Visitor Spending:	\$160	\$164	\$173	\$181	Increase	Yes
	Total Visitor expenditures (in millions):	\$1,162	\$1,410	\$1,548	\$1,646	Increase	Yes
	Total Visitor Arrivals (by Air and by cruise ships):	1,128,807	1,217,607	1,264,386	1,267,302	Maintain	No - Exceeded
	Total Arrival by Cruise ships:	38,6605	97,634	90,634	79,826	Maintain	No
	Total Arrival by Air: ⁸	1,128,807	1,119,973	1,173,752	1,187,476	Maintain	No - Exceeded
	Per Party Per Trip Visitor Spending:	\$1,066	\$1,270	\$1,319	\$1,386	Increase	Yes
	- Luxury Hotel:	\$4,387	\$4,959	NA	NA	Increase	Unk
	- Budget to Standard Hotel:	\$2,870	\$2,879	NA	NA	Increase	Unk
2.2	Number of airline seats available annually:						
	- Interisland:	NA	1,085,098	1,039,635	1,164,687	Maintain	No - Exceeded
	- From U.S. Mainland:	NA	626,192	643,809	674,670	Maintain	No - Exceeded
	Hotel occupancy during shoulder periods ⁹ :						
	- April/May:	75%	70%	69%	67%	Increase	No
	- September/Mid-December: ¹⁰	66%	63%	66%	69.5%	Increase	Yes

Note: Visitor Statistics are for the Island of Kaua'i.

⁵ Data provided to KPAA via email from Daniel K. Nahoopii, Director of Tourism Research, Hawai'i Tourism Authority, June 3, 2015.

⁶ Data provided via email from Minh-Chau T. Chun, Tourism Research Manager, Hawai'i Tourism Authority, June 1, 2017.

⁷ Data provided via email from Minh-Chau T. Chun, Tourism Research Manager, Hawai'i Tourism Authority, June 1, 2017.

⁸ Arrival by means other than cruise ship.

⁹ Numbers related to hotel occupancy reflect only properties included in the STAR Report; one Kaua'i hotel is not included in this report. Source: Hospitality Advisors/STR, Inc.

¹⁰ Excluding Thanksgiving.

Objective 2 Scorecard - Continued (To increase economic contribution of visitor industry to Kaua'i)

Ref.	Measure	Baseline Data Year 2005	Data Year 2014F ¹¹	Data Year 2015P ¹²	Data Year 2016	Desired Change	Target Met in 2016?
2.3	Timeshare occupancy during shoulder periods: ¹³						
	- April/May (Q2):	NA	88%	NA	NA	Increase	Unk
	- September/Mid-December (Q4): ¹⁴	NA	87%	NA	NA	Increase	Unk
2.4	Percent of First time Visitors:	35%	30.5%	29.8%	29.6%	Increase	No
	Percent of Repeat Visitors:	65%	69.5%	70.2%	70.4%	Maintain	Yes
2.5	Resident Population:	62,640	70,475 ¹⁵	71,735 ¹⁶	72,029 ¹⁷	Track	NA
2.6	Civilian Workforce:	32,750	34,748	36,323 ¹⁸	38,168 ¹⁹	Track	NA
2.7	Average de facto population ²⁰						
	- Cruise:	839	986	968	891	Track	NA
	- Non-cruise	18,857	23,617	24,533	24,809	Track	NA

¹¹ Data provided to KPAA via email from Daniel K. Nahoopii, Director of Tourism Research, Hawai'i Tourism Authority, June 3, 2015.

¹² Data provided via email to KPAA from Minh-Chau T. Chun, Tourism Research Manager, Hawai'i Tourism Authority, June 14, 2016.

¹³ Timeshare data is reported quarterly, according to June 12, 2015 email from Hawai'i Tourism Authority.

¹⁴ Excluding Thanksgiving.

¹⁵ 2015 Kaua'i population estimates, DBEDT.

¹⁶ 2015 Kaua'i population estimates, DBEDT.

¹⁷ 2016 Kaua'i population estimates, DBEDT.

¹⁸ U.S. Census Bureau, Selected Economic Characteristics 2010-2014 ACS 5-Year Estimates, Civilian Labor Force, <https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF>

¹⁹ U.S. Census Bureau, Selected Economic Characteristics, American Community Survey 1 Year Estimates, <https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF>

²⁰ Visitor average daily census data.

Objective 3 Scorecard (To increase communication/understanding among visitor industry, residents and Native Hawaiians)

Ref.	Measure	Data Year 2014 ²¹	Data Year 2015 ²²	Data Year 2016P	Desired Change	Target Met in 2016?
3.1	Residents surveyed: rate if you feel you have a voice in Kaua'i's tourism development:	38% Top and Mid-Range 61% Bottom Tier	36% Top and Mid-Range 63% Bottom Tier	NA NA	Increase Top Rating	NA
3.2	Residents surveyed: rate if the government has sponsored festivals, activities and sports events for residents and visitors:	66% Top and Mid-Range 31% Bottom Tier	64% Top and Mid-Range 35% Bottom Tier	NA NA	Increase Top Rating	NA
3.3	Residents surveyed: rate if Kaua'i is being run for tourists at the expense of local people:	60% Top and Mid-Range 30% Bottom Tier	64% Top and Mid-Range 35% Bottom Tier	NA NA	Decrease Top Rating	NA

Objective 4 Scorecard (To maintain and improve visitor satisfaction with their Kaua'i experience)

Ref.	Measure	Data Year 2014 ²³	Data Year 2015 ²⁴	Data Year 2016P	Desired Change	Target Met in 2016?
4.1	Visitor Activity Participation – Continental U.S.:					
	- Sightseeing	95.5%	93.05%	NA	Increase Excellent Rating	Unk
	- Recreation	91.4%	89.53%	NA		Unk
	- Entertainment	93.9%	89.63%	NA		Unk
	- Shopping	90.8%	88.55%	NA		Unk
	- Culture	57.2%	60.10%	NA		Unk
	- Transportation	94.7%	NA	NA		Unk
4.2	Visitor Satisfaction – Continental U.S.:					
	- Excellent	72.0%	73.97%	92% ²⁵	Increase Excellent Rating	NA
	- Above Average	26.1%	24.07%	NA		Unk
	- Below Average	1.7%	1.77%	NA		Unk
	- Poor	0.2%	0.19%	NA		Unk

²¹ HTA Resident Sentiment Survey conducted by Market Trends Pacific, Inc., John M. Knox & Associates, OmniTrak Group, and QMark Research, 2014.

²² 2015 HTA Resident Sentiment Survey presentation by QMark Research, 2016.

²³ HTA Resident Sentiment Survey conducted by Market Trends Pacific, Inc., John M. Knox & Associates, OmniTrak Group, and QMark Research, 2014.

²⁴ 2015 HTA Resident Sentiment Survey presentation by QMark Research, 2016.

²⁵ HTA Third Quarter 2016 Visitor Satisfaction Monitoring Report. Statistic based on average of Q1-3. Survey method was changed in 2016 and data cannot be compared to previous years.

Objective 4 Scorecard - Continued (To maintain and improve visitor satisfaction with their Kaua'i experience)

Ref.	Measure	Data Year 2014 ²⁶	Data Year 2015 ²⁷	Data Year 2016P	Desired Change	Target Met in 2016?
4.3	Number of Crimes Against Visitors (based on non-resident victims involved in incidents reported by KPD):	501 ²⁸	NA	NA	Reduce	NA
4.4	Number of Drownings: ²⁹					
	- Residents	1	0	2	Reduce	No
	- Visitors	6	6	12	Reduce	No

Objective 5 Scorecard (Reinforce authentic Native Hawaiian and local culture, the foundations of our unique sense of place)

Ref.	Measure	Data Year 2014 ³⁰	Data Year 2015P ³¹	Data Year 2016P	Desired Change	Target Met in 2016?
5.1	Residents surveyed: rate if tourism helps preserve Native Hawaiian culture and language:	52% Top and Mid-Range 47% Bottom Tier	47% Top and Mid-Range 50% Bottom Tier	NA NA	Increase Top Rating	Unk
5.2	Residents surveyed: rate if tourism currently presents Native Hawaiian culture in an authentic manner:	54% Top and Mid-Range 43% Bottom Tier	49% Top and Mid-Range 46% Bottom Tier	NA NA	Increase Top Rating	Unk

²⁶ HTA Resident Sentiment Survey conducted by Market Trends Pacific, Inc., John M. Knox & Associates, OmniTrak Group, and QMark Research, 2014.

²⁷ 2015 HTA Resident Sentiment Survey presentation by QMark Research, 2016.

²⁸ Data provided by David Pickard, Information Technology, Kaua'i Police Department, via email to KPAA, July 9, 2015.

²⁹ Email from Kaua'i Fire Department, Ocean Safety Bureau to KPAA, June 15, 2015 and June 21, 2016 and telephone conversation with Lauren Duterte, Kaua'i Fire Department, on June 1, 2017

³⁰ HTA Resident Sentiment Survey, conducted by Market Trends Pacific, Inc., John M. Knox & Associates, OmniTrak Group, and QMark Research, 2014.

³¹ 2015 HTA Resident Sentiment Survey presentation by QMark Research, 2016.

Objective 6 Scorecard (Help preserve and enhance Kaua'i's natural resources on land and ocean)

Ref.	Measures	Data Year 2014 ³²	Data Year 2015 ³³	Data Year 2016P	Desired Change	Target Met in 2016?
6.1	Residents surveyed: rate if tourism helps sustain Hawai'i's natural resources, parks and cultural sites:	60% Top and Mid-Range 38% Bottom Tier	60% Top and Mid-Range 40% Bottom Tier	NA NA	Increase Top Rating	No Change
6.2	Number of county and state parks that have been adopted by the visitor industry through the County's Adopt-A-Park program and the State's park stewardship program	39 of 54 County parks adopted by community ³⁴	39 of 54 County parks adopted by community ³⁵	39 of 54 County parks adopted by community ³⁶ 3 State Parks stewardship agreements in place	Increase	County: No Change State Parks: Yes

Objective 7 Scorecard (Monitor implementation and progress of KTSPU)

Ref.	Measures	Fiscal Year 2017
7.1	Percent of action steps completed as indicated in the plan.	42 Action Steps 2 Deleted or Tabled 21 Action Steps Completed 53% Completed ³⁷
7.2	Kaua'i County TSPU tracked and reported on every year. (Annual meeting of Implementation Committee conducted, updated scorecards presented, and plans revised as appropriate.)	Tracked – Yes Reported – Yes
7.3	Percent of desired scorecard measures with regularly available data provided to track progress.	45 Desired Measures 19 Measures with Data Regularly Available 42% of Measures with Data Regularly Available 26 Measures with Data Not Regularly Available 58% of Measures with Data Not Regularly Available
7.4	Number of measures that met desired change targets.	6 Met Desired Change Targets

³² HTA Resident Sentiment Survey, conducted by Market Trends Pacific, Inc., John M. Knox & Associates, OmniTrak Group, and QMark Research, 2014.

³³ 2015 HTA Resident Sentiment Survey presentation by QMark Research, 2016.

³⁴ KPAA telephone call with Eddie Sarita, Coordinator, War Memorial Convention Center, County of Kaua'i, May 28, 2015.

³⁵ KPAA email from Eddie Sarita, Coordinator, War Memorial Convention Center, County of Kaua'i, June 27, 2016.

³⁶ Telephone conversation between Diane Zachary, consultant, and Eddie Sarita, Coordinator, War Memorial Convention Center, County of Kaua'i, June 5, 2017.

³⁷ Many of the action steps require ongoing or annual action. Although action may be taken in one year, further action may be required in subsequent years.

Stakeholder Involvement

Two events were held to further involve visitor industry stakeholders.

Annual Stakeholders Meeting. Kaua'i Visitors Bureau, County Office of Economic Development and Hawai'i Lodging and Tourism Association-Kaua'i extended invitations to stakeholders to attend a session to report on and discuss progress made during the implementation of the plan's Year 2. Twenty-five stakeholders attended that session.



Kaua'i's Tourism Future. The success of Kaua'i's visitor industry will rely, in large part, on its ability to anticipate and adapt to the changing needs of visitors and to other external changes. To stimulate long-term thinking about possible changes ahead, a session on *Kaua'i's Tourism Future in 2040* was held May 22, 2017. This workshop featured discussions of five future scenarios Kaua'i may face in the year 2040. These scenarios focused on climate change, distribution of wealth, availability of resources, geopolitics and technological advances.

Participants considered each scenario to develop strategies for how the visitor industry should prepare and respond should the scenario become reality. They agreed on several strategies common to all the scenarios:

- Make protecting Kaua'i's character, natural beauty, rural nature and quality of life a priority
- Stay aware, anticipate changes
- Be adaptive
- Be creative
- Make investments to ensure preparedness
- Develop appropriate infrastructure
- Train the workforce so they are adaptive and have needed skills
- Live sustainably

Observations and Consultant Recommendations for Further KTSP Implementation

The Year 2 contract managed by Kaua'i Visitors Bureau secured Diane Zachary as the consultant to coordinate and facilitate the meetings and communications for the Implementation Committee and eight sub-committees. She organized meeting logistics and communications, helped committee chairs set agendas, secured stakeholders as partners to work on the action plans, enlisted resource people to participate in meetings as needed, provided notes of each meeting, tracked progress, secured feedback and built partnerships for the various activities, organized the *Kaua'i's Tourism Future in 2040* event, organized an end-of-the-year visitor industry-wide meeting to share the action plans and scorecards, and prepared this Year 2 summary report.

The Implementation Committee and most sub-committees identified a chair or co-chairs. It has been important to develop this leadership to plan the group's work, encourage involvement and spread the work of the committee throughout the industry. Chairs are still needed for a few sub-committees.

The consultant is grateful to all the committee and sub-committee members for their hard work, knowledge, passion, enthusiasm, and respect for this island. It has been gratifying to see that what is best for Kaua'i, its residents and its visitors have guided their deliberations, not profit.

The KTSPU is very ambitious. The first two years have focused on the top 10 priorities, and in some areas – especially securing additional resources for road, transit, bridge and park improvements – it has been challenging to see substantial progress. Government financial limitations and differing priorities have sometimes been out of sync with the priorities of this plan.

Moreover, as volunteers with other full-time jobs and commitments, committee members are limited in how much time they can devote to the plan's activities beyond attending meetings. In Year 3, it is suggested that the priorities be revisited to ensure that the most pressing issues and those where progress realistically can be made are the focus of the Implementation Committee and sub-committees' attention.

Year 3 is the final year of the current plan. If funding can be secured, it is suggested that a new plan for the next three years be developed so that visitor industry momentum and action can continue seamlessly to address the many important issues facing the industry, including its relationship with the community.

Summary

Through the generous financial support of the four funders of Year 2 of the *Kaua'i Tourism Strategic Plan*, and through the hard work of the Steering Committee, Implementation Committee and the eight sub-committees, progress is underway to implement this plan. In FY2018, the Implementation Committee will continue to meet quarterly to monitor, coordinate and provide feedback on the efforts of the sub-committees, which will meet approximately every 2 to 3 months to coordinate and report on progress. The next meeting of the Implementation Committee is scheduled for October 2, 2017.

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Appendix – Glossary of Abbreviations

AOHT	Academy of Hospitality Tourism
CAC	Citizens Advisory Committee
COK	County of Kauaʻi
DOE	Hawaiʻi Department of Education
GET	General Excise Tax
HDOT	Hawaiʻi Department of Transportation
HLTA	Hawaiʻi Lodging and Tourism Association
HTA	Hawaiʻi Tourism Authority
TSP IC	Tourism Strategic Plan Implementation Committee
KCC-HOST	Kauaʻi Community College Hospitality and Tourism Program
KFB	Kauaʻi Farm Bureau
KVB	Kauaʻi Visitors Bureau
MOA	Memorandum of Agreement
NAHHA	Native Hawaiian Hospitality Association
KCC-OCET	Kauaʻi Community College Office of Continuing Education and Training
OED	County of Kauaʻi Office of Economic Development
PBRA	Poʻipu Beach Resort Association
RCCA	Royal Coconut Coast Association
SHPD	Hawaiʻi Department of Lands and Natural Resources, State Historic Preservation Division
SP	Hawaiʻi Department of Lands and Natural Resources, State Parks Division
TAT	Transient Accommodations Tax
TSP	Tourism Strategic Plan
Unk	Unknown