

EXECUTIVE SUMMARY



KAUA'I TOURISM STRATEGIC PLAN UPDATE FY 2016 - 2018



Prepared for the County of Kaua'i by
Kaua'i Planning & Action Alliance, Inc.



**County of Kaua'i, Office of Economic Development
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The *Kaua'i Tourism Strategic Plan Update 2016-2018* reflects the desires and input of Kaua'i's tourism stakeholders in both the private and public sectors. The development of the plan was guided by a 20-member Advisory Group that met seven times between September 2014 and June 2015. Stakeholder input was gathered through a survey at the launch of the planning process and, prior to publication, at a forum where the draft plan was presented and feedback was solicited.

Challenges and Opportunities

Kaua'i offers visitors a rural and natural experience with a mix of accommodations to meet many needs. The following are unique challenges and opportunities facing the "Garden Isle."

In 2014, Kaua'i received 1,113,605 visitors, who stayed an average of 7.71 days and spent \$171 per day. Of these, 70% were returning visitors while 30% were new. Three out of four were independent travelers. The average visitor count per day is 23,536. The U.S. west coast remains the primary source of visitors to Kaua'i. Small but growing visitor markets are Canada, Europe, Oceania, Other Asia and Latin America.

About half of Kaua'i visitors stay in hotels, and the remainder stay in condos, timeshares and rental homes. The share staying in rental homes, which may include homestays and transient vacation rentals, is growing. Many of these rental homes lack property permitting. A recent study showed that Kaua'i has 3,614 individually advertised units, nearly double the number that had been anticipated. The great majority of these homes are in Kōloa, Hanalei and Princeville.

Kaua'i's tourism growth – and resident quality of life – is impacted by the need for infrastructure improvements to handle traffic and congestion. On a monthly basis, the visitor count fluctuates significantly. When the daily visitor count is over approximately 25,000, the island's roads, parks, beaches and other infrastructure, in their current conditions, are taxed and the visitor experience and resident quality of life diminish. There is interest in managing the "peaks and valleys" in the visitor count. The peaks typically occur in mid-June to August and during the winter holidays and have reached well over 26,000 per day. Until the island's infrastructure, including bus and shuttle service, is improved, the desirable range of visitors per day is within the range of 23,000 to 25,000.

In 2015, Kaua'i lost all competitors for inter-island flights, leaving only Hawaiian Airlines. This translates to a decrease in available seats and higher prices for visitors and residents.

Kaua'i is marketed as a destination for relaxation and rejuvenation, and it becomes the island's challenge to live up to that promise. For those who visit Kaua'i for a unique cultural experience, the visitor industry wants to offer an authentic Hawaiian cultural experience. This means that staff need to be knowledgeable about Hawaiian culture and adequately trained.

Social media is transforming how visitors access and share information, which can have great benefit yet also means that negative experiences can be broadcast worldwide almost instantaneously. Crime and visitor safety continue to be critical issues, with property crimes, such as car break-ins, theft and water safety, being the principal concerns.

A Plan Based on Balance

This plan promotes the concept of economic, social, and environmental balance. A healthy visitor industry and a population that enjoys a good quality of life are inextricably linked. Finding and maintaining this balance is a challenging and evolving effort. This balanced approach is reflected in this vision for tourism:

Tourism on Kaua'i will:

- Honor the people and heritage of Kaua'i;
- Support and enhance the quality of life for residents;
- Value and perpetuate the natural and cultural resources on Kaua'i;
- Engender mutual respect and partnership among all stakeholders;
- Support a vital and sustainable economy; and
- Provide a unique, memorable and enriching visitor experience.

The values underlying the Kaua'i Tourism Strategic Plan resonate in the island's vision for tourism, and throughout the plan, filtering through goals, objectives, strategies, and priorities. Kaua'i visitor industry stakeholders clearly understand that a healthy land nourishes healthy people; stated in the Hawaiian language, "*Ola ka 'Aina, Ola ke Kanaka*" (Healthy Land, Healthy People). When there is focus on the people and island of Kaua'i, everything will be *pono* or right.

The six equally important major objectives to achieve this vision are:

- To make positive contributions to the quality of life for residents.
- To increase the economic contribution of the visitor industry to Kaua'i.
- To increase communications, interactions, and understanding between stakeholder groups, especially between residents and the visitor industry.
- To maintain and improve visitor satisfaction with their experience on Kaua'i.
- To reinforce authentic Native Hawaiian culture and local Kaua'i culture, the foundations of our unique sense of place.
- To contribute to the preservation and enhancement of the natural resources on Kaua'i, including land and ocean.

The seventh objective is to ensure the plans developed are implemented appropriately. To support this effort, an implementation oversight committee will be developed to ensure action plans are developed, progress is monitored and changes are recommended as appropriate.

Each objective is supported by major strategies and scorecard measures. These strategies were determined as important by the Kaua'i TSPU Advisory Group to be achieved, at least in large part, within the next three years. There are ten strategies identified as absolutely essential to complete by 2018, and these are identified in the plan by with a red number. These are the strategies that, if further prioritization is required, will be considered at the top of the list. The ten priority strategies include:

- #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 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 Kaua'i for services and infrastructure that support the island community.
- #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.

To track progress in implementing the strategies and their effectiveness in creating change toward the objective, the Advisory Group selected measures related to each objective. The measures were selected because they are meaningful and currently available.