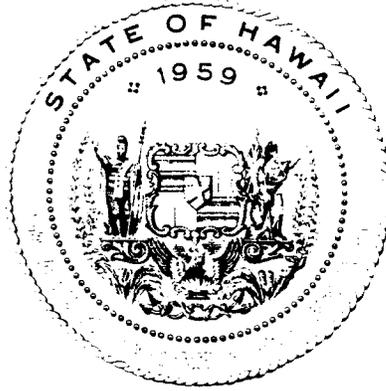


The Hawaii State Plan



TOURISM

STATE FUNCTIONAL PLAN
1991

The Hawaii State Plan



TOURISM

Preparation of this Functional Plan was coordinated by the
**DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT
AND TOURISM**
in accordance with Chapter 226, Hawaii Revised Statutes.

Submitted By *Murray E. Towill* Date *4/14/91*
Murray E. Towill, Director

Approved by *John Waihee* Date *May 22, 1991*
John Waihee, Governor, State of Hawaii



EXECUTIVE CHAMBERS
HONOLULU

JOHN WAIHEE
GOVERNOR

FOREWORD

Prior to the slowdown in the national economy and the conflict in the Middle East, the economic outlook for Hawaii's visitor industry was quite robust. Since that time, we have seen the impact that a tourism slump can have throughout the State.

My Administration has shown that it is ready to assist the visitor industry and our communities to weather downturns in visitor arrivals. Now, we must strengthen our resolve to use tourism as a tool for developing other industries to diversify our State's economic base, as well as to diversify within the industry and reduce our vulnerability to the vagaries of any single market.

Just as importantly, we must ensure that, even in lean times, we do not lose sight of the need to protect those resources upon which the industry itself depends -- the natural beauty and environment of our islands, the richness and diversity of our cultures, the well-being of our people and communities, and the quality of the physical infrastructure that supports us. This Plan lays the groundwork for a new era of public and private cooperation in realizing a future of industry development in which these values and principles are preserved.


JOHN WAIHEE



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

JOHN WAIHEE

Governor

MURRAY E. TOWILL

Director

BARBARA KIM STANTON

Deputy Director

RICK EGGED

Deputy Director

MAILING ADDRESS: P.O. BOX 2359, HONOLULU, HAWAII 96804 FAX: (808) 523-8637

PREFACE

Over the past 30 years, tourism has evolved into one of the largest and fastest growing industries in the world today. During the 1980s, Hawaii participated in that strong growth. Total visitor arrivals increased from 3.9 million in 1980 to 6.6 million in 1989. The average daily visitor census--that is, the number of visitors present on any given day--increased from 97,000 to 170,000. Visitor expenditures generated about 35 percent of the Gross State Product in 1988 compared with 23 percent in 1980.

But, tourism growth has not come without problems. Growth in visitor arrivals increases pressure on the physical facilities and human services which make up the visitor product. Destinations--including Hawaii--are grappling with issues ranging from adequacy of airports, roads, and sewers, to availability of manpower to staff tourism-related businesses.

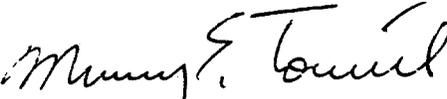
Tourism growth has renewed attention to environmental issues. An increased focus on cultural tourism and heritage preservation efforts has also emerged. Growth has also raised questions regarding impacts on the community. Environmental issues will become the topic of the 1990s as we make further progress in creating an environment that helps us remain competitive.

Such concerns were raised during development of our Tourism Functional Plan. We met several times with our Advisory Committee, as well as with various State and County agencies, and the general public. Throughout the planning process, two themes became apparent:

- o First, continued growth of Hawaii's economy--and its mainstay tourism--is expected;
- o Second, while economic growth remains a key consideration, tourism planning for Hawaii should also focus on the preservation and management of the resources upon which tourism's economic success depends--namely: Hawaii's scenic beauty and natural environment; cultural heritage; and community support.

In light of the above considerations, the Office of Tourism of the Department of Business, Economic Development, and Tourism worked to develop a plan which addresses all aspects of the complex and dynamic visitor industry. In addition to the Marketing, Physical Development, Employment and Career Development, and Community Relations issues addressed previously, the plan now includes two new sections dealing with Growth, and Environmental Resources and Cultural Heritage issues.

We believe this broad-based approach provides guidance for the development and management of an industry which is supportive of the lifestyles, values, and economic well-being of Hawaii residents.



Murray E. Towill

STATE TOURISM FUNCTIONAL PLAN ADVISORY COMMITTEE

Clement M. Judd, Jr., Chairman
Hawaii Hotel Association

Chuck Y. Gee, Vice Chairman
UH/School of Travel Industry Management

STATE MEMBERS

Linda Colburn
Office of Hawaiian Affairs

Owen Miyamoto
Department of Transportation

Ilima A. Piianaia
Office of International Relations

COUNTY MEMBERS

Chris Cook
Dept. of Economic Development
County of Kauai

Galen Fox
Mayor's Office
City and County of Honolulu

Fred Matsumoto
Dept. of Economic Development
County of Maui

Lynn Maunakea
Dept. of Research & Development
County of Hawaii

INDUSTRY MEMBERS

John Brizdle
E Noa Tours

Lawrence Chun
Edward Noda & Associates

Gary Gifford
Hawaii Resort Developers
Conference

Stanley Hong
Hawaii Visitors Bureau

John Kramer
AFL-CIO

PUBLIC MEMBERS

Chester T. Koga
Sierra Club

Eddie Tangen
Environmental Land Concerns, Inc.

ACKNOWLEDGEMENTS

The State Department of Business, Economic Development, and Tourism (DBED) appreciates the cooperation of interested citizens, private organizations, the visitor industry and agencies throughout the State and County governments in the development of the State Tourism Functional Plan.

The Department expresses its Mahalo to the Tourism Functional Plan Advisory Committee for its guidance and help.

Finally, the Department acknowledges with gratitude the tireless efforts of numerous staff members throughout the Department of Business, Economic Development, and Tourism.

CONTENTS

FOREWORD	i
PREFACE.	iii
STATE TOURISM FUNCTIONAL PLAN ADVISORY COMMITTEE	v
ACKNOWLEDGEMENTS	vi
CHAPTER I. INTRODUCTION	1
Purpose of the State Functional Plans.	1
Role of the State Functional Plans	2
Theme: Balanced Growth.	3
State Functional Plan Advisory Committee	3
Review and Revision.	3
Coordination	4
CHAPTER II. APPROACH TO FUNCTIONAL PLAN ISSUES.	6
Existing Economic Development Efforts.	6
The 1980s and Beyond	6
Economic Growth Forecast	7
Resident Concerns.	7
Strategic Directions for the Visitor Industry.	8
CHAPTER III. OBJECTIVES, POLICIES AND ACTIONS	11
Growth	11
Physical Development	18
Environmental Resources and Cultural Heritage.	30
Community, Visitor and Industry Relations.	36
Employment and Career Development.	43
Marketing.	52
APPENDICES	
List of Acronyms	65
List of Technical Reference Documents.	66

CHAPTER I
INTRODUCTION

The Hawaii State Plan, Chapter 226, Hawaii Revised Statutes, provides a long-range guide for Hawaii's future. It establishes State goals, objectives and policies and a Statewide Planning System to carry them out. This system requires the development of State Functional Plans (SFP) which are approved by the Governor. The Functional Plans guide implementation of State and County actions in the following areas: agriculture, conservation lands, education, employment, energy, health, higher education, historic preservation, housing, human services, recreation, tourism, transportation and water resources development.

In 1984-85, the Legislature adopted the first 12 Functional Plans. Revisions to five SFPs related to human needs (education, employment, health, housing and human services) occurred in 1987-88. The Governor approved the plans in 1989 in accordance with amendments to Chapter 226, HRS, which changed approval responsibility to the Governor. In 1989-90, the SFP revision process has focused primarily on the preparation of seven SFPs relating to physical resource needs and development:

<u>Area</u>	<u>Coordinating Agency</u>
Agriculture	Department of Agriculture
Conservation Lands	Department of Land and Natural Resources
Energy	Department of Business, Economic Development, and Tourism
Historic Preservation	Department of Land and Natural Resources
Recreation	Department of Land and Natural Resources
Tourism	Department of Business, Economic Development, and Tourism
Transportation	Department of Transportation

PURPOSE OF THE STATE FUNCTIONAL PLANS

In conjunction with County General Plans, State Functional Plans are the primary guideposts for implementing the Hawaii State Plan. While the Hawaii State Plan establishes long-term objectives for Hawaii, the State Functional Plans delineate specific strategies of policies and priority actions that need to be addressed in the short-term.

In addition, there is an increased emphasis on the implementation of programs and actions. Therefore, Functional Plans contain specific, implementable actions that can be directly related to budget items.

The purposes of the State Functional Plans with respect to Chapter 226, Hawaii Revised Statutes, are to:

- o Identify major statewide priority concerns;
- o Define current strategies for the functional area;
- o Identify major relationships among functional areas;
- o Provide the direction and strategies for departmental policies, programs and priorities;
- o Provide a guide for the allocation of resources to carry out various State activities in coordination with County activities; and
- o Assist in reconciling and coordinating State and County roles and responsibilities in the implementation of the Hawaii State Plan.

ROLE OF THE STATE FUNCTIONAL PLANS

Functional Plans primarily address priority actions that should be taken within a two- to six-year period. This time frame coincides with the Biennial Budget and Capital Improvement Program budgetary cycles. The plans primarily affect State operations; however, recommendations for coordinated actions at the Federal, County and private sector levels are also included.

State Functional Plans are intended to act in a coordinated fashion with County General Plans and Development Plans. Chapter 226, Hawaii Revised Statutes, states that County General Plans and Development Plans shall be used as a basis in the formulation of State Functional Plans. Conversely, the law also states that the Counties shall use approved State Functional Plans as guidelines in formulating, amending and implementing the County General Plans and Development Plans. Thus, State Functional Plans and the County General Plans and Development Plans each draw from the knowledge embodied in the other, and all are essential to implement the Hawaii State Plan. However, State Functional Plans are still not to be interpreted as law or statutory mandates, nor do they mandate County or private sector actions. The Functional Plans assure that problems and issues of statewide importance are addressed, while the County General and Development Plans indicate desired population and physical development patterns for each County, and assure that the unique problems and needs for each County are addressed.

THEME: BALANCED GROWTH

The major theme for these physical Functional Plans focusses on the promotion of a balanced growth approach in the use of our limited resources. This recognizes the need for economic development while preserving our fragile environment and multi-cultural lifestyles throughout our island State. The strategies for each SFP are aimed at initiating desired development, while at the same time limiting or discouraging development which would impact negatively on our resource base. It also means enhancing our natural environment and cultural resources through actions aimed at protecting, preserving and promoting their significance. In order to achieve balanced growth, the Functional Plans address issues through the following interrelated elements: Resource Management which ensures the preservation and conservation of fragile, unique ecosystems and other natural physical and historical/cultural resources from loss or degradation; Resource Development which ensures the compatibility of development activities with surrounding communities and infrastructure, and ensures the diversification of economic activities to increase the viability and stability of our economic, environmental and social base; and Infrastructure and Service Supports that promote public and private partnerships for effective management and the timely provision of services and physical infrastructure.

STATE FUNCTIONAL PLAN ADVISORY COMMITTEE

Each Functional Plan has an Advisory Committee composed of State officials, County officials, members of the public from each County and experts in the particular functional area. Members are appointed by the Governor in accordance with provisions of the Hawaii State Plan, Section 226-57, Hawaii Revised Statutes.

The State Functional Plan Advisory Committee plays a major role in advising each State Functional Plan agency in the revision and implementation of the SFP. The Committee provides an opportunity for other governmental agencies, the private sector and the public to participate in the revision process. Representation of County officials on each State Functional Plan Advisory Committee ensures that the SFPs take into account major concerns in each County. Once the plan has been approved, the Committee meets on a periodic basis to monitor implementation of the Functional Plan.

REVIEW AND REVISION

In order to be responsive to constantly changing needs and conditions, Functional Plans are subject to review and revision at least every two years; the timing of which is linked to the review process of the Hawaii State Plan.

In undertaking these reviews, some of the State Functional Plan agencies have developed Technical Reference Documents and/or other technical studies and resource materials which provide background information and supporting rationale for policies and actions contained in the Functional Plan. A listing of the reference documents for the Tourism Functional Plan is provided in the appendices of the plan.

COORDINATION

This Functional Plan document has been produced by the Department of Business, Economic Development, and Tourism through extensive meetings and consultations with the State Tourism Functional Plan Advisory Committee, the Office of State Planning, other affected State and County agencies, the private sector, and the general public.

The Functional Plan agencies initiate interagency coordination by identifying areas with complementary and competing interests. The review and monitoring activities conducted by their Advisory Committees provide assurance that areas of complementary and competing relationships continue to be addressed in the implementation process.

While each Functional Plan agency develops a process for public and agency input, overall responsibility for assuring coordination among Functional Plans on a continuing basis rests with the Office of State Planning.

Each of the major participants in the SFP revision process with their corresponding functions are identified in Chart 1.

CHART 1

KEY PARTICIPANTS IN THE STATE FUNCTIONAL PLAN REVISION PROCESS ¹

PARTICIPANT	FUNCTION / ROLE	MANDATE
Governor	• Establishes Advisory Committees.	§226-55
	• Designates Functional Plan Agencies.	
	• Approves State Functional Plans (SFPs).	§226-55
	• Transmits Functional Plans to Legislature, Mayors, County Councils for information and use.	§226-56
Legislature	• Reviews approved Functional Plans to be used as guidelines for resource allocation in implementing State policies.	§226-57
Department of Budget and Finance	• Prepares guidelines for the preparation and revision of SFPs.	§226-56
	• Assures that the approved SFPs are used as guidelines in the budgetary review and allocation process.	§226-52
State Functional Plan Agency	• Responsible for preparing and updating SFP.	§226-52
	• Works with the SFP Advisory Committee, State and County agencies.	§226-55
	• Solicits public views and comments on the SFP.	§226-55
Functional Plan Advisory Committee	• Advises SFP agencies in preparing, implementing, monitoring, and updating SFPs.	§226-55
Office of State Planning	• Provides recommendations to the Governor, State and County agencies.	§226-53
	• Prepares reports and special studies for the Governor.	§226-53
	• Reports on emerging issues for use in the updating of SFPs.	§226-53
General Public	• Serves on SFP Advisory Committees.	§226-55
	• Provides comments, concerns, and input on Functional Plans to SFP agencies through public informational meetings, surveys or other agency contacts.	§226-55

¹ Based on the passage of Act 76, Session Laws of Hawaii 1991, enacted on April 30, 1991, which amended provisions of Part II of the Hawaii State Plan, Chapter 226, H.R.S.

CHAPTER II
APPROACH TO FUNCTIONAL PLAN ISSUES

Existing Economic Development Efforts

Economic development is the cornerstone of Hawaii's future. The State's economic strategic plan envisions slower but steady growth within the visitor industry while building up other and new sectors of the economy. In addition to assisting current businesses and their expansion, the State seeks to create or attract new economic activities suited to Hawaii's geography, resources, and assets. The objective: a diversified economy with wider economic opportunities.

Tourism--the primary engine driving the State's economic development--is looked to both for serving as the present core of the economy and for assistance in Hawaii's diversification efforts. One of the State's goals for tourism is to diversify its market mix of visitors to reduce dependence on traditional markets. Visitors to Hawaii today can be the investors of existing businesses and/or the entrepreneurs of new ventures in Hawaii tomorrow.

However, until the State's efforts to become more economically diversified reach fruition, tourism is expected to continue to be the mainstay of the Hawaiian economy over the next decade.

The 1980s and Beyond

The 1980s were a time of unprecedented opportunity for Hawaii's visitor industry: 14,000 additional rooms offer dramatic evidence of the volume of building that took place during this time as the visitor plant increased from 54,000 units in 1980 to 68,000 units in 1989. Economic expansion and favorable trends in Hawaii's major visitor markets resulted in general strong demand for new development.

Where will the 1990s lead? If resort development continues at the pace of the previous decade, could Hawaii possibly become overbuilt? What situations will emerge as Hawaii copes with rapid growth? Future demographic trends in the U.S. raise questions regarding the size of Hawaii's major visitor market during the next decade. Will increased marketing efforts by competing destinations allow for optimum growth in Hawaii's average daily visitor count? Will the labor shortage and affordable housing crisis worsen because the cost of providing infrastructure and support services are spiraling? Will developers be expected to absorb more of the costs as a prerequisite to obtaining

development approval? These and other such questions have been raised during the State's tourism planning effort.

There will be opportunities for more growth in the 1990s. However, continued long-range planning will be required to accommodate community concerns as pressures mount. The questions of paramount importance are: What criteria should be used in guiding future development (growth) of the industry? How do we optimize the growth of tourism within these criteria?

Economic Growth Forecast

Long-range planning of tourism includes the essential element of forecasting. Short-term forecasts (2-3 years) are used to plan marketing strategies, to guide actions designed to smooth seasonal fluctuations, and to improve annual occupancy rates. Long-term forecasts are used in planning infrastructure, accommodations, and labor needs associated with the long-run development of a destination's visitor industry. Such forecasts should also enable estimates to be made about tourism's contribution to the gross state product, tax revenues generated, distribution of the benefits of the growth, secondary economic activities and jobs created, and the social and cultural impact which tourism might have on the community.

The most recent long-term projection of visitor arrivals to Hawaii was prepared by the Department of Business, Economic Development, and Tourism (DBED) in 1988 [see Population and Economic Projections for the State of Hawaii to 2010 (Series M-K)]. These projections are part of a larger attempt to forecast the levels of Hawaii's future population and economic activity, and their distribution around the State. Tourism assumptions for the projections were prepared by analyzing past growth in the Japan and U.S. visitor markets, the long-term outlook for those economies, and the manner in which the counties had been accommodating past growth in these markets.

Since the forecasts are market-based, they represent plausible future conditions but not policy goals or necessarily desired conditions. They are forecasts of what the economic landscape of the State--especially the visitor industry--might look like given no dramatic shifts in State policies. If the forecasts suggest future conditions which the community determines to be undesirable, policies can and should be formulated to help bring about a more desirable future.

Resident Concerns

What are community concerns regarding recent growth in tourism and the desirability of future growth? A 1988 statewide tourism impact

survey by DBED identified a contradiction in resident attitudes about tourism relevant to growth. On all islands, there was overwhelming agreement that tourism has been good for the community and good for the survey respondents' own lives. Nevertheless, nearly 7 out of 10 oppose any further hotel development on their particular island, while more than 60 percent did not want more tourism jobs in their own section of the island. Only a few economically troubled areas (Molokai, East Hawaii) favored more hotels and nearby tourism jobs. Anti-growth feelings were particularly strong on Maui and Kauai.

Survey results suggest the main reasons for resident opposition to more tourism growth involve existing strains from the rapid population growth of the 1980s and perceived negative side effects of tourism (e.g., cost of housing, traffic, cost of food and clothing, and crime). It should be noted, however, that causal relationships between tourism and Hawaii's "quality of life" have yet to be determined in a definitive manner. While Hawaii has been successful in identifying tourism's economic impacts, evaluation of tourism's social and cultural impacts is more complex and current information in this area is limited.

Strategic Directions for the Visitor Industry

The Hawaii State Plan directs planning for the State's economy towards: (1) increased and diversified employment opportunities to achieve full employment, increased income and job choice, and improved living standards for Hawaii's people; and (2) a steadily growing and diversified economic base that is not overly dependent on a few industries. While the State continues to seek such economic diversification, tourism is expected to remain the mainstay of the economy over the next decade.

The growth and development of tourism can have both positive and negative impacts on a community. Such is the case with any form of economic development. However, tourism is considered to be more compatible with Hawaii's goals and environment than many other forms of economic activity. The viability of tourism is dependent on a region's natural beauty, cultural heritage, and community support. Preservation of these factors are essential to the continued survival and development of the industry.

The early emphasis of tourism development and planning in Hawaii was on the identification of general areas for resort development. As tourism has matured in size and scope over the past 20 years, some destination areas may have reached or are approaching the limits of their capacities. It has become even more apparent that tourism competes for scarce resources--physical, human, and capital. Hence, careful planning and management of Hawaii's tourism resource base is required.

While economic growth remains a key consideration, the State's tourism planning efforts attempt to balance economic objectives with social and environmental objectives to achieve the balanced growth and quality of life that are desired by residents. Meeting the needs of Hawaii residents is a constant challenge as they are a mixture of ethnic groups each with its own culture and value system. Over the years, each has attempted to retain its unique identity, while also combining to form a multi-cultural heritage and lifestyle which assimilates the customs and values of the various ethnic groups.

Topics of special concern facing tourism include:

Growth

- o Recent strong growth
- o Growth's positive and negative impacts on the community
- o Determination of an "optimum" rate of future growth

Physical Development

- o Product quality and diversity
- o Land use planning
- o Adequacy of infrastructure

Environmental Resources and Cultural Heritage

- o Competition for limited outdoor recreational resources
- o Preservation, protection, and interpretation of historic and cultural resources
- o Maintenance of a clean environment

Community, Visitor and Industry Relations

- o Resident attitudes toward the visitor industry
- o Visitor understanding and respect for the community
- o Industry support of the community

Employment and Career Development

- o Labor shortage
- o Training and education for new sources of labor
- o Opportunities and education for upward mobility

Marketing

- o Increasing competition
- o Market diversification
- o Market research

The major objectives of the Tourism Functional Plan reflect the need to find a balance among these economic, social, and environmental issues. The objectives of the Plan address:

- o achievement of steady and balanced growth of the visitor industry hand in hand with infrastructure improvements;
- o development and maintenance of a well-designed, high quality visitor product;
- o respect for, and preservation and maintenance of the fragile resources which comprise Hawaii's natural environment and cultural heritage;
- o support of Hawaii's diverse range of lifestyles;
- o maintenance of a productive workforce which has opportunities for upward mobility and increases in real income;
- o maintenance of a high consumer awareness of Hawaii as a visitor destination in desired markets; and
- o maintenance of visitor markets to support desired levels of economic activity, and diversification of markets to provide a secure economic base.

The continued development and maintenance of a healthy visitor industry is the responsibility of many parties--Legislators, State and County agencies, private sector developers and visitor service providers, general businesses, as well as community associations, organizations and individuals. The State continues to strive to work in concert with these entities to develop an industry that is supportive of the lifestyles and values of Hawaii residents.

CHAPTER III. OBJECTIVES, POLICIES, AND ACTIONS

ISSUE AREA I: GROWTH

TOPICS OF SPECIAL CONCERN

- o Recent strong growth
- o Positive and negative impacts on the community
- o Determining an optimum rate

Hawaii has experienced dramatic growth in tourism during the last decade: total visitor arrivals increased from 3.9 million in 1980 to 6.6 million in 1989; while the average daily visitor census increased from 97,000 to 170,000 during the same period. Visitor expenditures increased from 23 percent of the Gross State Product in 1980 to about 35 percent in 1988.

Tourism's past and current growth has contributed to a general improvement in Hawaii residents' standards of living--improved health conditions, greater mobility, and a broader range of opportunities. However, as the major force in the economic development of the State, tourism also contributes to traffic congestion, and the increased competition for affordable housing, labor, and use of environmental resources. Recent surveys indicate that while Hawaii residents have strongly positive evaluations about tourism's impact, they also have substantial doubts about further tourism development.

However, continued growth of the economy is expected. While expansion and diversification efforts continue, tourism is expected to remain the mainstay of the economy over the next decade. In light of the dramatic growth Hawaii has experienced, and the resident concerns raised over future tourism development, the amount and type of future tourism growth that can be sustained and maintained should be determined. Plans must be formulated which facilitate desired tourism development, while at the same time discourage development which would impact negatively on the physical and human resources of the State. In other words, the State must plan for and develop tourism at an "optimum" growth rate.

But, what is optimum? Optimum has different meanings for the different publics which are impacted by tourism. For State and local governments, optimum can mean growth at a rate which generates enough tax revenues to fund public infrastructure, support facilities and support services, and to effectively promote desired development. For the private sector, optimum can mean growth at a rate which generates a high return on investment. For the community in general, optimum can mean growth at a rate which creates and maintains good jobs without spoiling the environment and quality of life.

The optimum growth rate of tourism, then, must be a rate which balances the economic, social and environmental objectives of the State. Achievement of this balance is the responsibility of all publics: State and local government, the private sector, and the community.

OBJECTIVE I.A.

Development, implementation and maintenance of policies and actions which support the steady and balanced growth of the visitor industry.

POLICY I.A.1.

Identify and ensure a rate of industry growth that is consistent with the social, physical and economic needs of the residents and the preservation of Hawaii's natural environment.

ACTION I.A.1.a.

Develop and integrate programs for monitoring the impacts of tourism on the community.

Lead Organization:	DBED
Assisting Organization(s):	OSP, UH, DOH, HVB, County economic development agencies
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds FY 93 Operating funds

Comments:

See actions IV.A.1.a. through IV.A.1.d. in Community, Visitor and Industry Relations section of this plan for specific items to be monitored and evaluated.

ACTION I.A.1.b.

Strongly consider the concept of using average daily visitor census and other more refined measures rather than number of visitor arrivals as a key indicator for evaluating the status of the visitor industry and its impact on the community.

Lead Organization: DBED
Assisting Organization(s): Counties, HVB
Start Date: Ongoing
Target Location: Statewide
Total Budget Estimate: FY 92 Operating funds
FY 93 Operating funds

ACTION I.A.1.c.

Prepare and evaluate alternative growth scenarios for future tourism development.

Lead Organization: DBED
Assisting Organization(s): UH, HVB, DLIR, OSP, Counties
Start Date: Ongoing
Target Location: Statewide
Total Budget Estimate: FY 92 Operating funds
FY 93 Operating funds

Comments:

Growth scenarios could include, but not be limited to: projected number of jobs created, visitor expenditures generated, number of employee housing units required, supporting infrastructure and services required, and impacts on the environment.

POLICY I.A.2.

Ensure that visitor industry growth maximizes benefits to the residents of the State in general and revenues to State and County governments specifically.

ACTION I.A.2.a.

Identify and cultivate visitors from desired target markets using the following approach: (1) identify travel segments of the geographic regions whose population bases exhibit the demographic and psychographic characteristics for potential long-haul travel; (2) identify the characteristics Hawaii desires in its visitors and develop profiles of these visitors; and (3) compare the two to identify desired markets to target.

Lead Organization:	DBED
Assisting Organization(s):	HVB, Counties
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds
	FY 93 Operating funds

Comments:

The geographic regions with the potential to generate visitors to Hawaii have been identified in the Tourism Strategic Plan. These regions can now be segmented from the perspectives of:

- o travel philosophy (basic orientation towards travel and the way in which people like to travel);
- o benefit segmentation (motivation for traveling and the kind of travel experiences people are looking for); and
- o product segmentation (kinds of facilities, activities, and services most desired while on vacation).

Characteristics desired in visitors to Hawaii include those visitors with high daily expenditures, longer lengths of stay, and who normally travel during times when Hawaii's visitor census is low. Profiles should be developed for each island.

ACTION I.A.2.b.

Identify alternative methods to decrease the seasonal fluctuations in average daily visitor census on an island by island basis.

Lead Organization:	DBED
Assisting Organization(s):	HVB, County economic development agencies
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds
	FY 93 Operating funds

ACTION I.A.2.c.

Identify alternative methods to increase the length of stay on an island by island basis.

Lead Organization:	DBED
Assisting Organization(s):	HVB, County economic development agencies
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds FY 93 Operating funds

POLICY I.A.3.

Provide opportunities for the visitor industry to grow keeping in mind the effects of the importation of labor.

ACTION I.A.3.a.

Coordinate with DLIR to develop the tourism component of (1) a Statewide system of employment planning and information; and (2) a database system which measures and identifies the labor supply of the State.

Lead Organization:	DBED, DLIR
Assisting Organization(s):	
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 \$30,576 FY 93 \$30,576

Comments:

See implementing action E(1)(b) of the 1990 Employment Functional Plan.

POLICY I.A.4.

Ensure that the growth of the visitor industry assists in the overall State goal of expansion and diversification of the economy.

ACTION I.A.4.a.

Coordinate tourism efforts with the State's other economic development plans and activities.

Lead Organization: DBED
Assisting Organization(s): OSP, DOA, County economic development agencies
Start Date: Ongoing
Target Location: Statewide
Total Budget Estimate: FY 92 Operating funds
FY 93 Operating funds

ACTION I.A.4.b.

Assess visitor industry and other sectors to identify potential joint development opportunities.

Lead Organization: DBED
Assisting Organization(s): County economic development agencies
Start Date: Ongoing
Target Location: Statewide
Total Budget Estimate: FY 92 Operating funds
FY 93 Operating funds

Comments:

Examples of such opportunities include ocean recreation activities, sports events, television and movie productions, and product promotions.

ACTION I.A.4.c.

Market and promote Hawaii's professional skills and expertise in tourism to the international market abroad.

Lead Organization: DBED
Assisting Organization(s): UH-TIM, OIR, private sector
Start Date: FY 92
Target Location: Statewide
Total Budget Estimate: FY 92 Operating funds
FY 93 Operating funds

POLICY I.A.5.

Ensure that the benefits of tourism development are spread evenly throughout the State, to the extent desired by the counties, by making special efforts to distribute growth to the Neighbor Islands.

ACTION I.A.5.a.

Identify target market segments which have the characteristics of Neighbor Island visitors.

Lead Organization:	DBED
Assisting Organization(s):	HVB, HVB Chapters, Counties
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds
	FY 93 Operating funds

POLICY I.A.6.

Identify, support, and coordinate priority statistical and research activities in tourism needed to support optimum tourism growth.

ACTION I.A.6.a.

Work with appropriate agencies and organizations to identify information needs and develop a plan to undertake priority research activities.

Lead Organization:	DBED
Assisting Organization(s):	OSP, UH-TIM, State agencies, Counties, HVB, private sector
Start Date:	FY 92
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds
	FY 93 Operating funds

Comments:

This action calls for the identification of additional priority information needs beyond those already specified in actions found throughout this plan.

ISSUE AREA II: PHYSICAL DEVELOPMENT

TOPICS OF SPECIAL CONCERN

- o Product quality
- o Product diversity
- o Land use planning
- o Adequate infrastructure
- o Visitor use of public services

The tourism "product" offered by a destination area is comprised of both physical (i.e., resort facilities and amenities supported by appropriate infrastructure) and human (i.e., direct and support service) elements. Product quality can be defined as the degree of excellence of the physical and human aspects offered. Product diversity refers to the range of different facilities, amenities, and services available.

Although visitor satisfaction surveys indicate a high level of success for the Hawaii product, these assessments have not been critically challenged, nor has an independent assessment of Hawaii's product quality or diversity been made. Continued success of the Hawaii tourism product and services is not guaranteed. Even though Hawaii has many unique competitive advantages, maintaining product quality cannot be overlooked.

Similarly, by failing to enhance product diversity, the State runs the risk of losing the repeat visitor--currently between 50 and 55 percent--to competing destinations which offer diverse and unique products and attractions. An image which includes diversity will be more competitive worldwide, especially as other sun-and-sand destinations are developed or upgraded.

The physical development of the tourism product must be cognizant of limited land and water resources in the State and competing uses for these resources in housing, agriculture and recreation. Preservation and enhancement of environmental, scenic, historic and cultural sites are also important considerations in seeking balanced growth.

OBJECTIVE II.A.

Development and maintenance of well-designed visitor facilities and related developments which are sensitive to the environment, sensitive to neighboring communities and activities, and adequately serviced by infrastructure and support services.

POLICY II.A.1.

Maintain high standards of overall quality of existing visitor destination and attraction areas.

ACTION II.A.1.a.

Work with appropriate agencies and organizations to develop a system to monitor existing visitor destination and attraction areas for deficiencies in product quality (e.g., lack of infrastructure and support services; excessive use of support facilities such as recreational resources; appropriateness of architectural themes).

Lead Organization:	DBED
Assisting Organization(s):	Counties, civic organizations, and visitor industry groups
Start Date:	FY 92
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds FY 93 Operating funds

Comments:

Information obtained from this monitoring effort regarding needed improvements would be delivered in a timely manner to State and local government representatives.

ACTION II.A.1.b.

Develop and maintain monitoring and evaluation instruments to ensure infrastructure and support services keep pace with planned resort development.

Lead Organization:	OSP, Counties
Assisting Organization(s):	DBED, DOT, DOE, HFDC, DLNR
Start Date:	FY 92
Target Location:	Statewide
Total Budget Estimate:	FY 92 To be determined FY 93 To be determined

Comments:

Infrastructure and support services include: water, sewers, solid waste disposal, roads, airports, housing, public utilities, fire services, police services, water safety/lifeguard services, medical services, social services, schools, and parks.

Related to this action is a carrying capacity study being undertaken by OSP. Funds have been appropriated by the 1990 State Legislature through House Bill 2296 to perform the second phase of this statewide project. The scope of the study encompasses the infrastructure and support services needs of resort regions.

POLICY II.A.2.

Enhance tourism product and encourage continued development of a diverse range of tourism products.

ACTION II.A.2.a.

Analyze existing products and identify needed improvements. Develop and maintain profiles of the tourism products available in Hawaii (i.e., inventory and description of accommodations, attractions, and services).

Lead Organization:	DBED
Assisting Organization(s):	HVB, HVB Chapters, County economic development agencies
Start Date:	FY 92
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds
	FY 93 Operating funds

ACTION II.A.2.b.

Collect and provide information to the visitor industry about the variety and delivery of tourism products and services in other resort destinations.

Lead Organization:	DBED
Assisting Organization(s):	HVB
Start Date:	FY 92
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds
	FY 93 Operating funds

Comments:

Information to be collected could include:

- o physical facilities and infrastructure (e.g., inventory of accommodations and attractions, capacity for expansion, availability and cost of capital to finance growth, condition of natural and man-made environment);
- o quality of service (e.g., visitor satisfaction levels, labor skills, management experience); and
- o emerging market segments such as health, eco-tourism, sports recreation, farm tourism, and so on.

POLICY II.A.3.

Facilitate the reasonable distribution of financial responsibilities between government and private parties to fund tourism-related capital improvements and related infrastructure requirements.

ACTION II.A.3.a.

Develop alternative financing strategies to fund tourism-related capital improvements and related infrastructure requirements.

Lead Organization:	Counties
Assisting Organization(s):	State agencies, LUC, private sector
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds
	FY 93 Operating funds

Comments:

See implementing action III.A.2.b. of the 1990 Transportation Functional Plan which proposes to investigate the use of development impact fees as a means of financing transportation improvements.

POLICY II.A.4.

Coordinate tourism development planning with human resource planning.

ACTION II.A.4.a.

Apprise all appropriate agencies of planned tourism-related economic initiatives which require a significant number of new work skills in human resources.

Lead Organization:	DBED
Assisting Organization(s):	DLIR, TTC, UH-TIM, DOE, developers of hotels and tourism-related businesses
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds FY 93 Operating funds

POLICY II.A.5.

Improve the availability of affordable housing for those employed in the visitor industry

ACTION II.A.5.a.

Impose realistic and fair employee housing requirements on projects seeking land use redesignations, general or development plan amendments, rezoning, SMA permits, and building permits.

Lead Organization:	State and County land use agencies
Assisting Organization(s):	OSP, HFDC, County housing agencies
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds FY 93 Operating funds

Comments:

Implementing Action B.3.a. in the 1989 Housing Functional Plan.

ACTION II.A.5.b.

Monitor projects which have been assessed with employee housing conditions to ensure that housing opportunities are actually being made available.

Lead Organization:	HFDC, Counties
Assisting Organization(s):	LUC, private sector
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds
	FY 93 Operating funds

Comments:

Related to Implementing Action B.3.b. in the 1989 Housing Functional Plan.

POLICY II.A.6.

Improve accessibility and arrival conditions at ports of entry.

ACTION II.A.6.a.

Expand international arrival facilities at Honolulu International Airport.

Lead Organization:	DOT
Assisting Organization(s):	Federal inspection agencies
Start Date:	Ongoing
Target Location:	Oahu
Total Budget Estimate:	FY 92 and
	FY 93 \$1,217.5 million

Comments:

Construction expected to start after relocation of tenants currently occupying the area. Construction expected to be completed in 1994.

POLICY II.A.7.

Improve the quality of existing parks and recreational areas, and ensure that sufficient recreational areas--including scenic byways and corridors--are available for the future.

ACTION II.A.7.a.

Monitor public access to beaches. Such monitoring should include lease to fee conversions of major landholders to identify potential beach access parcels of land which should be acquired by State or County governments.

Lead Organization: DLNR
Assisting Organization(s): LUC, County planning, and parks and recreation agencies
Start Date: Ongoing
Target Location: Statewide
Total Budget Estimate: FY 92 \$100,000 (subject to availability of funds)

Comments:

See related implementing action III-D(1)a under the "Public Access to the Shoreline and Upland Recreation Areas" of the 1990 Recreation Functional Plan which seeks to identify priority lands to be acquired and provide funding for acquisition.

ACTION II.A.7.b.

Establish fund to purchase parcels which will ensure beach access.

Lead Organization: DLNR
Assisting Organization(s): LUC, County planning, and parks and recreation agencies
Start Date: FY 92
Target Location: Statewide
Total Budget Estimate: FY 92 \$100,000 (land appraisal) (subject to availability of funds)

Comments:

See related implementing action III-D(1)a under the "Public Access to the Shoreline and Upland Recreation Areas" of the 1990 Recreation Functional Plan which seeks to identify priority lands to be acquired and provide funding for acquisition.

ACTION II.A.7.c.

Acquire beaches in the following areas for expansion of existing beach parks, and development of future beach parks:

Kauai: Haena, Hanalei, Mahaulepu, and Poipu
Oahu: Mokuleia (Makaleha Beach), Kahuku, and Queens Beach
Maui: Makena, Honolua Bay, Mokuleia Bay (Slaughterhouse), and Honomanu Bay
Lanai: Shipwreck Beach
Molokai: Honomuni Beach, Halawa Valley, and Moanui
Hawaii: Wailea Bay, 'Anaeho'omalua Bay to Ka'upulehu, and Kua Bay

Lead Organization: DLNR, City & County of Honolulu (for Makaleha Beach)
Assisting Organization(s):
Start Date: FY 92
Target Location: Statewide
Total Budget Estimate: FY 92 through
FY 95 \$25,000 per site
(subject to availability of funds)

Comments:

See implementing action I-A(1)a* and related comments regarding prioritization under the "Ocean and Shoreline Recreation" section of the 1990 Recreational Functional Plan.

It must be noted that acquisition of these beaches will assist in addressing the problem of saturation of the capacity of beach parks and nearshore waters as a result of high volume use by both residents and visitors.

ACTION II.A.7.d.

Develop plans, landscape and beautify Kapiolani Park, Kuhio Beach Park, Waikiki mini-parks, Ala Wai Boulevard, Ala Wai Canal, Ala Wai Promenade and Ala Moana Park.

Lead Organization: City & County of Honolulu
Assisting Organization(s): DOT, OSP, DLNR, WIA
Start Date: Ongoing
Target Location: Waikiki/Ala Moana
Total Budget Estimate: See comments below

Comments:

\$1,000,000 appropriated for FY 91 from 1990 State Legislature, House Bill No. 3114, HD2, SD1, CD1. The bill stated that "these funds shall not pay for more than eighty percent of the total costs for the beautification project" and that "the City and County of Honolulu shall act in agreement with the Waikiki Improvement Association as to the allocation of funds among the different projects."

ACTION II.A.7.e.

Review alternatives and select the most effective method to clean the Ala Wai Canal.

Lead Organization: DLNR
Assisting Organization(s): DOT, OSP, WIA
Start Date: Ongoing
Target Location: Waikiki
Total Budget Estimate: See comments below

Comments:

\$700,000 appropriated for FY 91 from 1990 State Legislature, House Bill 2104, HD1, SD1.

ACTION II.A.7.f.

Perform a beach recovery program study to include, but not be limited to: development of methods to stabilize Waikiki Beach; investigation of offshore sand resources to restore Waikiki Beach; and a review of ownership of the land fronting Waikiki to resolve littoral rights.

Lead Organization: DOT
Assisting Organization(s):
Start Date: Ongoing
Target Location: Waikiki
Total Budget Estimate: See comments below

Comments:

\$1,000,000 appropriated for FY 91 by the 1989 Legislature to DOT to develop a beach recovery program for Waikiki. DOT recently engaged a team of consultants under a \$1,000,000 contract to perform the above study. The study is expected to take one to two years to complete.

ACTION II.A.7.g.

Plan and develop camp sites, picnic facilities, and other recreational amenities at existing parks and new sites in the following locations:

Kauai: Kokee and Waimea Canyon State Parks, and Wailua River State Park (existing)
Oahu: Kahana Valley State Park (existing), and Peacock Flats, Palehua, and Makiki Valley (new)
Molokai: Wailau Valley (new)
Maui: Polipoli Springs State Park (existing)
Hawaii: Akoakoa Point-Pololu Valley (including the Kohala Ditch Trail) (new)

Lead Organization: DLNR
Assisting Organization(s): Na Ala Hele/NARS, DOE, Hawaii Nature Center
Start Date: FY 92
Target Location: Statewide
Total Budget Estimate: FY 92 \$150,000 (planning)
(subject to availability of funds)

Comments:

See implementing action II-A(2)a and related comments under "Mauka, Urban, and Other Recreation Opportunities" section of 1990 Recreation Functional Plan.

It must be noted that planning and development of these facilities will assist in the provision of alternative recreational opportunities which are sorely needed as capacities at beach parks are exceeded due to high volume use by both residents and visitors.

ACTION II.A.7.h.

Develop plans for the State's Trail and Access System (Na Ala Hele Hawaii).

Lead Organization:	DLNR
Assisting Organization(s):	AG, DHHL, Counties, National Park Service, Nature Conservancy, private landowners, trail user groups
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds

Comments:

See related implementing action II-A(3)b under "Mauka, Urban and Other Recreation Opportunities" section of 1990 Recreation Functional Plan which plans and develops priority demonstration trails identified by the Na Ala Hele program.

ACTION II.A.7.i.

Investigate the feasibility of developing new rest areas and/or roadside parks at scenic points (e.g., along Likelike Highway, in forest or beach areas) to improve facilities for visitors (and residents) and provide more alternative locations for visitors.

Lead Organization:	DLNR, Counties
Assisting Organization(s):	DOT
Start Date:	FY 92
Target Location:	Statewide
Total Budget Estimate:	FY 92 \$100,000 (planning and appraisal)
	FY 93 \$500,000

ACTION II.A.7.j.

Investigate the concept of establishing a Scenic Byways Program which would include, but not be limited to, identifying important scenic and historic byways and corridors of land, and exploring ways to keep scenic corridors open and free of development.

Lead Organization:	DLNR
Assisting Organization(s):	DOT, DBED, Counties
Start Date:	FY 92
Target Location:	Statewide
Total Budget Estimate:	FY 92 \$25,000
	FY 93 \$25,000

POLICY II.A.8.

Encourage the development of hotels and related facilities within designated visitor destination areas with adequate infrastructure and support services before development of other possible visitor destinations.

ACTION II.A.8.a.

Ensure that all proposed tourism development projects conform to the following guidelines:

- o cluster hotels and resort condominium developments to provide open space and promote energy conservation;
- o use regional sewerage systems rather than individual private systems;
- o ensure adequate infrastructure, support services, and labor supply;
- o ensure a mix of visitor accommodations including full service hotels and condominium apartments;
- o ensure setbacks from the shoreline for access which facilitates and encourages public use of those areas;
- o provide for an adequate number of affordable dwelling units to accommodate employee households;
- o minimize loss of public recreational opportunities;
- o minimize environmental impacts from marinas; and
- o reflect the Hawaiian motif and environment.

Lead Organization:	OSP, Counties
Assisting Organization(s):	LUC, DBED, OHA, DLNR, HFDC
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds
	FY 93 Operating funds

ISSUE AREA III: ENVIRONMENTAL RESOURCES AND CULTURAL HERITAGE

TOPICS OF SPECIAL CONCERN

- o Competition for limited outdoor recreational resources
- o Preservation, protection, and interpretation of historic and cultural resources
- o Maintenance of a clean environment

Outdoor recreational activities are a major reason visitors travel to Hawaii, and a major component of desired "quality of life" for residents. Growing commercial uses of parks and ocean areas have resulted in increasing tension between private users (generally residents) and commercial patrons (generally tourists). According to the 1988 Tourism Impact Core Survey, about one in four residents said some favorite place had been taken over by tourists in the past five years. At the same time, the most favored places for residents to interact with tourists were outdoors at beaches and parks. Many user conflicts are caused by lack of understanding by visitors and other newcomers about local customs, traditions, and values. A mechanism is needed to resolve conflicts between different recreational activities, and to deal with the increased use of public recreation areas for commercial activities and the increased use of popular recreation areas by tourists.

Another of Hawaii's tourism assets is its rich multi-cultural heritage (including historic/cultural sites) which can enrich residents and visitors. The success or failure of our present economy will be determined by how well Hawaii's identity is preserved, enhanced and interpreted among ourselves and communicated to others. Hawaii is competing with other destinations which are also focusing on cultural preservation as a tool for tourism marketing. Current efforts in cultural preservation are fragmented. Emphasis must be placed on the coordination of the various entities involved in the protection, preservation, interpretation, and marketing of Hawaii's cultural and historic resources. There is a need for more government and private sector support of heritage preservation efforts and communication of these to visitors and residents.

Hawaii's natural scenic beauty and clean environment are other reasons visitors are attracted to the State. However, increasing resident and visitor populations contribute to increasing levels of environmental degradation and trash produced. Landfills to accommodate the current one million tons of garbage produced per annum are reaching their limits. In addition, litter on the beaches, along the shoreline, and in the nearshore waters is an increasing problem. Much of the litter is non-biodegradable (e.g., aluminum cans, plastics), is unsightly to residents and visitors, can pose a health threat, and can endanger marine

life. Preventative measures such as heightening awareness of the problem through education programs, encouraging recycling efforts, and prohibiting use of non-biodegradable products should be emphasized.

Evaluating the degree to which tourism impacts the environment is also a priority. Monitoring these impacts is addressed through the Visitor Impact Management System under the "Community, Visitor and Industry Relations" section of this plan.

OBJECTIVE III.A.

Enhancement of respect and regard for the fragile resources which comprise Hawaii's natural and cultural environment. Increased preservation and maintenance efforts.

POLICY III.A.1.

Assist in preserving and maintaining recreational resources.

ACTION III.A.1.a.

Develop a cooperative planning effort between government agencies and the visitor industry which focuses on areas of special concerns with high user conflicts. The planning effort should:

- o review State and County cross-jurisdictions at public beach parks;
- o identify the needs of residents and visitors alike;
- o determine the economic value of alternative ocean recreation activities as part of policy/decision-making;
- o manage the development of commercial ocean recreation activities and assess their cumulative impacts before significant environmental and social impacts occur;
- o analyze dispersion of use so that no single area is heavily impacted; and
- o recommend development of alternative attraction areas.

Lead Organization:	DBED
Assisting Organization(s):	DOT, DLNR, Counties
Start Date:	FY 92
Target Location:	Statewide
Total Budget Estimate:	FY 92 \$32,868
	FY 93 \$32,868

Comments:

The Hawaii Ocean and Marine Resources Council empowered under Chapter 228, HRS, and chaired and staffed by DBED, is charged with developing a comprehensive Ocean Resources Management Plan. They will be making policy recommendations related to the above.

Ocean recreation is the first priority to be addressed in resolving user conflicts in recreational areas. The planning effort in this area can serve as a model for use in other types of recreational areas.

POLICY III.A.2.

Assist in preserving, perpetuating, and interpreting cultural, historic and archaeological resources. Preserve cultural authenticity as much as possible in commercialized and tourist-oriented presentations.

ACTION III.A.2.a.

Develop and maintain a Cultural Tourism Program with the following goals and objectives:

- o Ensure that tourism experiences enhance or perpetuate authentic culture and do not degrade, misrepresent, or cause decline of the culture of Hawaii;**
- o Offer cultural incentives and experiences as part of the tourism product, especially for the repeat visitor and/or the more cosmopolitan visitor, interested in the various cultures of Hawaii;**
- o Use tourism to provide employment opportunities especially in the performing arts and other cultural activities;**
- o Encourage the development of income-generating cultural activities; and**

- o Stimulate an awareness of Hawaii's culture among the visitor industry work force. Promote knowledge to reinforce and project cultural authenticity.

Lead Organization: DBED
Assisting Organization(s): OHA, SFCA, HVB, visitor industry
Start Date: Ongoing
Target Location: Statewide
Total Budget Estimate: FY 92 Operating funds
 FY 93 Operating funds

ACTION III.A.2.b.

Develop and maintain a Cultural Tourism database which makes accessible information on all cultural activities and entities including museums, festivals, events, and sites. Include this information in marketing programs.

Lead Organization: DBED
Assisting Organization(s): OHA, SFCA, DLNR, UH, HVB, visitor industry
Start Date: Ongoing
Target Location: Statewide
Total Budget Estimate: FY 92 Operating funds
 FY 93 Operating funds

Comments:

See Action VI.A.3.c. in Marketing section of this plan.

ACTION III.A.2.c.

Support touring performing arts to showcase the State's heritage and cultural resources.

Lead Organization: DBED
Assisting Organization(s): SFCA, OHA, private sector
Start Date: FY 92
Target Location: Statewide
Total Budget Estimate: FY 92 Operating funds
 FY 93 Operating funds

Comments:

Addresses HCR 191 from the 1988 Legislative Session which requested DBED study the feasibility of establishing a touring arts company as a permanent state program to serve as a promotional showcase for the native Hawaiian heritage.

ACTION III.A.2.d.

Encourage resort developers who have significant historic and archaeological resources on their properties to preserve, maintain, and interpret them.

Lead Organization:	DLNR
Assisting Organization(s):	OHA, DBED, County Planning Departments
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds FY 93 Operating funds

POLICY III.A.3.

Assist in keeping Hawaii clean, beautiful and safe.

ACTION III.A.3.a.

Provide information to, and convene workshops for, visitor industry businesses regarding reduction of waste/litter at source points, recycling programs and litter clean-up days to encourage participation in such efforts.

Lead Organization:	DOH, DBED-Energy
Assisting Organization(s):	HVB, Counties, Recycling Association of Hawaii, private sector
Start Date:	FY 92
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds FY 93 Operating funds

Comments:

Visitor industry education programs included as part of DOH and DBED-Energy's overall public educational efforts regarding litter and recycling.

ACTION III.A.3.b.

Encourage participation in the "adopt-a-park," "adopt-a-beach," and "adopt-a-trail" programs being established by DLNR to get the public involved in caring for public recreation facilities.

Lead Organization:	DLNR
Assisting Organization(s):	HVB, visitor industry
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds
	FY 93 Operating funds

Comments:

See implementing action V-C(3)b under "Management of Recreation Programs, Facilities, and Areas" of the 1990 Recreation Functional Plan.

ISSUE AREA IV: COMMUNITY, VISITOR AND INDUSTRY RELATIONS

TOPICS OF SPECIAL CONCERN

- o Resident attitudes toward the visitor industry
- o Visitor understanding and respect for the community
- o Visitor welfare (safety)
- o Industry support of the community

Tourism is a people industry, and as such, relations among residents, visitors, and the industry need to be monitored and enhanced. All three need a keen understanding of and sensitivity to each other's needs.

Resident receptivity to tourism is essential to the long-term health of the industry. Recent State surveys suggest that residents generally like visitors as people unless they feel that visitors are "taking over," or getting preferred treatment; are interfering with daily life; or, more rarely, if they behave rudely. Resident support of tourism is often related to the extent they participate in the visitor industry (e.g., as workers or owners of tourism-related businesses), and the benefits they receive from this participation.

Visitors' understanding of, and respect for, the local traditions, customs, and culture of Hawaii are essential to maximize visitors' satisfaction and safety, and minimize intrusions on the daily lives of Hawaii residents.

Participation in community service activities and the provision of monetary contributions to charitable organizations demonstrate the visitor industry's understanding and acknowledgement of residents' needs. Corporate commitment to the community is vital to an industry dependent on resident support.

OBJECTIVE IV.A.

Support of Hawaii's diverse range of lifestyles and natural environment.

POLICY IV.A.1.

Maintain a Visitor Impact Management System which monitors and disseminates information about visitor industry activities that affect the social, physical, and economic needs and aspirations of Hawaii's people.

ACTION IV.A.1.a.

Develop and maintain monitoring and evaluation instruments to obtain subjective and objective information about the quality of visitor industry employment.

Lead Organization: DBED
Assisting Organization(s): DLIR, UH-TIM, HVB, HHA
Start Date: Ongoing
Target Location: Statewide
Total Budget Estimate: FY 92 Operating funds
FY 93 Operating funds

Comments:

The 1988 Statewide Tourism Impact Core Survey of adult residents has been completed. Results indicate that more factual information should be gathered from the visitor industry workforce regarding compensation, job security, working hours, and opportunities for advancement.

In order to be meaningful, the information obtained should be compared to other industries within Hawaii, as well as to tourism in comparable states or countries.

ACTION IV.A.1.b.

Develop and maintain monitoring instruments to assess the economic and fiscal impacts of tourism.

Lead Organization: DBED
Assisting Organization(s): DLIR, DoTAX, HVB, County economic development agencies
Start Date: Ongoing
Target Location: Statewide
Total Budget Estimate: FY 92 Operating funds
FY 93 Operating funds

Comments:

This would include the direct, indirect, and induced employment and tax revenues generated, and degree of leakage due to imports and repatriation of profits to non-Hawaiian owners of tourism-related businesses.

Other types of economic studies to be undertaken could include, but not be limited to:

- o Cost/benefit studies of: (1) hotel developments; (2) resort residential developments; and (3) preservation of archaeological sites.
- o The relationship between tourism and real estate values/real property taxes.

ACTION IV.A.1.c.

Develop and maintain monitoring instruments to assess the environmental impacts of tourism.

Lead Organization:	DBED	
Assisting Organization(s):	DOH, HVB	
Start Date:	FY 92	
Target Location:	Statewide	
Total Budget Estimate:	FY 92	Operating funds
	FY 93	Operating funds

Comments:

Types of data to be collected could include, but not be limited to:

- o amount of water consumed by visitors per day;
- o amount of waste generated by visitors per day;
- o number of landfills needed to accommodate waste;
- o number of tour buses on the road per day;
- o number of rental cars on the road per day; and
- o number of aircraft landing per day.

ACTION IV.A.1.d.

Conduct special studies on subjects of topical interest.

Lead Organization:	DBED	
Assisting Organization(s):	State and County agencies	
Start Date:	FY 92	
Target Location:	Statewide	
Total Budget Estimate:	FY 92	Operating funds
	FY 93	Operating funds

POLICY IV.A.2.

Make recommendations and disseminate information as needed to address impacts including, but not limited to, those identified through the Visitor Impact Management System.

ACTION IV.A.2.a.

Develop and maintain an outreach program to disseminate impact information through written reports and oral presentations on a regular basis.

Lead Organization:	DBED	
Assisting Organization(s):	HVB	
Start Date:	FY 92	
Target Location:	Statewide	
Total Budget Estimate:	FY 92	Operating funds
	FY 93	Operating funds

Comments:

The outreach program could encompass one or more persons serving as community liaisons working with legislators, county governments, community groups, and area business organizations to identify tourism-related priorities on an area-by-area basis. This liaison role would facilitate a coordinated community response to tourism impacts, and would identify government resources which could contribute to solutions.

The outreach program could also use the DBED electronic "Bulletin Board" to assist in dissemination of impact information to the Counties.

OBJECTIVE IV.B.

Achievement of mutual appreciation among residents, visitors, and the visitor industry.

POLICY IV.B.1.

Expand and improve programs designed to inform residents about the contributions of the visitor industry (including job and small business opportunities, and community support), and the roles residents play in making the industry successful.

ACTION IV.B.1.a.

Inventory and review programs conducted by various agencies such as the Hawaii Visitors Bureau (HVB) or private organizations which provide residents with information about tourism's contributions, and how residents can benefit through participation in the industry (i.e., job opportunities, entrepreneurial opportunities). Modify or redesign existing programs, or initiate new programs as necessary.

Lead Organization:	DBED
Assisting Organization(s):	DOE, UH, HVB, VIEC, Chamber of Commerce
Start Date:	FY 92
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds
	FY 93 Operating funds

Comments:

Initial programs to be reviewed include those of the HVB's Visitor Satisfaction and Community Relations Department, and the Visitor Industry Education Council (VIEC) (e.g., the television advertising campaign describing how the tourism dollar supports Hawaii's economy which the industry developed about 15 years ago). Review of these programs should focus on the accuracy and timeliness of information provided, as well as the presentation of material.

ACTION IV.B.1.b.

Develop programs to maintain and enhance the Aloha Spirit within residents and visitor industry owners, managers, and workers.

Lead Organization:	HVB
Assisting Organization(s):	DBED, DLIR, Chamber of Commerce, visitor industry
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds
	FY 93 Operating funds

POLICY IV.B.2.

Expand and improve programs designed to inform visitors about: what to expect when visiting Hawaii, what is expected of them, water safety practices, and safety procedures in the event of emergencies.

ACTION IV.B.2.a.

Inventory and review visitor education, greeting, and safety programs conducted by various agencies such as the Hawaii Visitors Bureau (HVB) and private organizations such as the hotels, airlines or tour agencies. Modify or redesign existing programs, or initiate new programs as necessary.

Lead Organization:	DBED	
Assisting Organization(s):	HVB	
Start Date:	FY 92	
Target Location:	Statewide	
Total Budget Estimate:	FY 92	Operating funds
	FY 93	Operating funds

Comments:

The HVB is currently reviewing the Visitor Reaction Survey to include questions regarding visitors' overall reaction to their experiences in Hawaii. Visitors might also be queried as part of this survey to find out if they felt educational programs (especially an in-flight movie) were helpful to them in appreciating the Islands, interacting with local customs, and preparing them to deal with emergencies. They might also be asked if they had any reactions such as feeling that the educational process was patronizing.

POLICY IV.B.3.

Develop, maintain, and encourage corporate citizenship programs which monitor and disseminate information about the type and degree of community support provided by tourism-related businesses, and which coordinate community needs and visitor industry contributions.

ACTION IV.B.3.a.

Monitor, analyze, and report on the type and degree of community support provided by tourism-related businesses in comparison to other industries.

Lead Organization:	HVB	
Assisting Organization(s):	DBED	
Start Date:	FY 92	
Target Location:	Statewide	
Total Budget Estimate:	FY 92	Operating funds
	FY 93	Operating funds

Comments:

The information obtained can be used to enhance the likelihood of community needs being fulfilled by appropriate visitor industry contributions.

ISSUE AREA V: EMPLOYMENT AND CAREER DEVELOPMENT

TOPICS OF SPECIAL CONCERN

- o Labor shortage
- o Training and education for new sources of labor
- o Opportunities and education for upward mobility

The availability of employment opportunities in Hawaii has always been a major Statewide concern. However, Hawaii is currently in a situation where the opportunities outweigh the labor force available to take advantage of them. The labor market is anticipated to remain tight through 2000 as the supply of labor does not keep up with the demand for labor. With the development of appropriate incentives, potential new sources of labor could come from first-time labor market entrants; retirees, women and others who have previously left the labor force, but who may be attracted back; military dependents; and in-migrants to Hawaii, from the U.S. mainland, U.S. territories, or foreign countries.

The labor shortage has focused attention on the challenge of developing unemployed and underemployed persons as a source of labor for the visitor industry. Creative strategies to increase the labor pool such as improved transportation, housing, child care, and job accommodation need to be pursued.

Besides competing for labor, the visitor industry will have to provide training for new types of workers as well as for changing job skill requirements to accommodate changing resort developments (e.g., more foreign visitors, upscale facilities). At the same time, workers' expectations may be rising. Management and labor within the Hawaii tourist industry should cooperate to identify and communicate career ladders, to provide entry-level training, and to upgrade training for existing personnel which will enhance opportunities for upward mobility.

Coordination among economic development efforts, training and educational systems, and the private sector is essential. An increasingly important factor is the private sector's role as a facilitator of employee training. Visitor industry employers should be encouraged to provide their employees with both information regarding the education and training opportunities outside the workplace, as well as access to these opportunities.

OBJECTIVE V.A.

Development of a productive workforce to maintain a high quality visitor industry.

POLICY V.A.1.

Expand the available workforce taking into consideration seasonal unemployment and importation of labor.

ACTION V.A.1.a.

Coordinate with appropriate agencies to develop employment programs designed to alleviate hindrances for Hawaii residents willing to work.

Lead Organization:	DLIR
Assisting Organization(s):	TTC, DBED, DOT, OSP, HFDC, OHA, DHS, Alu Like, OCY, EOA, COPWD, private sector
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	See details in Employment Functional Plan

Comments:

Such programs might address related labor issues such as housing, day care, elderly care, retirees re-entering the workforce, reasonable job accommodation, technology, and transportation.

See implementing actions A(2)(a) through A(2)(j), A(3)(g), A(3)(h), and A(3)(o) through A(3)(s) of the 1990 Employment Functional Plan which establish proactive measures to increase access of special needs populations to education, training and employment. Special needs populations include: underrepresented minorities, older adults, homeless, incarcerated persons, non-native speakers, disadvantaged persons, and disabled persons.

See implementing actions D(3)(a) through D(3)(f) of the 1990 Employment Functional Plan which develop flexible programs that provide workers with various options to meet their individual family care-giving responsibilities.

ACTION V.A.1.b.

Develop training programs to assist Hawaii residents who are currently unemployed or who are returning to the workforce.

Lead Organization:	DLIR, UHCC
Assisting Organization(s):	Work Hawaii, Alu Like, TTC, DBED, visitor industry
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 \$250,000 FY 93 \$300,000

POLICY V.A.2.

Encourage development of training programs which improve the quality of services provided at tourism-related facilities.

ACTION V.A.2.a.

Develop a special training program to sensitize personnel at visitor arrival facilities to the special spirit of Aloha which has been the traditional greeting to Hawaii.

Lead Organization:	DOT
Assisting Organization(s):	Federal agencies, UHCC, DBED, HVB, airlines
Start Date:	See comments below
Target Location:	Statewide
Total Budget Estimate:	See comments below

Comments:

It is anticipated that the aforementioned action will be incorporated within 1990 Transportation Functional Plan Implementing Action IV.A.2.b. "Construct an airport training center." Construction of this facility will start as soon as possible, and is estimated to cost \$6.9 million. The facility is expected to provide a variety of training programs and activities.

ACTION V.A.2.b.

Support and improve the Interpret Hawaii program and curriculum.

Lead Organization:	UHCC
Assisting Organization(s):	DLIR, DOE, SFCA, OHA, Hawaii Transportation Association
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 \$39,000 FY 93 \$39,000

ACTION V.A.2.c.

Lend support to programs such as the Waiaha Foundation "Tourism--Keeper of the Culture" program to help employees and managers of tourism-related businesses enhance the integrity and vitality of the Hawaiian culture including Hawaiian values, and historic and archaeological sites.

Lead Organization:	DBED
Assisting Organization(s):	
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds
	FY 93 Operating funds

OBJECTIVE V.B.

Enhancement of career and employment opportunities in the visitor industry.

POLICY V.B.1.

Provide opportunities for Hawaii's people to obtain job training and education that will allow for upward mobility within the visitor industry.

ACTION V.B.1.a.

Maintain a Tourism Training Council as a permanent entity within DLIR.

Lead Organization:	DLIR
Assisting Organization(s):	DOE, UH-TIM, UHCC, Counties, private colleges, other appropriate governmental and private agencies.
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 94 \$79,356
	FY 95 \$81,216

Comments:

The Council shall be appointed by the Governor for the purpose of monitoring and coordinating government and industry activities and programs that develop and improve the quality of the visitor industry workforce and to encourage opportunities for upgrading and career development for present and future visitor industry employees.

ACTION V.B.1.b.

Expand educational and training programs into intermediate and secondary schools to provide early opportunities for Hawaii youths seeking careers in the visitor industry.

Lead Organization:	DLIR, DOE
Assisting Organization(s):	UHCC, VIEC, HVB
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 94 \$83,000
	FY 95 \$50,000

ACTION V.B.1.c.

Strengthen school/business partnerships to provide students with hands-on experience and career education in the visitor industry.

Lead Organization:	DOE, UHCC
Assisting Organization(s):	DLIR, DBED, UH-TIM, VIEC, HVB, private colleges, Chambers of Commerce, visitor industry
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds
	FY 93 Operating funds

ACTION V.B.1.d.

Continue to improve services to students relating to job placement, career counseling, and information on occupations and educational/training opportunities in Hawaii and provide a better match of placement opportunities for vocational students and industry needs.

Lead Organization:	DOE, UHCC	
Assisting Organization(s):	Alu Like, DLIR, DBED, UH-TIM, VIEC, HVB, private colleges, Chambers of Commerce, private sector	
Start Date:	Ongoing	
Target Location:	Statewide	
Total Budget Estimate:	FY 92	\$371,735
	FY 93	\$475,985

ACTION V.B.1.e.

Continue to provide--through the public sector--vocational, entry-level training in hotel operations, food service, and associated fields such as maintenance, landscaping, tourist services, business office, and retail operations.

Lead Organization:	UHCC	
Assisting Organization(s):	Visitor industry	
Start Date:	Ongoing	
Target Location:	Statewide	
Total Budget Estimate:	FY 92	\$778,981
	FY 93	\$948,861

Comments:

Examples of these types of vocational programs include: a culinary institute at Kapiolani Community College; an Aviation Training Center program at Honolulu Community College; and foreign languages and foreign culture classes at Maui Community College.

Wherever possible, vocational programs should consider putting training courses on video tapes to enable employees who cannot attend classes at the Community Colleges to "train" on property or at home.

ACTION V.B.1.f.

Continue to provide undergraduate and graduate level travel industry management training and education in hotel and restaurant operations, tourism administration, and transportation.

Lead Organization: UH-TIM
Assisting Organization(s):
Start Date: Ongoing
Target Location: Statewide
Total Budget Estimate: FY 92 \$112,350
 FY 93 \$112,350

Comments:

University of Hawaii, School of Travel Industry Management seeking initiation of a Bachelor of Science degree and expansion of its undergraduate enrollment (not to exceed 600 students), and increased instructional support for its graduate program.

ACTION V.B.1.g.

Expand Travel Industry Management credit course offerings to the Neighbor Islands.

Lead Organization: UH-TIM
Assisting Organization(s):
Start Date: Ongoing
Target Location: Statewide
Total Budget Estimate: FY 92 \$125,000
 FY 93 \$125,000

Comments:

Currently funded through the Tourism Training Council which contracts with UH-TIM.

ACTION V.B.1.h.

Coordinate with appropriate agencies to develop programs to help entrepreneurs interested in starting tourism-related businesses.

Lead Organization: DBED
Assisting Organization(s): DLIR, OHA
Start Date: Ongoing
Target Location: Statewide
Total Budget Estimate: FY 92 Operating funds
 FY 93 Operating funds

ACTION V.B.1.i.

Develop management strategies which provide on-the-job training and advancement for Hawaii's people, especially by underrepresented groups, into management positions in the visitor industry.

Lead Organization:	DLIR
Assisting Organization(s):	Work Hawaii, Alu Like, UHCC, UH-TIM, Waiaha Foundation, visitor industry
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds FY 93 Operating funds

ACTION V.B.1.j.

Continue to provide--through the private sector--the opportunity for, information about, and access to entry-level and career advancement training programs for employees.

Lead Organization:	Visitor industry
Assisting Organization(s):	TTC
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Not applicable FY 93 Not applicable

POLICY V.B.2.

Encourage the visitor industry to consider Hawaii residents first when hiring and to provide opportunities for upward mobility.

ACTION V.B.2.a.

Develop a job placement clearinghouse to:

- o survey and identify management levels and positions, and job duties and requirements, which can provide challenging career opportunities for entry level and non-entry level, experienced, college-educated Hawaii residents; and

- o monitor and participate in recruitment of management level positions and encourage visitor industry employers to consider Hawaii residents first when filling available positions.

Lead Organization: DLIR
Assisting Organization(s): DBED
Start Date: FY 92
Target Location: Statewide
Total Budget Estimate: FY 92 Operating funds
FY 93 \$50,000

Comments:

An example of a recruitment/job placement program is the resume service provided by the High Technology Development Corporation (HTDC). HTDC solicits resumes of Hawaii residents currently working out of State who wish to return to Hawaii. The resumes are mailed to various high tech-related businesses, and are also listed on the DBED Bulletin Board.

See related implementing action C(1)(a) in 1990 Employment Functional Plan regarding further development of multi-service assistance centers for jobseekers and employers blending staff and resources from State, County and non-profit placement and placement-related organizations.

ISSUE AREA VI: MARKETING

TOPICS OF SPECIAL CONCERN

- o Increasing competition
- o Market diversification
- o Market research
- o Balanced growth

As the mainstay of Hawaii's economy, the continued health and viability of tourism is of utmost concern. Marketing is one of the primary tools which can guide further development of the industry in the manner most beneficial to residents and the natural environment.

Hawaii's marketing organizations and approaches have been in transition during the last five years. In the past, the State's marketing efforts were focused on increasing visitor arrivals in its existing markets. Limited marketing funds made this the most viable approach at the time. However, the resources for marketing have increased dramatically in the last several years in response to increasingly keen competition worldwide for the tourism dollar.

Maintenance of existing Base (Western USA and Canada) and Developing (Japan) markets remains a priority of the State. However, in order to reduce dependence on a few key markets, a substantial portion of the State's current marketing resources are being directed toward creating new sources of visitors from new segments within existing markets, as well as from new geographic markets. Prospecting efforts in these new market sources seek to balance consumer needs with community objectives and the protection of the physical and human resources which comprise Hawaii's tourism product.

Prospecting in new markets will require enhanced market research efforts focused on identifying regions with the potential for generating visitors to Hawaii. Cultivation of new markets, however, will not occur at the expense of the existing Base and Developing markets.

The State anticipates low to modest growth within the Base markets and fairly rapid growth rates in Developing and New visitor markets for a combined overall slowing of growth in total visitor arrivals. While a specific overall growth rate for visitor arrivals cannot be indicated at this time, growth in visitor arrivals during the planning period should be modest and slower than the previous five years to be compatible with the economic, social and environmental needs of Hawaii residents.

OBJECTIVE VI.A.

Maintenance of a high customer awareness of Hawaii as a visitor destination in specific desired market segments.

POLICY VI.A.1.

Diversify pleasure markets geographically and by market segment through opening new source markets which exhibit desired characteristics and strong potential for growth, while allowing for a modest increase in established markets.

ACTION VI.A.1.a.

Maintain visitor arrivals in Base Markets--Western USA and Western Canada, and initiate efforts which will allow for a low to modest (1-3 percent) annual average growth rate.

Lead Organization:	DBED
Assisting Organization(s):	HVB, HVB Chapters, marketing contractors, County economic development agencies, destination associations, and visitor industry
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 \$130,000*
	FY 93 \$310,000*

* Only includes additional funds being requested for HVB in conjunction with the Draft Biennial Tourism Marketing Plan for 1991-93.

Comments:

Formulate five-year plan for Base markets. Base markets include the 13 western states of the U.S. and the three western-most Canadian provinces.

Develop definitions of specific target markets within this region (definitions would include characteristics and motivations such as seasonality, income, health, sports, recreation, farm tourism, and so on.) Focus on niche-marketing or special interest tourism.

Focus marketing efforts on assisting industry to provide consumer with instant access to destination and retail or supplier information (in contrast to increasing the level of awareness, which is already very high). Examples of these efforts could include co-operative advertising efforts, an "800" telephone number, and test projects working with a Computer Reservation System (CRS).

ACTION VI.A.1.b.

Increase visitor arrivals in Developing Markets--Japan, and allow for a fairly rapid (relative to base markets) annual average growth rate (3 to 6 percent).

Lead Organization:	DBED
Assisting Organization(s):	HVB, HVB Chapters, marketing contractors, County economic development agencies, destination associations, and visitor industry
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 \$710,000*
	FY 93 \$760,000*

* Only includes additional funds being requested for HVB in conjunction with the Draft Biennial Tourism Marketing Plan for 1991-93.

Comments:

Formulate five-year marketing plan for Developing markets. Developing market currently consists of Japan.

Review current high priority segments which include: (1) office ladies; (2) silver (over age 55); (3) Shinjunrui (the "New Youth," young Japanese); and (4) honeymooners. Identify target market segments which have the characteristics of potential Neighbor Island visitors.

ACTION VI.A.1.c.

Increase visitor arrivals in New Domestic Markets--Eastern USA and Eastern Canada, and allow for a fairly rapid (relative to base markets) annual average growth rate (3 to 6 percent).

Lead Organization: DBED
Assisting Organization(s): HVB, HVB Chapters, marketing contractors, County economic development agencies, destination associations and visitor industry
Start Date: Ongoing
Target Location: Statewide
Total Budget Estimate: FY 92 \$1,850,000*
 FY 93 \$2,700,000*

* Only includes additional funds being requested for HVB in conjunction with the Draft Biennial Tourism Marketing Plan for 1991-93.

Comments:

Formulate five-year marketing plans for New markets of Eastern U.S.A. and Canada.

Prepare separate plans for the Northeast Quadrant and the Southeast Quadrant of the U.S.

ACTION VI.A.1.d.

Increase visitor arrivals in New Foreign Markets--Europe, and allow for a rapid (relative to base markets) annual average growth rate (6 to 10 percent).

Lead Organization: DBED
Assisting Organization(s): HVB, HVB Chapters, marketing contractors, County economic development agencies, destination associations and visitor industry
Start Date: Ongoing
Target Location: Statewide
Total Budget Estimate: FY 92 \$300,000*
 FY 93 \$500,000*

* Only includes additional funds being requested for HVB in conjunction with the Draft Biennial Tourism Marketing Plan for 1991-93.

Comments:

Focus efforts on United Kingdom, Germany, Scandinavia, Switzerland and France. Closely monitor Italy's potential for outbound travel.

Work with several major tour operators/wholesalers to develop co-op advertising and increase lift capacity to Hawaii.

Increase the European travel trade's understanding and commitment to the Hawaiian product.

ACTION VI.A.1.e.

Increase visitor arrivals in New Foreign Markets--Pacific Basin (excluding Japan and North America), and allow for a rapid (relative to base markets) annual average growth rate (6 to 10 percent).

Lead Organization:	DBED
Assisting Organization(s):	HVB, HVB Chapters, marketing contractors, County economic development agencies, destination associations and visitor industry
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 \$340,000*
	FY 93 \$880,000*

* Only includes additional funds being requested for HVB in conjunction with the Draft Biennial Tourism Marketing Plan for 1991-93.

Comments:

Formulate five-year marketing plans for New Markets--Pacific Basin (excluding Japan and North America.)

Increase the travel trade's understanding and commitment to the Hawaiian product.

Closely monitor developments in Taiwan and Korea to determine their potential as new visitor source markets.

Determine business segment travellers who offer the potential characteristics for staying several additional days for pleasure purposes. (One way would be to focus on the stopover traffic and encourage them to stay longer.)

Focus initial efforts on ensuring that lift capacity could be available if U.S. entry policies shift.

ACTION VI.A.1.f.

Increase visitor arrivals in New Foreign Markets--Oceania (Australia, New Zealand and Pacific Island Nations), and allow for a low to modest (relative to base markets) annual average growth rate (1 to 3 percent).

Lead Organization:	DBED
Assisting Organization(s):	HVB, HVB Chapters, marketing contractors, County economic development agencies, destination associations, and visitor industry
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 \$ 40,000*
	FY 93 \$110,000*

* Only includes additional funds being requested for HVB in conjunction with the Draft Biennial Tourism Marketing Plan for 1991-93.

POLICY VI.A.2.

Ensure that the business segment increases as a percentage of overall visitors.

ACTION VI.A.2.a.

Expand marketing operations in Hawaii to support and assist meeting and convention facilities in marketing their products.

Lead Organization:	DBED
Assisting Organization(s):	HVB, HVB Chapters, marketing contractors, County economic development agencies, destination associations and visitor industry
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds
	FY 93 Operating funds

Comments:

Develop computerized leads system by automating existing files at HVB; re-establish tracking or tracing system for tentative meetings and conventions and updating meeting history in client files.

Provide convention servicing assistance to meetings and conventions in Hawaii.

Provide intelligence information which outlines new and significant market trends and opportunities.

ACTION VI.A.2.b.

Expand marketing operations to assist in persuading national and international meeting planners and association executives to select Hawaii over competing destinations.

Lead Organization:	DBED
Assisting Organization(s):	HVB, HVB Chapters, marketing contractors, County economic development agencies, destination associations and visitor industry
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 \$420,000*
	FY 93 \$470,000*

* Only includes additional funds being requested for HVB in conjunction with the Draft Biennial Tourism Marketing Plan for 1991-93.

Comments:

Identify optimum locations for positioning sales staff and expand sales organization as appropriate.

Develop out-of-state Hawaii events which focus on association and incentive markets in mainland and international locations.

Provide basic reference materials on Hawaii's facilities.

ACTION VI.A.2.c.

Provide assistance to the agencies and organizations responsible for the design and development of world class convention center facilities in Waikiki.

Lead Organization: HVB
Assisting Organization(s): DBED-WCCA, Hawaii Convention Park Council, WOVA, WIA, Chamber of Commerce
Start Date: Ongoing
Target Location: Statewide
Total Budget Estimate: FY 92 Operating funds
FY 93 Operating funds

Comments:

Provide public relations support to assist in the development of a convention center.

Implement Convention Center Strategic Marketing Plan.

ACTION VI.A.2.d.

Incorporate "doing business in Hawaii" image into advertising and/or promotion campaigns which are intended to attract business travellers from Pacific Rim countries to meet in Hawaii.

Lead Organization: DBED
Assisting Organization(s): HVB, HVB Chapters, County economic development agencies, destination associations and visitor industry
Start Date: Ongoing
Target Location: Statewide
Total Budget Estimate: FY 92 Operating funds
FY 93 Operating funds

Comments:

Examples would include the "Cross-roads of the Pacific" and "Hawaii - The Pacific Link".

Coordinate campaign with other economic development trade shows which promote other economic sectors (e.g. Hawaiian foods) in Hawaii.

POLICY VI.A.3.

Provide adequate backup and support to maintain marketing campaigns. The following actions will be completed during the preparation and implementation of the marketing campaigns, however they are of such high priority that they merit specific mention.

ACTION VI.A.3.a.

Fund more detailed market identification studies and tracking of advertising campaigns to assist in prospecting new markets and market segments.

Lead Organization:	DBED
Assisting Organization(s):	HVB, HVB Chapters, County economic development agencies and destination associations
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds FY 93 Operating funds

Comments:

Increase focus on motivational, behavioral and attitudinal studies which identify similar Hawaii traveller motivations and behaviors among existing and potential travel markets.

Conduct analysis of Hawaii's competitors focusing on competitive marketing strategies, spending levels, and overall strengths and weaknesses.

See also actions I.A.2.a. and I.A.5.a. in Growth section of this plan.

ACTION VI.A.3.b.

Decrease regulatory impediments and other barriers encountered by visitors to Hawaii.

Lead Organization: DOT
Assisting Organization(s): DBED, Governor's Airport
Facilitation Committee
Start Date: Ongoing
Target Location: Statewide
Total Budget Estimate: FY 92 and
FY 93 \$500,000*

* Primarily addresses first activity listed in Comments below.

Comments:

This action includes activities to:

- o Encourage the Federal Government to seriously consider Hawaii's interests in Bilateral Air Agreements between Hawaii and future visitor markets with significant potential for growth.
- o Continue efforts to influence charter flights from new markets. Develop marketing plans to also assist in creating demand from new markets for scheduled flights.
- o Seek varied scheduling of flight arrivals from foreign countries to avoid peak periods.
- o Advocate the removal of non-tariff barriers such as visas.
- o Monitor seat capacity to Hawaii, major air carrier expansion and reorganization plans and tour wholesaler/operator developments to protect against inadequate access or sudden decreases in lift capacity to Hawaii.

ACTION VI.A.3.c.

Incorporate a distinctive image into marketing campaigns that differentiates Hawaii from its competitors and provides Hawaii with a sustainable competitive advantage.

Lead Organization:	DBED
Assisting Organization(s):	OHA, HVB, HVB Chapters, County economic development agencies, destination associations, and private sector
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds
	FY 93 Operating funds

Comments:

Provide more cultural/historical information to visitors in appealing ways (i.e., in-flight, upon airport arrival, etc.)

Examine the ways other destinations are accomplishing this action.

Develop marketing campaign to direct tourists to culturally-based activities.

Develop cultural/historical programs for visitors by supporting museum efforts, restoration activities, and private sector sponsored cultural programs.

Feature Hawaiian culture and entertainment in marketing campaigns.

Develop advertising, literature, and advertorials which promotes Hawaii as a high value-for-price destination.

ACTION VI.A.3.d.

Prepare for contingencies caused by economic, political and natural disruptions of both the internal and external tourism environment.

Lead Organization:	DBED
Assisting Organization(s):	HVB, HVB Chapters, County economic development agencies and destination associations
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds
	FY 93 Operating funds

Comments:

Develop specific marketing plans to address possible contingency events within and outside of Hawaii.

Continually monitor contingency event warning signals to determine when plans should be implemented.

Continue to monitor potential labor disruptions (e.g., airlines, hotels, restaurants, ground transportation, public transportation).

ACTION VI.A.3.e.

Maintain HVB overseas offices and representation which conforms with tourism marketing priorities.

Lead Organization:	DBED, HVB
Assisting Organization(s):	
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds*
	FY 93 Operating funds*

* Funds are included in Implementing Actions VI.A.1.a. through VI.A.1.f., and VI.A.2.b. of this plan.

Comments:

Define roles, responsibilities, and performance criteria for field offices.

Evaluate existing overseas office organization based on specific criteria including tourism skills and technical expertise, strength of relationship with the local travel trade and success in increasing trade and consumer awareness.

Identify optimum locations of overseas offices based on strategies and tactics contained in marketing campaigns.

Open and close overseas offices or establish agreements with representatives as appropriate.

ACTION VI.A.3.f.

Leverage State marketing resources with private sector funds to obtain the maximum potential from marketing expenditures.

Lead Organization:	DBED
Assisting Organization(s):	HVB, HVB Chapters, County economic development agencies and destination associations, private sector
Start Date:	Ongoing
Target Location:	Statewide
Total Budget Estimate:	FY 92 Operating funds
	FY 93 Operating funds

Comments:

Develop and implement cooperative advertising program.

Review cooperative advertising program success and modify as necessary.

LIST OF ACRONYMS

The following is a list of acronyms of various organizations and agencies referred to in the plan:

AG	-	Department of Attorney General
COPWD	-	Commission on Persons with Disabilities
DBED	-	Department of Business, Economic Development, and Tourism
DHHL	-	Department of Hawaiian Home Lands
DHS	-	Department of Human Services
DLIR	-	Department of Labor and Industrial Relations
DLNR	-	Department of Land and Natural Resources
DOA	-	Department of Agriculture
DOE	-	Department of Education
DOH	-	Department of Health
DOT	-	Department of Transportation
DoTAX	-	Department of Taxation
EOA	-	Executive Office on Aging
HFDC	-	Housing Finance and Development Corporation
HHA	-	Hawaii Hotel Association
HVB	-	Hawaii Visitors Bureau
LUC	-	Land Use Commission
NARS	-	Natural Areas Reserve System
OCY	-	Office of Children & Youth
OHA	-	Office of Hawaiian Affairs
OIR	-	Office of International Relations
OSP	-	Office of State Planning
SFCA	-	State Foundation on Culture and the Arts
TTC	-	Tourism Training Council
UHCC	-	University of Hawaii Community Colleges
UH-Hilo	-	University of Hawaii at Hilo
UH-TIM	-	University of Hawaii, School of Travel Industry Management
US-DOT	-	Department of Transportation (Federal)
VIEC	-	Visitor Industry Education Council
WCCA	-	Waikiki Convention Center Authority
WIA	-	Waikiki Improvement Association
WOVA	-	Waikiki/Oahu Visitors Association

LIST OF TECHNICAL REFERENCE DOCUMENTS

Arthur Young. A Report on Tourism Destinations Competing with Hawaii. Honolulu: Tourism Branch, Industry Promotion Division, Department of Business and Economic Development, State of Hawaii, January 1989.

Community Resources, Inc. 1988 Statewide Tourism Impact Core Survey. Honolulu: Tourism Branch, Industry Promotion Division, Department of Business and Economic Development, State of Hawaii, August 1989.

Deloitte, Haskins & Sells. The Community Journal on Tourism: 1988. Honolulu: Tourism Branch, Industry Promotion Division, Department of Business and Economic Development, State of Hawaii, February 1989.

Deloitte & Touche. Tourism Strategic Plan (Draft). Honolulu: Tourism Branch, Industry Promotion Division, Department of Business and Economic Development, State of Hawaii, December 1989.

Eugene P. Dashiell, AICP, Planning Services. An Assessment of Infrastructure in Resort Regions (Draft). Honolulu: Tourism Branch, Industry Promotion Division, Department of Business and Economic Development, State of Hawaii, April 1990.

Hawaii. Department of Business and Economic Development, Research and Economic Analysis Division. Population and Economic Projections for the State of Hawaii to 2010 (Series M-K). Honolulu: November 1988.

Hawaii Visitors Bureau, Market Research Department. 1989 Expenditures - Westbound Visitors to Hawaii. Honolulu: 1989.

Hawaii Visitors Bureau, Market Research Department. 1989 Westbound Visitors to Hawaii. Honolulu: 1989.

Hawaii Visitors Bureau, Market Research Department. 1989 Eastbound Visitors to Hawaii. Honolulu: 1989.

Waikiki Improvement Association and Office of State Planning. Final Report: Waikiki Tomorrow--A Conference for the Future. Honolulu: October 12, 1989.