

## HLTA Questions Campaign 2020

Felicia Cowden  
808-652-4363  
feliciacowden@gmail.com



### 1.) **The future of tourism in Hawai'i**

Tourism has grown to be Kaua'i's top economic driver in the last decade, especially as even land development and agriculture have faded. The impact of the COVID19 pandemic management has been profoundly impacting on our economy leaving parts of the island with an unemployment rate of loosely 40%, depending on the location. Tourism is a natural, easy fit for the beauty of our island. I believe we need to diversify our economy within tourism AND independent of tourism; both will happen naturally. There have been many efforts to diversify our economy within tourism that are largely frustrated by planning and zoning ordinances. Health, wellness and medical tourism has long had interest. Ago-tourism, volun-tourism, eco-tourism, and "glamping" are all potential directions. The most meaningful fit has been the efforts to amplify and honor authentic Hawaiian Cultural events and programs. A fresh industry that is clearly on the rise in strength as a result of the COVID19 national impacts is remote work. There is a "Race-To-Rural" of upper-middle class and affluent people buying and moving to Kaua'i, sight-unseen, bringing their jobs with them. This will accelerate the already existing layer of people who live a comfortable life on Kaua'i with occasional trips to the continental United States. The downside is it risks gentrifying our community, displacing the generational population. We need to also branch our economy toward more locally grown food and finished products. The 46% increase in freight will accelerate that trend. We will see an affluent group of long-term visitors coming for months to a clean, green and safe Kaua'i. These visitors are likely to be staying in the vacation rentals with a budding industry of food, meal and service providers at the homes.

### 2.) **Tourism management**

The psychological shift the nation and world has made over pandemic safety behaviors has created a reset point where redefining tourism will flow with an embrace of visitors who value a healthy vacation. Kauai is going to naturally draw the higher-end visitor. Arriving with the expectation of 2-3 light days of demonstrating a safety window at a destination resort where patio dining and pampered entertainment may welcome guests who typically enjoy a longer visit with more exclusive activities with low numbers are what is desired. There are a number of examples of where user impact fees are likely to develop. Our Ha'ena State Park at the Ke'e Beach area is an early example where reservations and users fees have deeply limited the amount of people having access to Kaua'i's Na Pali Coast while still availing access for the island's residents. Koke'e State Park is another area where there is consideration of that level of management. There are several private concepts with similar limitations under development ideas, such as the Queen's Bath area of Princeville. Again, leaving the areas open to residential enjoyment without fees is central to community acceptance. Working with the rental car companies is important in creating a mutually beneficial model for locating inventories of cars near the resort areas with a shuttle bringing the visitors to areas that are more destination resorts by design. Cars would be rented more by the day than the entire vacation, also inspiring more tour efforts. We need to regain being the cultural hosts of our islands.

### 3.) **Real Property Tax**

I support a negotiable form of tax reprieve for the hotels and resorts. A review of the Kaua'i Council meeting minutes, particularly in the budget session, would reveal that this is an issue I

have been continuously raising since last April. I sent a letter to Mufi Hanneman in April and have reached out to both Jared Higashi and Morgan Lopez for an understanding of the financial positions of the hotels and resorts several times. I have deep concern on the ability of the hotels to manage the upkeep of the properties during this long and uncertain period of being in a shut down, let alone make large Real Property Tax payments. I use Kauai's Coco Palms and Molokai's Kaluakoi as "exhibit A" of why we must not squeeze the economic capacities of our resort properties in this time of crisis. We all lose if our larger resort properties go into abandonment or disrepair. It may be that smaller hotels may want to partner with the county or shift purpose for a range of temporary housing solutions if needed. Our volume of modest to moderate budget tourism is likely to take time to recover, as travel is a luxury expense that may be outside the range of more people than prior to 2020. The economic contribution the resorts make to the tax base cannot be over-stated. The county needs to work creatively with the resort and hotel properties to ensure business survival. HLTA is deeply valued as an organization to help broker best ideas.

#### **4.) Transient Vacation Rentals**

I support positions of fairness for Transient Vacation Rentals. The properties need to be in Visitor Destination Areas, though the special use permits or grandfathered properties need to be allowed to continue. My 18 years as a surf shop owner in Hanalei has given me a good deal of insight between the different markets of visitors. There are separate types of visitors that belong to time share, stay at resorts, rent a vacation home or stay in a bed and breakfast location. I value the range of visitors. If the TVR's are removed, that same committed, annual visitor that stays for weeks to months, will go somewhere else rather than stay at a resort. The time share visitors, also have a sense of belonging to the island and are least likely to cancel in slow windows. The TVR & Time Share groups are returning to their second home to participate in the community, eat at small restaurants, go to church, volunteer and support non-profits. The resort visitor is typically a higher-spender coming to be vibrantly entertained and have a more focused experience with those whom they are traveling often staying on property. Different parts of our economy are dependent on different types of visitors. They are not interchangeable parts and interact within our community differently. This range of accommodation supports an ecosystem of visitors. Resort visitors later become TVR customers who draw the fresh round of first-time resort guests with their enthusiastic stories. Resorts have the highest impact on the infrastructure and create the greatest public risk in the event of business failure and abandonment, thus the slightly higher tax rate for large properties is appropriately higher than TVR's and condominiums that more easily can become resident housing.

#### **5.) Homeless Solutions**

Thank you HLTA for your generosity through the Charity Walk and the financial subsidies to homeless service providers. As Council Committee Chair for Public Safety and Human Services, I have had an active role in instigating the houseless encampments/emergency sheltering in our five camping areas of our public parks. My regular involvement with this community includes tent-to-tent visits. Between the times in my childhood when my family did not have housing and my role as a KEO court mediator, I feel a responsibility to and an identification with this community. This population is likely to substantially increase with the coming economic fall-out of our current safety policies. People can cascade into profound challenges rather quickly with a few bad breaks like illness, job-loss and even simply losing their identification. An important initiative that I believe would be helpful is to allow for and encourage social enterprise living communities. An example is [www.delanceystreetfoundation.org](http://www.delanceystreetfoundation.org). These structures are empowering, provide real service to the larger community and do not cost public funding. If there is contraction in the ability for tourism to support hotel properties, a social enterprise would be an excellent re-purposing of a smaller property. Zoning that would allow for ohana compounds of living units around a central

cooking and community structure is another less expensive and natural reflection of how people have lived for millennia.

**6.) Sustainability in the Visitor Industry**

Green living and resiliency is the desired trend in the travel industry, at present. The county can incentivize sustainable practices, but the market will reward the properties that authentically incorporate that into their branding. Princeville's remodeling of the St. Regis into the One Hotel is an example for that trend direction. The marketing of on-property organic food production, locally sourced meals, solar parking lot canopies are all examples of an excellent move in this preferred direction. A social enterprise hotel wing of an under-capacity property can be another stellar example of a resilient business concept that would well deserve a tax break.

**7.) Visitor Industry Health, Safety, and Security Standards**

Yes, I would accept the HLTA Health, Safety and Security Standard. My expectation is that needed adaptations and improvements will become evident as the volume of guests increases. In speaking with members and leadership of ILWU and Local #5, my sense is there is a certain amount of fear amongst staff of potentially bringing illness home to their families. A suggestion that may strengthen this existing policy would be to offer isolation area accommodation for staff if it becomes that there has been very probably exposure. A staff member could stay in a room until testing is safety verified if needed for a short duration rather than expose their families and broader community.

**8.) Public Safety**

I have attended HLTA training on Kaua'i for stopping Child Sex Trafficking. This was a responsible and valuable presentation worthy of repeating. Staff training in understanding dangerous environmental threats to guests would be another helpful awareness to assist their confidence in providing accurate information in keeping visitors and our corresponding first responders safe. In-room video training would have added value. The HLTA Hawaiian Cultural training I attended also raised my confidence in the hotels as community partners. I would like to recognize the Malama Awards with its emphasis of respecting and encouraging staff to understand the valued importance of their specific skills.

9.) **If elected**, I will work hard to keep as many existing businesses and residents on island as possible. As we welcome this new wave of residents that are arriving, we need to find creative ways to help them assimilate and strengthen our communities rather than displace what makes Kaua'i unique. We are confronted with an opportunity for a "reset" of our economy and customs. Becoming more self-reliant and defining the unique characteristics of our range of cultures, particularly the strengths of our Hawaiian culture as a central element around which we are defined.

10.) A fun fact about me is that I am able to grow most of my food in my own Yarden.