

**Hawai'i 2050 Sustainability Task Force
Hawai'i State Capitol, Room 309
June 16, 2006
Minutes**

Members Present: Senator Russell Kokubun, Representative Pono Chong, Senator Suzanne Chun Oakland, Ian Costa, Henry Eng, Michael Foley, Harry Blanchette (for Senator Fred Hemmings), Marion Higa, Senator Gary Hooser, Karl Kim, Keith Kurahashi, Kem Lowry, Keith Rollman, Roy Takemoto, Jane Testa, Laura Thielen, Stacie Thorlakson, Beth Tokioka, Pamela Tumpap

- I. Call to Order.** The task force meeting was called to order at 10:20 a.m. by Chair Russell Kokubun on Friday, June 16, 2006, in Room 309 at the Hawai'i State Capitol. Introduction of task force members and support staff. Chair Kokubun welcomed Roy Takemoto, executive assistant to Mayor Harry Kim, to the task force. The Chair also welcomed Millicent Kim, private consultant, to the task force but who was unable to attend the meeting. Also present at the task force meeting were Kathy Sokugawa representing Henry Eng, Department of Planning and Permitting, City and County of Honolulu; Harry Blanchette, Senator Fred Hemmings' Office; Alvin Kam, U.S. Army; Sharon Miyashiro, Jim Dator, and Susan Chandler, University of Hawai'i; David Baumgard Turner, Sustainability Partners; Natalie Bostrom, Olomana Marketing; Keith Peterson, Island Movers; Rex Johnson, Hawai'i Tourism Authority.

Attendance Policy. Chair Kokubun acknowledged that this is the second task force meeting since the adoption of the attendance policy. He explained that the policy was to encourage and ensure participation. Chair Kokubun acknowledged a written request from task force member Henry Eng, appointed by Mayor Hannemann, asking that Kathy Sokugawa be allowed to take his place as an alternate participant at task force meeting. Chair Kokubun clarified that according to task force rules and the law, only appointed members of the task force are recognized for purposes of determining quorum and are authorized to vote on task force matters. As with others who substitute for absent task force members, Ms. Sokugawa is welcome to participate in task force meetings in Mr. Eng's absence, but will not be allowed to make quorum or take action or vote on task force matters.

- I. Review and Approve Minutes.** A copy of the "DRAFT" minutes for May 26, 2006 was distributed to members of the task force. Chair Kokubun opened discussion on the "DRAFT" minutes of the May 26th task force meeting. Senator Suzanne Chun Oakland noted her name was not listed as a volunteer to serve as a liaison to assist HIPA in arranging meetings with their constituents. The omission was so noted and Chair Kokubun requested that the minutes be amended to reflect the addition of Senator Chun Oakland to the list of volunteers and well as all other legislators. Page 5, paragraph 5 of the May 26, 2006 "DRAFT" minutes has been amended with the insertion of Suzanne

Chun Oakland, Fred Hemmings, and Gary Hooser's names to the list of volunteers to serve as liaisons. Representative Pono Chong moved to approve the minutes as amended; Karl Kim seconded the motion. The May 26, 2006 minutes, as amended, was unanimously approved by the task force.

II. Report on Task Force Participation in Community Sustainability Activities.

Army Sustainability Workshop. Chair Kokubun reported on his participation at a sustainability workshop sponsored by the U.S. Army on June 6-7, 2006 at Fort Shafter. Chair Kokubun was invited by Tad Davis, Undersecretary of Defense, to make a presentation of the State's efforts in sustainability. Task force member Karl Kim also participated in the workshop. The Chair noted that the military is committed to take on sustainability, primarily for their facilities with respects to energy, water conservation, and other issues.

The Army has adopted a sustainability practice at Fort Bragg., which is one of the largest Army facilities on the mainland. One of the key components of their efforts was community outreach. With the interest in sustainability from both the state and military, there is great opportunity for partnerships between the state/county and armed services. An outcome of this workshop was that the Joint Chiefs of Staff have adopted a resolution requesting all the branches of the military take a look at sustainability and adopt the practice within their individual branches. Hawai'i is being looked at to be the pilot project for the collaborative effort between the branches of the military. Chair Kokubun introduced Mr. Alvin Kam, one of the key liaisons for the military, and thanked him for inviting him to participate in the workshop.

Chair Kokubun noted the important role the military in developing a sustainability plan and stated that he is considering seeking an amendment to the Hawai'i 2050 law to expand the membership of the task force to include a representative from the armed services.

Focus Maui Nui. Stacie Thorlakson invited task force members to attend Focus Maui Nui's upcoming WalkStory event to be held on June 24, 2006 at the Iao Intermediate School. Three sessions will be held —10:00 a.m. to Noon, 11:00 a.m. to 1:00 p.m., and Noon to 2:00 p.m. (pre-registration recommended). Call 808-875-2388 for additional information or visit their website at www.focusmauinui.com.

Kaua'i 2030 Sustainability Together Conference. The Chair was invited to participate in the Kaua'i 2030 Sustainability Together Conference on June 13-14, 2006. Beth Tokioka reported on the task force's work and the upcoming kick-off event in August. Chair Kokubun participated in a discussion about the Hawai'i 2050 effort. Members of the Kaua'i community expressed interest in participating in the August 26 event. The task force will offer scholarships for travel from the neighbor islands to O'ahu for the August kick-off event. The community wanted a live feed from the O'ahu kick-off event to Kaua'i to observe the session. Jeff Stone, a participant at the 2030 conference, offered to underwrite the cost of live feeds from the kick-off event to the neighbor islands. Chair Kokubun and Beth Tokioka explained that because the sessions are interactive, it would

be difficult to broadcast effectively. The task force will put Mr. Stone in touch with HIPA to further discuss plans for live feeds to the neighbor islands.

Mayor Bryan Baptiste and his cabinet members also expressed interest in continued discussion on the task force's efforts on sustainability.

Hawai'i Conservation Alliance Conference. Another upcoming event on sustainability is Hawai'i Conservation Alliance Conference on July 26-28, 2006 entitled, "Sustainability: Mauka to Makai." The conference is an annual event which brings together primarily scientists and ecologists interested in the natural resources. Chair Kokubun has been invited to sit on their panel to discuss the legislation that was passed with respect to legacy lands—the idea of the State purchasing lands of importance so that they remain in the public domain. The conference will have a "tradeshow" type of set up so the Chair suggested having handouts available. Senator Suzanne Chun Oakland suggested that registration forms for the August 26 Kick-off Event be made available at the conference.

Envision Hawai'i. On June 17, 2006, Envision Hawai'i held their 2nd Annual Envision Hawai'i Conference. This conference was put together by a group of young professionals, mostly under the age of 40, who have taken on the concepts of sustainability.

Children and Youth Summit. Senator Suzanne Chun Oakland informed the task force that on October 20, 2006, the Children and Youth Summit will be held and sustainability is the theme for the summit. The summit will be from 9:00 a.m. to 7:00 p.m. at the State Capitol.

IV. Perspectives on Sustainable Tourism. Rex Johnson, Chief Executive Officer and President of the Hawai'i Tourism Authority (HTA), presented the Authority's tourism outlook and strategic plan for 2005-2015.

The Hawai'i Tourism Strategic Plan was developed in 2003 and received final approval in late 2004. The plan was developed to guide the visitor industry for the next ten years. Prior to the development of the Hawai'i Tourism Strategic Plan, concepts from the previously drafted Department of Business, Economic Development and Tourism sustainability plan were incorporated into the tourism strategic plan. Representatives from all islands were heavily involved in the development of the plan. The process involved looking at Hawai'i's strengths and weaknesses as well as opportunities and threats.

Major components of the plan include:

- Vision – what stakeholders want the industry to look like in 2015
- Guiding Principles and Values – key concepts to focus on in development of the plan
- Performance Indicators – how to measure success

- Strategic Directions in 9 Key Initiatives – goals, objectives, parties (lead and supporting), and measures.

In developing their plan, the HTA was guided by principles and values including Hawaiian hospitality models that honors the place and dignifies the host and satisfies the needs of the visitors.

The measures of success consist of resident sentiment surveys, state and county tax receipts, visitor spending, and visitor satisfaction, and that these measures are based on three pillars; economic growth, benefits, and satisfied residents.

There are nine strategic initiatives: access, communications and outreach, Hawaiian culture, marketing, natural resources, research and planning; safety and security, tourism product development, and workforce development. Each initiative has goal and objectives, strategic directions, identification of a lead agency or agencies, support groups, and measures of success. Mr. Johnson stated that this is a State Plan and not just an HTA plan. The HTA is the lead group for three of the initiatives: communications, marketing, and tourism. The remaining six initiatives are handled by other agencies which the HTA supports through advocacy roles.

Mr. Johnson provided the HTA's 2006 budget by initiative. The budget reflects how the money provided through the transient accommodations tax was spent.

Mike Foley expressed concern about the large proportion of the HTA budget allocated to marketing compared to natural resources. On Maui, one out of four people in the county at anytime is a visitor, whereas thirty years ago it was one out of 23. Maui is seeing major impacts from visitors. There is a serious deterioration of Maui's natural resources, infrastructure, and visitor facilities such as beach parks and snorkeling spots without water, restrooms, or parking. Three hotels are being demolished and replaced with more expensive timeshares and condos that will not have conference facilities.

Senator Hooser commented that the HTA vision statement does not say anything about honoring the working people. Also, under the measures of success, nothing reflects whether the living wages are being paid. He encouraged the HTA to look at measuring the quality of life of their employees as a key element in measuring success in the industry as a sustainable industry.

Representative Chong stated his concerns about bed and breakfast and vacation rental establishments in residential areas. The HTA provides data on these establishments – a recent study found there were 9,000 establishments statewide. The counties and tax departments are the policing agencies to go after any illegal bed and breakfast and vacation rental establishments.

Ms. Tokioka commented that when the HTA was initially created it was created primarily as a marketing organization. The HTA assists the counties to fund the visitor's bureau on the local level with marketing dollars. With a dedicated marketing source, Kauai is able

to refocus its efforts on the county level to more product development. With the continued funding received from the HTA, Kauai is also able to look at issues on workforce development.

Dr. Lowry questioned whether the HTA had a contingency plan in 1991, when the visitors count dropped off significantly and it was a slow period. Mr. Johnson stated that the HTA has numerous contingency plans, for medical emergencies, natural disasters, etc.

Chair Kokubun thanked Mr. Johnson for his presentation. He also stated that the task force needs to focus on what is Hawai'i going to look like in 2050 and the role of the visitor industry in shaping the economy and quality of life for the residents in Hawai'i.

Karl Kim, Professor and Chair of the Department of Urban and Regional Planning at the University of Hawai'i at Manoa and member of the task force, presented various approaches to modeling sustainable development. The approaches presented came from a number of projects that he is working on, the most recent being the sustainable tourism project.

The process begins with an understanding or definition of sustainable tourism or sustainable development as applied to tourism. A common element of the different definitions being used is a look towards the future—a desire to balance the economy, environment, and community; the relationship between the host and visitors.

Hawai'i is a special place with a unique environment as well as a rich cultural history. Economic tools or available data used for modeling relationships between the economy, environment, and community include: input-output tables; model of state's economy; relationship between economic growth and impact on environment; water, solid waste, energy, and fossil fuel use; and linkage to GIS.

As an island state, Hawai'i should take advantage of input-output tables—tracking what comes in and goes out of the state. Our state has heavily invested in input-output tables. There are data on 131 different economic sectors—organized by output, employment, and the interaction between all 131 sectors. This “accounting system” provides information on final demand. It provides data on the resources that tourist, residence, military, etc. consume, and the approach allows linkage between other databases throughout the system.

Four different models were built for the sustainable tourism project. The first model is the general equilibrium model. The model, developed by economists, was big, complicated, and neat that simulated everything in the economy. This baseline model was designed to predict what current conditions look like and then introduce a disturbance and change the current reality into the future.

The second is the partial equilibrium model. This model was a series of input-output tables. The model showed the relationship between indirect demand, direct demand and

total demand. Examples of direct spending are when you purchase gasoline or pay for your electricity bill. Indirect spending occurs when a good or service is purchased which in turns purchases gasoline or electricity.

The third model uses spatial analytical tools – using existing data available in the U.S. and developing methods to use the data in Hawai‘i.

The fourth model is the urban growth model. This is a simple model that provides three classes of land—urbanized, partially developed, and agricultural. One of the drivers of this model is high versus low population growth rates. The data could then include or exclude specific areas for development. Patterns can then stimulate development over a 30-year period.

Chair Kokubun thanked Dr. Kim for his presentation.

- V. Hawai‘i 2050 Sustainability Plan Design.** The governance working group will be meeting on July 5, 2006 at 10:00 a.m. to aid in defining the sustainability plan and present its recommendations to the full task force at the July meeting and final action to be taken at the August meeting.
- VI. Community Engagement Activities.** Bill Kaneko, along with the UH team, presented the task force with a draft outline of the upcoming Kick-off Event. The event has been confirmed for Saturday, August 26, 2006 at the Dole Cannery Ballrooms. The event will bring together 400-500 participants representative of government, nonprofit, community, business, labor, and professional organizations as well as individuals from all ages, income, ethnic, and education backgrounds. HIPA is requesting that task force members submit their lists of possible participants to be inputted into the database. Each county will be given a proportionate number of registrations.
- The goals of this event are for participants to:
- become aware of the importance of sustainability and motivate and inspire participation in the planning process;
 - be informed that the future is theirs to co-create and understand that critical choices among competing options must be made in order to avoid undesirable futures and move toward preferred futures for Hawai‘i;
 - understand that participation in the summit will have a significant influence in the sustainability process; and
 - engage in the creative process but have fun in this serious and important process which will affect themselves, neighbors, and future generations in Hawai‘i.
- VII. Next Steps; Plan for Future Meetings.** The next task force meetings will be held on Friday, July 21, 2006 and August 11, 2006.
- VIII. Adjourn.** The meeting was adjourned at 1:45 p.m. by Chair Kokubun.