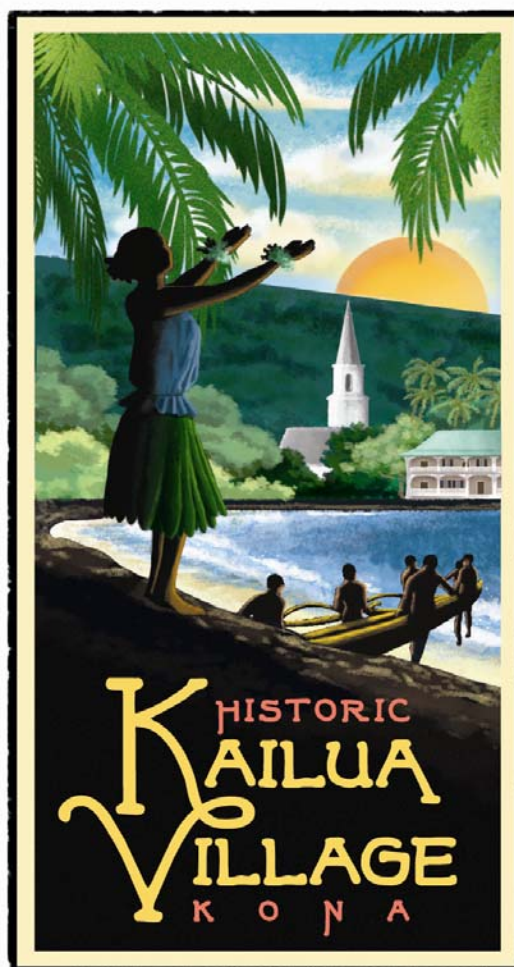


KAILUA VILLAGE BUSINESS IMPROVEMENT DISTRICT



STRATEGIC PLAN

JULY 2009

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1. INTRODUCTION

This document sets forth a Strategic Plan for the Kailua Village Business Improvement District (KVBID). The functions of the Strategic Plan include:

- Provide framework for high-level decisions involving the core fundamentals and operations of KVBID.
- Provide a basis for more detailed planning.
- Explain the need and purpose of KVBID in order to inform, educate and promote the KVBID.
- Encourage ongoing review and assessment of the KVBID to stimulate change and improvement for the District.

The Strategic Plan is a dynamic document that will be reviewed annually and maintained to provide ongoing direction for the KVBID. The Strategic Plan will be updated by the KVBID Strategic Planning Committee, with input from stakeholders. Comments on the Strategic Plan can be submitted to the Committee via e-mail at kailuavillage@gmail.com.

2. PURPOSE AND BACKGROUND

Mission: *“Our mission is to make Historic Kailua Village a model sustainable community that is a better place to invest, work, live and play.”*

Vision: *To work cooperatively to improve and maintain the physical appearance and aesthetics of public rights of way, open spaces, and parks, by increasing cleanliness and security, so to attract long term sustainable business and community activity in Historic Kailua Village.*

Over the course of the past several years, the physical appearance and general ambience in and around Kailua Village has noticeably deteriorated. So much so that visitors avoid coming to town as it is perceived as dirty and crime ridden. Not only has the decline had a negative impact on businesses, it has also diminished the quality of life for those who live here. The appreciation for the historical and cultural significance of the area is much diminished by the current state of the village as well.

The KVBID is a collaborative effort between business, government and area residents to develop and implement creative solutions to improve the cleanliness, attractiveness, community and economic vibrancy of Historic Kailua Village. District taxpayers are assessed according to property tax valuations and these assessments will return directly to KVBID to fund programs and improvements within Historic Kailua Village.

The KVBID is committed to promoting Historic Kailua Village as a model sustainable community. KVBID’s vision of sustainability for Historic Kailua Village includes:

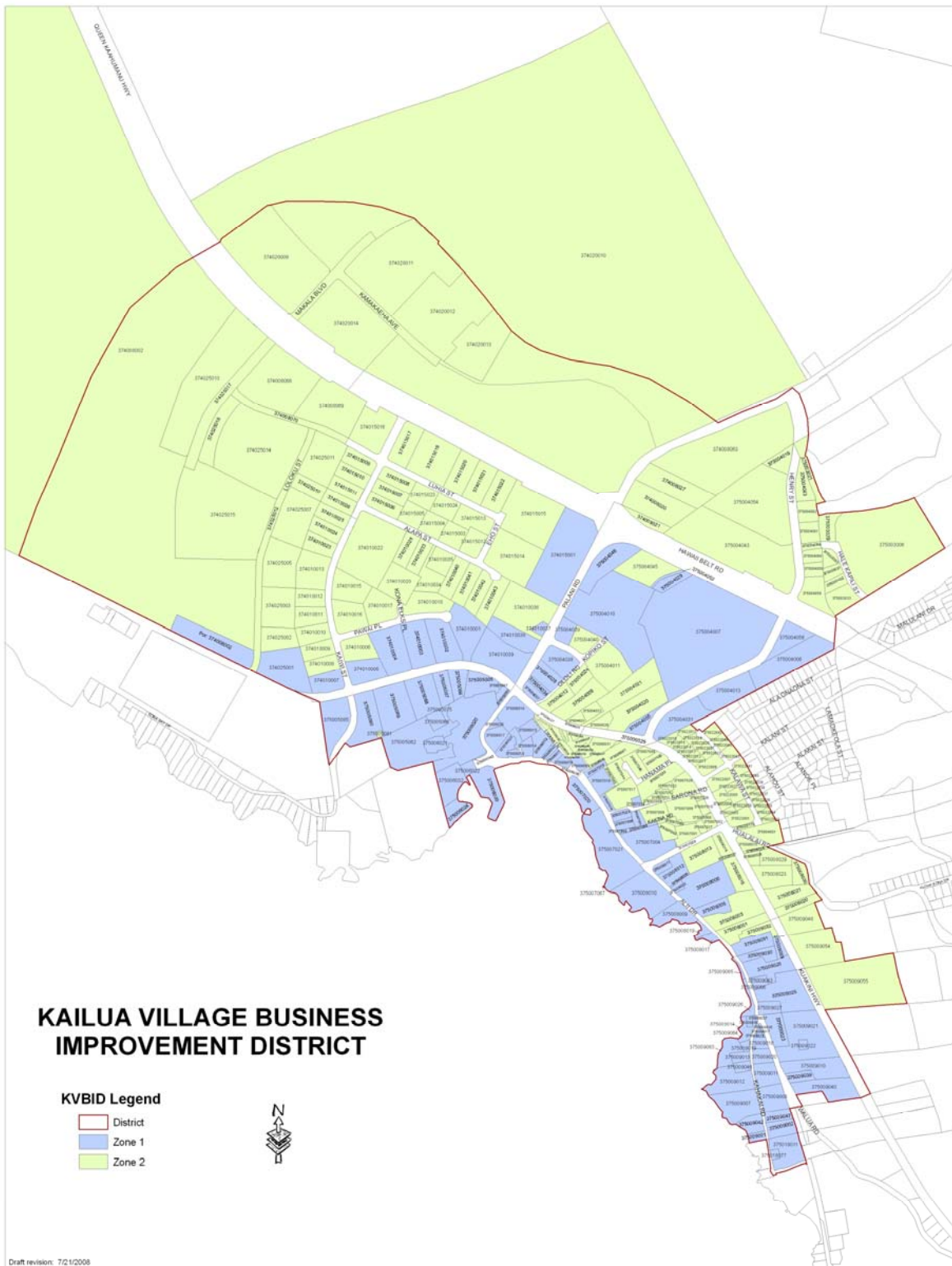
- *Economic Sustainability:* Support local businesses and promote Historic Kailua Village as a place to invest, work, live and play.
- *Environmental Sustainability:* Support the use of renewable resources and the protection of our environment.
- *Social Sustainability:* Promote programs and services to care for the people that live and work in Historic Kailua Village in a balanced manner.
- *Cultural Sustainability:* Promote awareness and education of cultural resources and practices.

3. ACHIEVEMENTS AND SUCCESSES

- KVBID was established by County Ordinance 07 171 on December 11, 2007. The boundaries of the District and assessment zones are shown on Figure 1. The District received its first funding in February 2008.
- KVBID launched ‘clean and safe’ initiatives in Kailua Village, including: security patrols on bicycles and roving vehicular patrols; janitorial services including daily sweep crews to clean sidewalks, planters, streets and public restrooms; and landscape maintenance along sections of Kuakini Highway and Ali`i Drive.
- KVBID installed trash receptacles throughout the Village. Funding for the trash receptacles was secured through a grant.
- Restrooms at Hale Halawai have been opened to the public and are maintained and cleaned daily.
- KVBID has partnered with several other local organizations to sponsor Kokua Kailua events, which are a popular event for residents, visitors and merchants. Ali`i Drive is closed to traffic and open to pedestrians for a Village Stroll during Kokua Kailua, which features Hawaiian music, arts, shopping, and food.
- KVBID secured grant funding for the Hawaii Police Department that will fund the installation of 16 high-def security cameras at known hot spots throughout the village. Installation is expected to be completed in the summer of 2009, and will help deter graffiti and other crimes in the area.
- Funding has been earmarked to install Wi-Fi throughout the village.
- KVBID partnered with the Hawaii Tourism Authority to bring additional grant monies to Historic Kailua Village as part of HTA’s natural resources grant program. Information will focus on cultural heritage sites and appropriate care of ocean resources around Kailua Bay.

- Funding has been earmarked for a lighting design plan to improve safety and security as well as incorporating sustainable energy technologies and heritage design elements.
- KVBID is developing a communications master plan that looks at the big picture in integrating a branded environment for Historic Kailua Village.
- KVBID is working towards providing short-term parking solutions in the village, and supporting the fast-tracking of a homeless shelter in the District.

Figure 1 - District Boundary Map



4. PROGRAMS AND SERVICES

Existing programs and services include clean and safe initiatives and landscape maintenance. Clean and safe initiatives including security patrols, cleaning of sidewalks, planters, and public restrooms began in 2008. Landscape maintenance along portions of Kuakini Highway and Ali'i Drive began in 2008. A Master Communications and Branding Plan was initiated in 2009.

Future programs and services will likely include:

- Expanded landscape maintenance services
- Landscape improvements
- Lighting improvements
- Streetscape furnishings
- Public signage guidelines for directional, way-finding and promotional signage within the District.
- Marketing and community outreach
- Sustainable community programs
- Coordination with County Police and Community Prosecution Program

5. SWOT ANALYSIS

A SWOT analysis was prepared by the Strategic Planning Committee Meeting in May of 2008 to assess the internal strengths and weaknesses of KVBID and to identify the external opportunities and threats relevant to the KVBID.

Strengths

Financial: District assessments & grants, long-term capabilities

Physical: location, historical features, culture, amenities

Other: diversity, passion and support of members, government cooperation

Weaknesses

Infrastructure: thin administration, outreach

Acceptance: unproven, community buy in

Other: economic challenges

Opportunities

Acceptance: community, national organization, ambassadors, social events, communications plan, networking

Financial: CIP funding, grants, marketing and branding

Quality of Life: aesthetics, long term vision, dramatic impacts/big bang, sidewalk dining, model green village, landscape plan, walkability

Infrastructure: Hale Halawai substation, community police liaison, planning, pedestrian mall, clean and safe, historical sites and interpretation

Threats

Economic: national and local economy, property values and assessments, illegal vending

Infrastructure: parking, lack of public transportation, aging infrastructure – public and private, ADA

Quality of Life: social problems (homeless, health aspects, intimidation), drugs, safety, enforcement, noise, violence, skaters, changing political climate

6. STRATEGIC INITIATIVES

Strategic initiatives represent the overarching goals to be implemented to fulfill the vision and mission of KVBID. Strategic initiatives are categorized by sub-committees to facilitate implementation of the initiatives.

Strategic Planning Committee Initiatives

Mission: The KVBID Strategic Planning Committee is committed to providing support and direction to KVBID stakeholders to facilitate the vision and mission of the KVBID. Strategic Planning Committee initiatives include:

- Update and maintain the Strategic Plan.
- Develop benchmarks to track the effectiveness of the KVBID.
- Guide and direct the content of the web site.
- Obtain feedback from stakeholders.
- Develop and provide educational materials and updates to property owners.
- Identify strategic partners and alliances and establish partnerships with KVBID.
- Develop and introduce legislation to promote the vision and mission of the KVBID.
- Monitor and interface with the development of the Kona Community Development Plan.
- Represent the KVBID on the Kona Community Development Plan Implementation Committee.

Program Services Committee Initiatives

Mission: The KVBID Program Services Committee is dedicated to enhancing the quality of life in Historic Kailua Village by working with local janitorial, security, and state and county agencies to improve and maintain the safety, cleanliness, and aesthetic appearance of public right of ways, open space and parks, and common areas within Historic Kailua Village. Program Services Committee initiatives include:

- To improve and maintain the cleanliness of Historic Kailua Village.
- To increase and maintain safety in Historic Kailua Village.
- To improve and maintain the aesthetic appearance of Historic Kailua Village.
- Increase visitor traffic in Historic Kailua Village.
- Install surveillance cameras throughout the District to deter criminal activity.
- Install Wi-Fi throughout the Village.
- Install additional crosswalks with flashing lights to encourage a pedestrian-friendly environment.
- Initiate and maintain a recycling program.
- Install trash receptacles with Hi5 recycling in 2008.
- Encourage owners to install enclosures for dumpsters.
- Replace broken/damaged trash receptacles.
- Consolidate brochure stands to improve appearance.
- Encourage local businesses to upgrade storefronts and signage.
- Annually review service contracts.

Public Private Partnership Committee Initiatives

Mission: The Public Private Partnership Committee is dedicated to enhancing our village by creating and building positive relationships between public and private for the good of the community; to be a sustainable catalyst that fosters proactive solutions. Public Private Partnership Committee initiatives include:

- Partner with county and state agencies to facilitate services currently provided by those agencies.
- Encourage greater parking availability and increased public transportation options.
- Promote and support a pedestrian friendly community.
- Implement park-n-ride to provide a transportation alternative for the Village.
- Participate and promote the improvement of public spaces.
- Support the establishment of a homeless shelter to serve the Village.

Placemaking Committee Initiatives

Mission: The Placemaking Committee is dedicated to creating unique, inviting public spaces, that are comfortable and create a friendly social climate that defines the character of Historic Kailua Village. Placemaking Committee Initiatives include:

- Market Historic Kailua Village – “A model sustainable community that is a better place to invest, work, live and play.”
- Prepare a lighting design plan to improve safety and security. Incorporate sustainable energy and heritage design elements into the lighting plan.
- Develop and promote landscape guidelines and design standards for the District.
- Develop and promote architectural guidelines and design standards for the District.
- Map out public spaces, and identify priorities for maintenance and improvements.
- Identify and map our historic sites in the Village and develop interpretation materials.
- Close Ali`i Drive to vehicles during special events to promote a pedestrian mall concept.
- Host night-out events to create awareness during nighttime hours.
- Support and participate in local events.
- Support the enhancement of the Kailua Village Farmer’s Market.
- Facilitate the installation of placemaking signage and banners.

Governance Committee Initiatives

Mission: The KVBID Governance Committee is dedicated to oversight of the KVBID Board of Directors. Governance Committee initiatives include:

- Oversee the nomination and election of board members.
- Oversee and maintain 501(c)(3) status.
- Monitor for conflicts of interests within KVBID.
- Develop and promote efficient, effective and compliant best management practices for the Board.
- Provide notice to members and stakeholders for KVBID meetings.

Finance Committee Initiatives

Mission: The KVBID Finance Committee is dedicated to enhancing the quality of life in Historic Kailua Village with fiscally responsible management and oversight of KVBID resources. Finance Committee initiatives include:

- Provide overall fiscal management and oversight for KVBID.
- Creating and monitoring an annual timeline for preparation, submission and approval of the District's budget and annual report;
- Establishing the District's rate of assessment annually;
- Certifying the District's TMK list annually.
- Function as the KVBID audit committee.
- Provide the treasury function for KVBID by monitoring returns on investable cash balances.
- Identify sources and eligibility for grants.

7. FINANCE

To raise and sustain revenue, district taxpayers will be assessed annually and the assessment will be paid in two equal payments in February and August. Assessments to Zone 1 taxpayers are \$1.75 per \$1,000 of assessed value, and 58 cents per \$1,000 in Zone 2. Residents with active homeowner exemptions on file with the County will be assessed a cap rate of \$100 annually or the actual assessment whichever is less. All residential condominium apartments with the District 1 will be assessed at the Zone 2 rate.

Grant funding is actively being pursued to provide additional funding for the District. KVBID is targeting funding from grants as a key source of revenue to implement programs within the District.

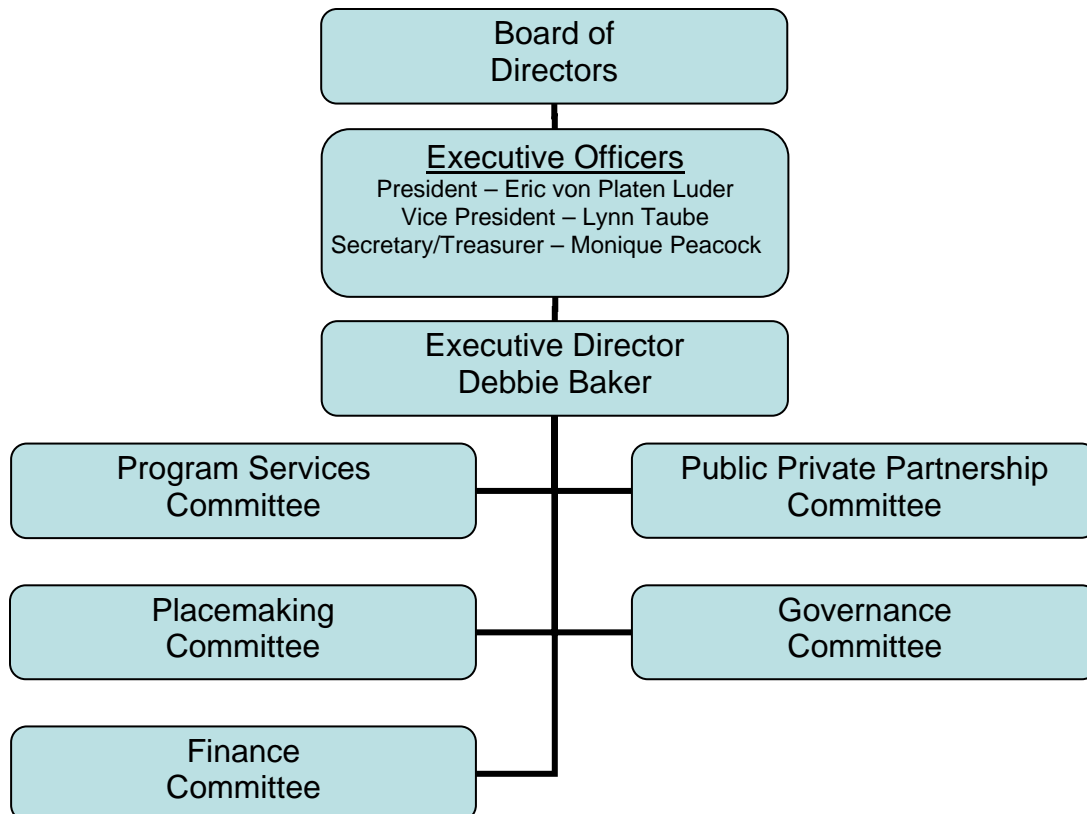
Budget allocations are determined by the KVBID Board of Directors. Uses of Funds include: Public Space Management & Security; Streetscape Cleaning and Maintenance; Capital Improvements, and; Operating Support/Administration.

8. ORGANIZATIONAL STRUCTURE

The KVBID operations are overseen by the seventeen (17) member board of directors, which consists of fifteen (15) voting directors and two (2) non-voting directors. Four of the seventeen board members shall be appointed: 1.) The director of public works or the director’s designated representative, who shall be a non-voting member; 2.) The director of finance or the director’s designated representative, who shall be a non-voting member; 3.) The mayor or the mayor’s designee, who shall be a voting member; and 4.) The council member of the district within which the majority of the land area within which the district is located or the council member’s designated representative who shall be a voting member. With the exception of the four (4) appointed board seats, the remaining thirteen (13) directors shall be elected by the landowners and/or lessees of land.

KVBID committees provide for a collaborative planning effort among board members, district taxpayers, and the public. Committees develop and implement the strategic initiatives for the District.

Figure 2 - KVBID Organizational Chart



KVBID Board of Directors

Debbie Baker – KVBID Executive Director, Current Events

Eric von Platen Luder – KVBID President, Huggo's

Lynn Taube – KVBID Vice President, Holualoa Companies

Monique Peacock – KVBID Secretary/Treasurer

Marie Aguilar, Kailua Village Merchants Association

Scott Bell, Body Glove Cruises

LeeAnn Crabbe, Queen Liliuokalani Trust

Mattson Davis, Kona Brewing Company

Glennon Gingo, Clark Commercial Group

James Greenwell, Lanihau Properties LLC

Fritz Glade Harris for Kelly Greenwell, County Council, District 8

Gary Hogan, Hawaiian Hotels & Resorts

Vivian Landrum, Kona-Kohala Chamber of Commerce

Byron Moku, Hokulia

Monique Peacock, The Commercial Group

Ed Rapoza, Island Land Co., Inc.

Brian Rupp, The Shopoff Group

Nancy Crawford, Director of Finance, County of Hawaii

Warren Lee, Director of Public Works, County of Hawaii