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## Further delays in approvals for Kyo-ya project are unacceptable

## State must allow hotel operators to upgrade properties or be assured of Waikiki's long-term decline

Staff Pacific Business News

For the past 18 months, much of the conversation about our state's visitor industry has vacillated between a collective sense of relief and pride about how well it has recovered and what that recovery should mean for hotel union contract talks.

Unfortunately, too few people want to be engaged in the more important conversations Hawaii needs to be having about the investments that should be made in our hotels and resort properties in Waikiki, and the infrastructure that supports them.

We're already behind schedule, but that must not deter us from starting to talk about how our state can find ways to get comfortable with allowing our hotel owners and operators to seize opportunities to expand and update their properties. Those opportunities would translate into billions of dollars in local investment and countless thousands of new construction jobs for an industry that is still in desperate need of an economic recovery.

Or, we need to decide we don't have the appetite for that, and then we can start talking about a future where Hawaii will no longer be one of the most sought-after tropical island vacation destinations in the world.

The choice is ours. Unfortunately, lawmakers and bureaucrats who appear to be out of touch or out of sync are making those choices for us.

They seem all too content with where we are, forgetting the reality that Hawaii is constantly competing with other exotic locations throughout the world for the right to be a premium visitor attraction and charge the premium prices that go along with that so our state and counties can collect premium tax revenue as a result.

If we're not willing to show our resort owners and operators that they are welcome in our state by allowing them to develop and redevelop their properties, those companies will take their billions elsewhere. Even now, much of the money that should be coming to Hawaii is getting on a plane, headed for destinations that in a few years will be even better prepared to compete against us.

If this isn't the future we want for our state's biggest industry, we must put an end to the absurdities that, among other things, have led to a seven-years-and-counting delay in Kyo-ya's plan to replace the Westin Moana Surfrider's low-rise Diamond Head Tower with a new high-rise tower as part of a \$700 million project that includes redeveloping the Sheraton Princess Kaiulani hotel.

The Beach Walk redevelopment project was the last major hotel investment in Waikiki, and a new hotel hasn't been built there in a generation. Granted, upgrades have been made to various properties, including the Hilton Hawaiian Village Waikiki Beach Resort, Halekulani, Sheraton Waikiki and Royal Hawaiian. But Waikiki is showing its age, and now is the time for the state of Hawaii to get serious about allowing the epicenter of our visitor industry to get the updates it needs.

That should start with letting Kyo-ya go forward with its redevelopment plans without further delay, or giving Hawaii residents a much better reason as to why those plans must be kept in an endless holding pattern.