



"The voice of the Waipouli Beach Resort"

# Ka Leo O Waipouli

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## The Waipouli Beach Resort is now... Under Construction!

The ground is broken, the dust screens are up, and Kauai's newest luxury condominium resort development, Waipouli Beach Resort, is underway.

The \$100-million, 196-unit luxury beachfront residential condominium project in Waipouli across from the Kauai Village shopping center could be open for business as soon as early 2006.

"Kauai has been for a long time underserved, underdeveloped and undervalued," said Rick Cassidy, a real estate consultant working with Waipouli Beach Resort LLC.

Cassidy said that the development, along with the recently announced plans for the expansion of Princeville, is just another sign that Kauai's development market is taking off.

"We are right at the base of the big wave," Cassidy said.

Ed MacDowell, owner of Vision Properties in Kapa'a, said that the new development is just the right kind of inventory needed in today's market.

"It's been the same old thing here: no inventory, 20-year-old projects selling at \$500,000 to \$600,000," MacDowell said. "With oceanfront property next to shopping, it's the kind of development Kapa'a needs. It'll be a real shot in the arm."

Unlimited Construction Services, Inc. of Lihue has been selected as the general contractor. They recently built the Marriott Waiohai Beach Club in Poipu and are working on the new state Judiciary building.

"This condominium design was well thought out and is sure to keep at least 300 of Kauai's resident-builder trade busy for two years," said Peter Robson, president of Unlimited Construction.

Kauai-based developers Waipouli Beach Resort LLC are pleased with progress of the construction.

"This is the first development in a long time on this side of Kauai," said Keith Singleton, principal with Waipouli Beach Resort LLC. The project is slated for the



Construction started on the Waipouli Beach Resort in October. Bulldozers and trucks have been moving tons of dirt and, soon, the foundation will be underway.

12.6 acres of water-front property across from Kauai Village shopping center, which houses Safeway.

The project will consist of 153 two-bedroom units, 37 one-bedroom units and six hotel studio units. Other facilities and amenities will include a restaurant, spa, fitness center, beach activity center and an 185,000-gallon fresh-water fantasy pool complete with two serpentine waterslides.

### Area improvements

One of the first things addressed in the initial development plan was traffic flow in the area, said Chris Singleton, managing partner of Waipouli Beach Resort LLC and Keith's brother.

The project will create a designated turn lane for Kauai Village shopping center, a second lane for northbound traffic, and a turn lane for the new condominium resort. Additional land on the property will be dedicated to a bike path, and one acre will be a dedicated "cultural reserve."

Outrigger Hotels and Resorts will manage the Association of Apartment Owners at the new resort, making it the third such operation on Kauai managed by the Oahu-based company.

"Outrigger is pleased to have an opportunity to be associated with such a high-quality project on the Garden Isle, especially one with such a great beachfront location," said Bill Henderson, vice

president business development for Outrigger Hotels & Resorts.

Lancor Architects, Inc. of Honolulu has been named the designer and architect, Groark Design, Inc. of Honolulu will install the water features and pool/spa areas, and Kauai Nursery, Inc. of Puhi has designed and will install and maintain the landscaping. Singleton said that he's been fielding inquiries for months now from Realtors on Oahu and Kauai, who he described as lining up like airplanes on a runway.

Waipouli Beach Resort Realty of Kapa'a is the listing agent, and an office has set up in Kauai Village shopping center.

For information, call 808-823-8300.

## NEWS & NOTES

### Visitors: Best year in history? Kauai on track to break \$1 billion

Boyed by record-setting visitor arrivals and a surge in spending, October 2004 went down as the best in Hawaii's history.

And Kauai did pretty well, too. Visitors to Kauai spent \$86.4 million in November and, by October, had spent \$932 million for the year to date, putting Kauai on track to break the billion-dollar mark by the end of the year.

"It's been a very good year for Kauai so far," said Margy Parker, executive director of the Poipu Beach Resort Association. "We've been slightly off here and there throughout the year, but we're tracking with longer lengths of stay and increases in Kauai-only visitors."

Those factors, along with more direct air service to Kauai, will mean a banner year for visitor expenditures, she said.

Visitor days are up, visitor arrivals are up, average length of stay is slightly up, spending is up — all good indicators that Kauai is on track for a big year.

But as for Kauai breaking a billion dollars this year, Parker is playing it safe.

"I'm not sure how the numbers will translate into a true economic picture," she said.

Some Southshore lodging suppliers have reported that their fall season has seemed "soft" compared to last year, Parker said.

More than 86,000 visitors came to Kauai in October. For the first 10 months of the year, 859,170 visitors came to Kauai, up 3.9 percent over last year.

The Kauai-only visitor numbers for the last 10 months show a 13.9 percent lead over the same period last year. So far this year, 370,680 visitors have come directly to Kauai — that's more than a third of all visitors here.

The average visitor spent \$999.50 in October, and spent nearly seven days on Kauai. As of October, 859,170 visitors had come to the Garden Isle so far this year, and spent an average of \$1,084.80 per person per trip.

Statewide, 560,134 visitors spent \$849 million in October, and the Japanese spent the most per person in October, with an average of \$255 per day, followed by those from the U.S. East, who spent \$178 per day.

However, when it comes to overall spending per trip to the islands, no group could beat visitors from the U.S. East (from areas east of the Rocky Mountains). Per trip for the year-to-date, U.S. East visitors spent \$1,665 per person per trip, followed by visitors from all other markets (\$1,624 per person), Canada (\$1,621 per person), Japan (\$1,427 per person) and the U.S. West (\$1,344 per person).

Most of the good news can be attributed to nearly double-digit point jumps in arrivals in both domestic and international markets.

Arrivals from the domestic sector rose 9.8 percent to a new October record of 383,576 visitors. International visitor arrivals increased 9.3 percent. Arrivals from Japan rose 8.5 percent, while Canadian visitor arrivals jumped 17 percent compared to October 2003.

Collectively, they contributed to a 4-percent growth in total visitor days for October 2004 compared to the same month last year, according to data from the state Department of Business, Economic Development & Tourism.

In order to handle the increase in visitors, airline companies offered more flights to the islands this year than last year — a sure sign that Hawaii's primary lifeline is getting healthier.

"Contributing to the October increase was a 10.4-percent growth in airline seats," said Marsha Wienert, state tourism liaison.

Romance was in the air in October. The honeymoon market — one of Kauai's fastest-growing segments — did extremely well this year.

"The honeymoon market continues to remain strong, as evidenced by the 13.6-percent increase in this market segment," Wienert said.

Visitors have spent \$8.5 billion so far this year across the state.

### Air Capacity to Hawaii up 27 Percent

Planned air seat capacity from Canada to Hawaii during the peak winter travel season (Oct. 2004-April 2005) is projected to be up 27 percent versus the same period one year ago, according to the Conference Board of Canada.

Although scheduled air seats between Canada and the Islands are down 6.7 percent for the first ten months of 2004, CBoC states that new service by Harmony Airways (51,220 total added seats between October 2004 and April 2005), and increased airlift by Aloha Airlines (+8%) and Air Pacific (+10%) are the main factors behind the Air Canada, which maintains approximately 60 percent of the air seats from Canada, is expected to have a seven percent reduction in capacity for the seven month period.

### 300 million international visitors

The Pacific Asia Travel Association (PATA) forecasts a record 300 million international visitor arrivals to the Asia-Pacific region, according to their Issues & Trends newsletter. If this projection holds true, international Asia-Pacific arrivals will surpass the previous record of 274.8 million in 2002, by 10 percent.

PATA states that the main drivers for visitor growth this year are pent-up demand, deals offered by lowcost air carriers, an easing in China's outbound travel regulation policy, a strong Euro, and strong Euro and strong economic performances in the Asia-Pacific source markets.

### Kapa'a boasts bounty of restaurants

From Mexican to Thai to Italian, Kapa'a is rapidly becoming home to some of Kauai's finest restaurants. Who said you have to eat in all the time? Certainly not the folks at the Dragon Building in Old Kapa'a town just a stones throw from the new Waipouli Beach Resort. Here you'll find Hawaii's best Vegan restaurant. Next door, Norberto's El Cafe. Or perhaps Pacific-American is your preference. Try the Pacific Cafe, right across from the ABC store in Kapa'a. Of course, there are many to choose from: The Lemon Grass Restaurant, home of Kauai's best Pacific-Asian food. From fast food to "slow" sit-down dining, eastern Kauai is fast becoming the true cultural center of Kauai. You'll have plenty to choose from when you become a resident of the Kauai.

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## Legend of the Robes

Keith Singleton

WAIPOULI BEACH RESORT

Once upon a time, in the days of steamships and propeller airplanes, officers of the U.S. Military and travelers crossing the Pacific Ocean to and from Asia and the South Pacific, would stop over in the Hawaiian Islands to rest at The Halekulani Hotel Bungalows on the beach at Waikiki.

One of the signature features of a stay at "The Hotel" were two, deep, plush Turkish bath robes emblazoned with the hotel's logo. They came with every room. They made you feel warm and welcome.

Many of these hard-to-come-by treats would end up in the outbound traveler's steamship trunk, never to return. The robes became a visitor's trophy, a symbol of royalty, a gesture of Aloha.

They have since been referred to as the ultimate collector's item. At The Waipouli Beach Resort, we have pledged to become the stewards of this tradition and uphold the very message that these fine offerings were intended for: The message of Aloha. These are very special lifetime gifts, as you are to us.

HAPPY HOLIDAYS, THE SINGLETONS

## Unlimited Construction: Kauai's best is on the job

When the developers of Waipouli Beach Resort chose Peter Robson and Randy Finlay of Unlimited Construction Services, Inc. to build their spectacular 196-unit luxury beach-front resort condominiums, they knew they were getting the best.

The two had just been named Hawaii's "Small Business Persons of the Year" and were up for a national award. Indeed, the construction company had come a long way since Robson and Finlay joined forces in 2000.

While both had been in the business for decades, their combined talents created such a potent alchemy that, by 2002, Unlimited Construction had grown in revenue by 131 percent and was getting nation-wide attention for rebuilding the luxurious Marriott Waiohai Beach Club on the south end of Kauai in Poipu.

But the duo didn't rest on its laurels. They

soon hired some of the finest builders and engineers in the state and immediately began work on the \$36 million Kauai Judiciary Complex next to Lihue airport — the second major judiciary facility to be built in Hawaii since 1987.

Meanwhile, the Waiohai is today considered one of the greatest expressions of tropical, modern Polynesian architecture, design and construction in the state.

That is, until now. The company has set its sights on the \$100 million Waipouli Beach Resort — soon to be their crowning jewel.

"Waipouli is by far the biggest project we've done to date," says Peter Robson, Unlimited's president.

At least 25 firms are involved in the Waipouli Beach project as Unlimited's subcontractors, and some 300 local builders and craftspeople will be involved in the day-to-day construction of the project until expect-

ed completion in late 2006.

It has taken Waipouli Beach Resort Developers Keith and Chris Singleton nearly two years to put together the necessary deeds, permits and paperwork to bring the dream of the Waipouli Beach Resort to this stage. Today, the project stands poised to become a real-world illustration of Unlimited's capabilities.

Unlimited has nailed down the cost of the project within "three-percent" of costs, says Robson. Called "risk mitigation," Robson says everything from labor to material has been planned for, and they expect the project will become a model for others around the state.

There are only a few resort-zoned condo-

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minium projects planned for Kaua'i at this stage, and none for the famed "Coconut Coast" on the east-side of Kaua'i. Thus, the Waipouli Beach Resort – one of the first new condominium projects on the east side in 20 years – could be one of the area's last for awhile.

Just a mile from the now empty Coco Palms hotel, where Elvis Presley shimmied and swayed in "Blue Hawaii," the developers of the Waipouli Beach Resort are building a jewel of a resort and sparing no expense.

"We've got the best of everything," says Chris Singleton: High-tempered storm windows and walls from Dorvin D. Leis Company; Lancor Architects of Honolulu designing and developing architectural plans; Groark Design of Honolulu installing the water features and pool/spa areas; and the Kaua'i Nursery of Puhi handling the tropical landscaping.

Even the 40-foot dust shield protecting the nearby Kaua'i Village shopping center, will be dressed with tropical foliage – "so that it'll be beautiful even before we're finished," Singleton says.

With local expertise handily available, Unlimited's Robson

figures the project will stay ahead of target dates. That will be partly achieved making use of the latest Internet technology to make architectural, mechanical and civil engineering plans available in one place, completely interactive and interconnected, so that builders can bring their plans together without shipping.

It'll be fast and efficient, Robson says.

"The whole key to a project like this is to start early on everything," he says. When the Waipouli Beach Resort project is at the height of activity sometime in mid-2005, its 300 employees will pump millions into the surrounding economy, creating a ripple effect of spending that will be felt from Waimea on Kaua'i's west-side, home to the Grand Canyon of the Pacific, Waimea Canyon, to Hanalei's patchwork taro "lo'i" and pristine white beaches.

"That might be one of the best things about this project, and one of the reasons it's gotten such a positive reception in the community," Chris Singleton says. "By giving people good, high-paying jobs, we're creating a lot of good feelings here for a long time to come."

## UNLIMITED CONSTRUCTION, INC. IS ON THE JOB



**The Waipouli Beach Resort:**

"By giving people good, high-paying jobs, we're creating a lot of good feelings here for a long time to come," says Chris Singleton, one of two principal developers. The project is the first in a long time of large resort projects in the area. And judging by how long it took to get the permits and clearance for it – and the scarcity of land on this side of the island – it could be the last for a long time, say experts.

Established in 1991, Unlimited Construction is a Kaua'i-based firm specializing in resort, commercial, multi-residential and industrial projects. The firm is now the largest general contractor on Kaua'i.

# Superferry coming to Kaua'i

## System will link the islands together, giving Hawaii the first all-water superhighway in the country

Kauaians will soon be able to travel at will, to and from every island for the fraction of the cost of an air flight, and bring along a car, a surfboard – even a pet.

Representatives from Hawaii Superferry, Inc., the multi-partner Kama'aina entity that plans to build a ferry service for people and cars between the Hawaiian islands beginning in late 2006, were on Kaua'i in early September to pitch their dream.

Complete with PowerPoint presentation and digital video, Tim Dick, HSF chairman, and John Garibaldi, chief executive officer, wowed a crowd of local Kauaians who gathered in the government center for a meeting of the Governor's Kaua'i Advisory Committee.

Images of similar Superferry operations steaming the Mediterranean between Spain and Morocco had the crowd oohing and ahing, and detailed information on engine power and luxury cruiseship-like amenities had people squirming in their seats.

The bottom line, say representatives: The Superferry, which company representatives have nicknamed "H-4," (short for Hawaii Interstate number four) is well on its way to becoming reality.

"The first ship is already well under construction in the yard in Mobile, Alabama," Dick told the Kauai crowd. HFS expects the first ship to be operating by late 2006 and the second by early 2008.

How much will it cost? About half of what it costs for air-travel.

How many lifeboats will there be? Enough, they said.

Can I bring my dog? Yes, and a cat, too. No other pets will be allowed, they said.

"We've raised \$3.3 million in equity capital," Garibaldi said. The Superferry developers expect to raise another \$55 million and already have some 50 companies and individuals investing in the project.

With a conservative cost estimate of \$152 million for the two ships alone, financing for the Superferry is pricey, but Garibaldi insists there is plenty of money waiting in the wings as the Superferry builds a head of emotional - and promotional - steam throughout the islands.

"I'd stake our professional careers on it," Garibaldi said.

"The next round of investors will pay for the big ticket items."

Already on board the Superferry dream is Grove Farm owner and multi-billionaire Steve Case, who purchased half of Maui Land and Pineapple Company's \$1 million share in the project.

As for any possible stumbling blocks to the deal, Garibaldi, a former Hawaiian Airlines vice president, said that various meetings with the Public Utilities Commission, and the final price structure unveiling at the PUC, went smoothly.

"If there were any problems with the project, you would have seen some intervention during the PUC process," he said. The company asked the PUC to expedite hearings and other steps in the process and have a decision by the end of this

year.

The ferries leaving Oahu will depart from Pier 19 in Honolulu. Garibaldi said the company still needs a ramping area for cars, ticketing and passenger waiting areas and other necessities. As of December, the Superferry had few detractors, and Superferry executives issued a press release reading that the second round of financing was in place.



**These aren't your grandpa's ferries:** The new Superferries will be longer, faster and safer than any now plying American waters. They will also have the best amenities, including a number of lounges, one of which is pictured here.

Hawaii's \$1 billion-a-year interisland transportation market moves an average 22,000 passengers a day on interisland flights, 7 million tons of dry barge freight and 96,000 tons of air freight a year. But Superferry officials said that there is still an unmet demand for more service.

"I think it's good, especially for non-business travelers, because fares for interisland air travel is so high," said Millie Duarosan of First Class Travel in Kapa'a. "We've had people coming in asking about it, but we don't know what to say because it's only rumor." Even as speculation swirled at the meeting Thursday about existing transportation companies losing marketshare to the new Superferry service, the re-sounding feeling among the Kauaians was that Hawaii's travelers stand to win big.

One-way fares are projected to be about \$50 per passenger, with cars at \$55 and with larger vehicles at \$90. A one-way trip from Honolulu to Maui or Kaua'i will take an estimated three hours; the Honolulu-Big Island run will take four hours,

the company said.

"This will add a whole new dimension to Hawaii's tourism industry," Dick said.

Safety was a major concern at yesterday's meeting as Kauaians wondered if the ferry could safely withstand Hawaii's rugged seas.

"These vessels are certified for seas of 30 to 40 feet," Dick said. Unlike SeaFlight, the hydrofoil system that ran between the Islands from 1975 to 1978, these vessels are truly seaworthy, Dick said.

Most of the Superferry presentation Thursday focused on the economic benefits: the stimulation of local and visitor travel, the speed of shipping produce and specialty items to the Honolulu market, and the thousands of indirect and direct jobs created along the way. Hawaii Superferry officials Mike Fitzgerald and John Strom said that ferries could carry goods for 2 cents per pound, compared to 13 cents per pound via barge.

But Young Bros. Tug & Barge President Glenn Hong strongly objects to that comparison and insists that barges are still the cheapest way to move products to market.

"There's a lot of misinformation out there," Hong said. "I don't know where they got those comparison numbers and we've have not been able to verify them."

"I still believe that barges are by far the cheapest way to go," he said.

As to whether the Superferry is a good idea, Hong flatly said: "Our official position is that we support anything that improves interisland transportation and infrastructure, as long as everyone is on a level playing field."

Ten years ago, the Superferry wouldn't have worked, Dick said. But the confluence of technology and rising oil prices make the Superferry a doable dream.

"The ship technology has only been around for 15 years, and the Jones Act-compliant shipyard in Alabama only opened in 1999," Dick said.

Each ship is a 345-foot, and four-story high, semi-SWATH (small waterplane area, twin hull) catamaran will be built in Alabama, making it compliant with the Jones Act, which requires that vessels sailing between U.S. ports be made in America.

The ships will carry up to 866 passengers and 282 vehicles. Vehicle decks are large enough to carry semi-trailers up to 48 feet long, smaller delivery trucks, pleasure boats on trailers and passenger cars.

To date, Australian-based Austal USA has built 25 similar vessels, almost all of which remain in service around the world, serving routes connecting Ireland with Britain and France across the Irish Sea and English Channel, Australia with Tasmania across the Bass Strait, Poland with Scandinavia across the Baltic Sea, and the trans-Mediterranean passage between Spain and Morocco across the Strait of Gibraltar.

### Letter from the Developer:

#### Season's Greetings Everyone!

We are happy to announce that dirt is flying and heavy equipment is on the ground. And, our Web Cam will be up and running by this mailing. See [www.waipoulibeachresort.com](http://www.waipoulibeachresort.com).

Our entire staff would like to take this opportunity to send our Aloha to the families and the Military Men and Women overseas, and to wish each and every one of you a happy Holiday season and may your wishes for 2005 come true.

Houli Makahiki Hou!  
The Singletons