

## Niseko Hirafu BID Outreach Meeting

Time & Date: April 25, 2013 (Thursday); English from 1 p.m., Japanese from 4 p.m.

Venue: Mountain Centre

Outline of speech by Junko Watanabe, the head of Hirafu Bukai, Kutchan Tourism Association

Good afternoon, ladies and gentlemen.

I'm Junko Watanabe, the head of Hirafu Bukai of the Kutchan Tourism Association. First, let me talk about the background to construction of the sidewalk road-heating system at Hirafuzaka Street. I'll focus on how it was decided, why it should be included in the BID, and why the BID is necessary.

Do you know why we decided to install a sidewalk road-heating system and why this community has to bear part its electricity costs? Let me start my talk by answering these two questions.

People doing business around the Hirafuzaka Street have wanted a road-heating system for many years. As every older resident knows, when a car or bus gets stuck halfway up the slope in winter, all the vehicles behind it have no choice but to go down the slope. In such a situation, extremely high skill is required of the drivers of large coaches. The carriageway is partially quipped with a road-heating system, but it's not enough to ensure safety.

The number of tourists from other countries has been increasing, and some of them have slipped and fallen on Hirafuzaka Street. We have many visitors from Australia, and they're not used to walking on snowy, icy roads. It's very dangerous for them to walk up and down the steep Hirafuzaka Street. with luggage. People felt the need to improve the pedestrian environment of Hirafuzaka Street. Finally in 2007, the Association to Promote Renovation of Hirafuzaka Street (on the Prefectural Niseko-Kogen Hirafu Route) was established and an official request was submitted to the town. The association requested that the government install sidewalk heating for a width of least 1.5 m. This request recognized that the Hirafu community would bear part of the electricity cost of the sidewalk road-heating system.

The members of the Association are: Yamada Onsen Hotel, Hotel Niseko Scott, Hotel

J-First Niseko, Tokyu Resort Services, Niseko Prince Hotel Hirafu-tei, Niseko Park Hotel, West Canada Homtes (Suiboku), Abucha, B'z Café, Bang-Bang, Niseko Alpine Developments, Co., Ltd. Big Cliff, Niseko Property, Sencho, Hokkaido Tracks, Izumikyo, Hirafu #1, #2, #3 and #4 chonaikais, Hirafu Shibu, Kurafu-Kyodo Kumiai, Niseko Hirafu Beautiful Landscape Protection Group, and NPB.

It was requested by this community, wasn't it?

Of course, the submission of a request is no guarantee of anything. In order to improve the pedestrian environment of Hirafuzaka Street and this community, Mr. Fukui from Niseko Park Hotel, who was then the chair of Hirafu Shibu, Mr. Kuno of Tokyu Resort and Mr. Kobayashi, the general manager of Hirafutei, visited the Kutchan Government and the Hokkaido Prefectural Government many times to make this request.

As a result of their efforts, this issue was taken up for discussion, and meetings for exchanging views with locals were held. I attended these meetings on behalf of Mr. Nakamura, the head of Chonaikai #4. At these meetings, people realized the danger of the Hirafu zaka Street and the necessity of sidewalk heating. The prefectural government gradually came to understand the enthusiasm of the people from Hirafu.

The prefectural government agreed to install a 1.5-meter-wide sidewalk heating system on Hirafuzaka Street, under the condition that the electricity costs would be paid by the local community. The government also announced that it would renovate the entire Hirafu zaka Street and would partly install carriageway heating.

Local people increasingly voiced their wish to have heating for the entire carriageway and the full width of the sidewalks. During the bubble economy, more than 400 people, mainly foreign nationals running businesses in Hirafu, signed a petition requesting that the sidewalk be equipped with heating. At meetings for exchanges of views, some foreign businesspeople said they would bear the cost for the heating system, as they desperately needed it.

In the final meeting held in 2011, the prefectural government presented their decision. I attended that meeting. There were so many people they could barely fit into the venue, Sun Sports Land. There were many pension owners from the lower village.

The prefectural government official said that they would take responsibility for installing heating for the entire carriageway and the full width of sidewalks on Hirafuzaka Street, and that they would bear the costs for electricity other than for a 1.5-m-wide strip

of sidewalk. They said that the locals should pay the electric bills for the 1.5-m wide strip of the sidewalk because they wanted to the road heating. The government wanted to confirm our intentions, and one of the pension owners said, "Road heating on Hirafuzaka Street is our long-awaited dream."

On that day at Sun Sports Land, the installation of sidewalk heating was decided to great applause from the attendees at the meeting. As a result of efforts by many people over many years, installation started.

Some people say they haven't heard about this process, but a report on a series of meetings was sent from the NPB and Hirafu Shibu to all those concerned.

Construction could have been suspended after the Great East Japan Earthquake, but it went ahead as planned. It's a wonderful thing for us doing business in this area, isn't it?

By the winter of 2015, excited tourists will be able to walk on a Hirafuzaka Street that's equipped with heating, that's lined with illuminated trees, that has street banners and signboards advertising Hirafu. I can't wait to see that!

This is a project that local people decided, so a BID should work on it. Rapid changes in Hirafu resulted in the creation of the International resort Hirafu. We have many visitors from other countries, and many of the property owners are foreign nationals. Eighty percent of the property owners don't live in this area, and most of them are foreign nationals. We need rules specific to this area.

A few years ago, Chonaikai #1, the neighborhood association, couldn't afford to pay the electric bills for security streetlights. The night lighting along Hirafuzaka Street was almost turned off. Some residents in the area of Chonaikai #2 refused to pay membership fees, insisting that membership was not mandatory and that it was not fair for the few remaining Japanese residents to be paying for night lighting. The head of the *chonaikai* has been working hard to talk with its members, but it is impossible to collect money from them. It's only a matter of time now. In a few months, the *chonaikai* won't be able to pay for street lighting. Chonaikai #3 has been doing relatively well, but it's also a matter of time before they have difficulty covering the cost of street lighting.

According to conventional Japanese rules, *chonaikais* or neighborhood associations are responsible for taking care of security streetlights and environment beautification.

On the other hand, it's difficult for property owners from other countries to understand the roles of *chonaikais* because it's not mandatory for them to join. In the area covered by Chonaikais No.1, No.2 and No.3, only 15% of building units owners are *chonaikais* members. Many Japanese residents don't know much about *chonaikais*, either. So it's no wonder that foreigners don't understand the significance of *chonaikais*.

The costs for the maintenance of the many streetlights and garbage-stations as well as for environmental beautification are covered by the fees paid by only 15% of the local residents. They pay, and they sort and dispose of other people's trash. Isn't it unfair? Something should be done to change the situation.

To improve the local situation, all those concerned should unite toward making a request for improvement. After something has been done or created, people tend to take it for granted, but we need to start by making a new system if we want to change things. This applies to the needed improvement of St. Moritz Bridge, the sidewalks along Route 343, the central park, and the safety center. We can't address the issue of waste, and we can't have a master plan without making a request.

Hirafu Shibu has been serving as a local contact for community issues and has been lobbying the government for the development of infrastructure in Hirafu. People often say they have no idea about the roles of Hirafu Shibu, but our predecessors have been working on issues specific to Hirafu.

Because of the effective work of the NPB as a secretariat, we had coverage by many overseas media and we were able to develop the *Wine & Dine* directory and the resort map. Without the NPB, we could not have started installing road heating on Hirafuzaka Street. Without the NPB, Hirafu would not be what it is today.

Last year, Hirafu Shibu merged with the Kutchan Tourism Association, and it was determined that activities specific to Hirafu had nothing to do with the aims of the association. The Hirafu Bukai we have today is a provisional organization that can exist until the BID is started.

Something is wrong with it, isn't it? Hirafu is the most important tourist destination in this town, but little budget is allocated to tourism in Hirafu. It's difficult to do projects specific to Hirafu. As incredible as it seems, that's the reality.

And now, we're about to establish the Niseko Tourism Bureau through the cooperation of the towns of Niseko and Kutchan. The Niseko Tourism Bureau is dedicated to the entire Niseko area, engaging in marketing and sales promotions. It's an

organization for establishing an integrated Niseko brand, improving the image of Niseko, and conserving nature and the environment in Niseko. Simply put, it's an organization for attracting visitors.

The NPB will be dissolved and merged into the Niseko Tourism Bureau. A new special purpose tax called a lift tax is considered to be introduced by the towns for securing tourism project revenue.

The BID that we propose is an organization for making visitor experiences more pleasant and comfortable. By securing cooperation among business operators, protecting the local environment, and ensuring safety, the BID aims at improving the hospitality that visitors can enjoy in Hirafu.

[Safety, security, environmental beautification, information sharing, problem solving and request for infrastructure improvement]

To address various issues, such as environmental issues, waste disposal, noise from late-night service of shops, danger from rocket fireworks, people urinating in the streets, snow removal, operation of the Safety Center, and the communication of information that's useful to visitors, we need community-wide cooperation. At present, we have little funding and we depend on volunteers for various activities, but we want to work to get revenue.

In the past, we had no choice but to accept things that we felt were unfair. But we can't endure such things any more. Now is the time for us to start over.

In several years from now, large-scale construction might start near the ski slopes. I don't want see that happen, but what if the ski slopes become foreign owned? If the owner of a ski slope might begin to think that they have nothing to do with the local community, what will happen? Actually, snow removal at the No.1 parking area is mostly paid for by Tokyu Resort Services. Other tourism-related costs are also covered by Tokyu Resort and other long-established businesses. Although there's some assistance from the town government, locals alone are now required to pay for electric bills related to streetlights, which isn't fair.

We can change things now. We should act before it's too late. Why don't we ask the 80% of property owners who haven't been bearing any costs to pay for the cost of making Hirafu a better place?

Why don't we make the rules by ourselves, because we're the ones who'll be doing business here? Do you think the town government will kindly make rules for us without we asking them to do so? Undoubtedly, it is we who can take advantage of the opportunities that are available now. After two years of discussion, all the committee members have reached the conclusion that a BID is absolutely and urgently needed so that we can have a fresh start at making Hirafu a better place for everyone.