



Destination Plan

Aguadilla & Isabelala

Prepared by: **streetsense.**

Powered by:



Foundation
for Puerto Rico

BOTTOM-UP
DESTINATION RECOVERY INITIATIVE

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Foundation for Puerto Rico is a 501(c)(3) nonprofit that seeks to unleash Puerto Rico's potential in the global economy, so more people can live, visit, work, and invest in our beautiful island. Our targeted economic development and resilience programs work hand in hand with our community partners, providing resources, training, funding, and networks that improve the local economy from within. We go from knowledge to action, combining innovative, data-driven thinking with strong field-based work across more than 32 communities. We've supported over 600 small businesses and collaborated with over 100 local and national NGOs.

Our Mission: Transform Puerto Rico into a thriving destination for the world.

Our Vision: A prosperous Puerto Rico that unleashes the talent, creativity and passion of its people.

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Message from the Chairman of the Board



Jon Borshow, Founder, Chairman of the Board & CEO of Foundation for Puerto Rico

Foundation for Puerto Rico (FPR) was established as a 501(c)(3) nonprofit organization in 2011 with the aim to create opportunities that drive social and economic development in the island, with a focus on the visitor economy.

Our mission of transforming Puerto Rico into a destination for the world has been clear since the beginning and became even more imperative following the devastating hurricanes Irma and Maria in 2017. From there, the Bottom Up Destination Recovery Initiative was born in early 2018 to help create a sustainable economic recovery model that would help communities become more resilient and involved in the creation of new businesses and services around the tourism industry. For our local economy to grow, we cannot rely on traditional forms of revenues, but rather look to generate new and incremental sources of funding. The visitor economy represents for Puerto Rico the greatest opportunity for economic growth in the short to medium term, given that it currently represents only 7% of our GDP, meaning it's got ample room to grow.

After two successful pilots of the program in Orocovis and Punta Santiago (Humacao), the Bottom Up received a grant from the Economic Development Administration of the United States (EDA) that allowed FPR to scale the program across 12 additional municipalities. Our first stop was on the western part of the island. Our Field Team moved to Aguadilla and Isabela and lived there for 6 months, getting to know the community

and stakeholders of the region, and working closely with them in order to foster economic resiliency and development. During the second phase of the program, the Destination Planning Team co-designed a Destination Plan that includes the latest tourism data, a list of the main assets and other achievements that draw visitors to the destination, and a list of recommended community-led projects that will further enhance the inherent strengths of the region making them more attractive, resilient, and hospitable for visitors and residents alike. Today, this Destination Plan is a reality.

What we present to you in the following pages is the result of a joint effort between local businesses, community members, nonprofits, municipal governments, and global partners, like Streetsense. Since the beginning of our work in Aguadilla and Isabela, Puerto Rico has faced new and ongoing challenges brought by earthquakes, political disturbance, climate change, and now, a global pandemic. There is no simple way to prepare for this "new normal," and our current reality reinforces the importance of making community resilience our top priority.

The Destination Plan is a blueprint for action. While the physical distancing measures and restrictions in place may affect the implementation of some projects today, the plan is a living document, one to be modified, reprioritized, and adapted in real time, responding to the challenges and opportunities of the moment.

Now, more than ever, it is time to re-imagine our future and develop high impact economic development strategies to take Puerto Rico out of the downward economic spiral of the last decade. This will only be achievable if we become far more open to deep and broad collaborations between the government and the private sector, businesses and communities, and international and relief organizations.

Our local communities must have a clear long-term strategy that considers their common assets and determines how they can best leverage them to bring renewed economic activity and create new opportunities for their regions. Foundation for Puerto Rico is working to help communities achieve this with thoughtful strategies, so that they can design, develop, and scale models that, either independently or collectively, have a positive impact on the whole island. We can't wait to see how these plans will develop into an exciting reality in the near future.

Sincerely,



Jon Borshow
Chairman & Chief Executive Officer
Foundation for Puerto Rico

Message from the President



Annie Mayol, President & COO of Foundation for Puerto Rico.

The aftermath of Hurricanes Irma and Maria marked Puerto Rico's most critical moment of the last century. During that emergency, Foundation for Puerto Rico (FPR) redirected all its resources to facilitate immediate response and coordinate initiatives to aid communities island-wide. The situation underscored the need for a strong plan, resilient infrastructure, and cohesive collaboration that would speed up recovery to better sustain natural disasters and achieve economic recovery and growth.

In January 2018, we launched the pilot for the Bottom Up Destination Recovery Initiative in Orocovis to aid communities, first with immediate relief efforts and by providing the necessary tools to be better prepared for the future. However, the work did not stop there. By the summer, the team was moving to Punta Santiago, Humacao, to expand the program's impact. After a second successful proof of concept, FPR secured a historic grant from the U.S. Economic Development Administration (EDA) to scale Bottom Up to twelve additional municipalities, impacting in the process numerous communities island-wide.

In the following pages, you will witness the results of a multisectoral collaboration of individuals and entities in the northwest region, who placed their bets on creating sustainable economic growth in their communities. We are proud to present the results of the Destination Planning process, as part of the Bottom Up program in the region of Aguadilla and Isabela.

By sharing with local stakeholders the Destination Plan, we hope to shed light on the importance of scaling the "Asset-Based Community Development strategy" to achieve an efficient long-term recovery for Puerto Rico.

As we continue to move forward with sustainable programs aimed at Puerto Rico's long-term social and economic growth, we are hopeful and guided by a transformation that we can only accomplish through a multisectoral and collaborative effort across the public, private, and nonprofit sectors.

At FPR, our motto is: "there is no future in rebuilding the past". Every day we put those words into practice to create a more resilient, strong and diverse future for our communities in Puerto Rico, and finding opportunities to innovate no matter what adversity we face along the way.

Sincerely,

Annie Mayol

President & Chief Operating Officer
Foundation for Puerto Rico

Introduction

Foundation for Puerto Rico

Foundation for Puerto Rico (FPR) is a non-profit organization founded in 2011 with a 501 (c)(3) public charity designation, that seeks to unleash the Island's full potential as an active participant in the world economy with sustainable programs that drive social and economic development. From knowledge to action, FPR's goal is to transform Puerto Rico into a thriving destination for the world. We want more people to visit, live, work, and invest in Puerto Rico, resulting in multi-million economic growth for the Island.

FPR leads its efforts with a focus on the visitor economy due to its short-term economic impact. Properly executed, a visitor economy strategy could significantly impact the economy of Puerto Rico and provide economic opportunities to many Puerto Ricans. FPR's vision is a prosperous Puerto Rico that unleashes the talent, creativity, and passion of its people. We want the Island to become a unique, desired, and accessible destination; that inspires millions of people from all over the world to visit. Puerto Rico has many assets and resources that allow the Island to create a wide network of authentic experiences. These range from its natural resources (that go way beyond sun and beaches), to its history, art, culture, and fine cuisine. They are all available in a compact and convenient destination, accessible both

in proximity and affordability, among other advantages.

In 2014, FPR began to work on making the visitor economy a priority to all stakeholders in Puerto Rico. This effort began by establishing a Visitor Economy Research Unit to help guide tourism policy discussion on the Island. A series of research papers were published around various visitor economy topics, ranging from destination management and the sharing economy, to national tourism statistics. FPR also conducted a series of events and workshops around the research and policy

recommendations to promote dialogue among the various stakeholders of the tourism ecosystem.

After Hurricanes Irma and Maria in 2017, FPR strengthened its efforts on the social and economic development of Puerto Rico but also included a focus on resiliency and extended its impact to multiple communities across the Island with the programs like the *Bottom Up Destination Recovery Initiative*, *Emprende 360°*, and *Whole Community Resilience Planning*.



Source: Foundation for Puerto Rico

Visitor Economy

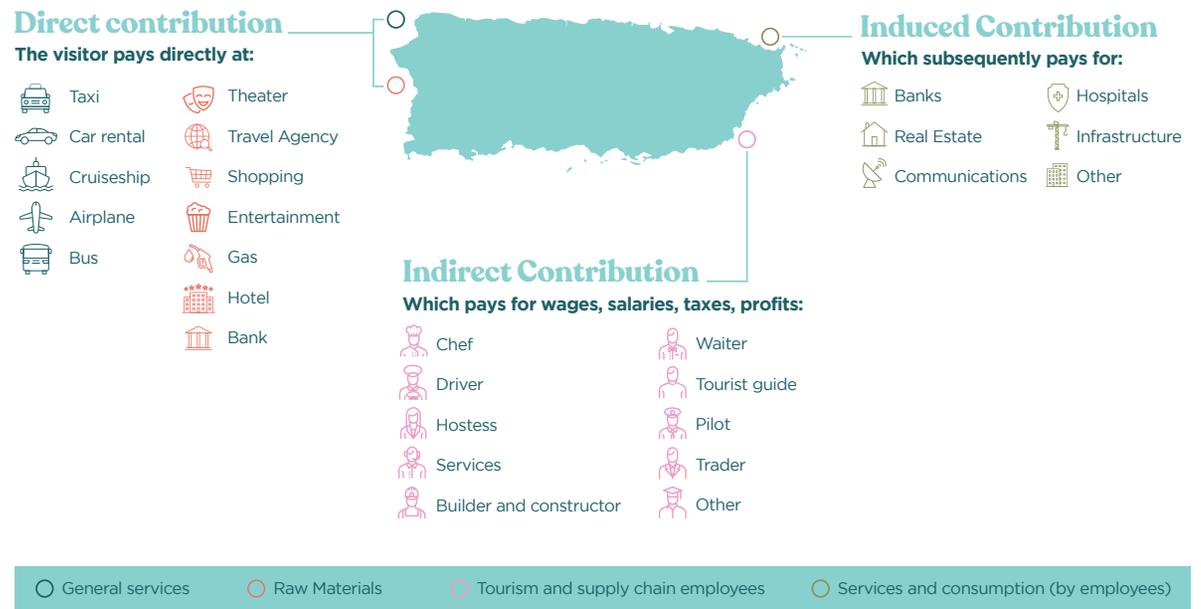
The term *tourism* is of common knowledge, as it is also known that in Puerto Rico this is a sector that has maintained a constant growth pattern even during the last years of recession. The visitor economy is a concept much broader than tourism. The World Travel and Tourism Council (WTTC) defines it as any direct, indirect, and induced economic activity resulting from visitors' interactions with their destination. This activity includes direct consumption of goods and services paid by people who visit a destination; activity generated indirectly from supply chains and services to the industry, construction, among others; and additional induced activity from what people who work, directly or indirectly, serving visitors spend in the local economy.

In other words, when the number of visitors increases, not only does their direct consumption increase (in hotels, restaurants, transportation, attractions, etc.), but the economic benefit of businesses and providers supporting the tourism sector throughout the entire supply chain, such as food, products, maintenance services, equipment, fuel, and general services also increases. Similarly, the economic activity generated by all the employees working in the sector, directly or indirectly, increases when they spend earned money back into the economy by acquiring goods and services.

The activity generated by the visitor economy contributes to many different sectors beyond tourism. Its impact has a multiplying effect with a large-scale potential, prompted by the visitor, that is distributed throughout

the entire economy and thus supports the creation of jobs, infrastructure development, and community development. It also offers an important platform for individuals, family groups, small businesses, and even communities embarking on different business activities such as cuisine, technology, lodging, etc. located in different regions of the island, and implemented according to an economic strategy that creates a large ecosystem.

When analyzing the visitor economy's ecosystem, we identified public and private organizations and individuals who play a key role in bringing about changes and defining strategies. We also identified those who interact with visitors on a daily basis, as well as those who offer services or products that make it possible for the visitor to enjoy our assets.



Source: Foundation for Puerto Rico

Bottom Up Destination Recovery Initiative

Since its beginning, FPR has proposed the visitor economy strategy for the social and economic development of Puerto Rico. After Hurricanes Irma and Maria, this approach is more relevant than ever as many on the Island continue to migrate to the U.S. mainland, resulting in a smaller tax base and diminishing demand for products and services. This has particularly affected many small towns in Puerto Rico, where local business owners rely heavily on community residents to sell their products and services. As a result, these communities need an innovative and inclusive plan to bring in visitors in order to create new economic opportunities.

The **Bottom Up Destination Recovery Initiative (Bottom Up)** is precisely a **short-term economic recovery strategy with a sustainable model**, that supports communities in becoming more resilient and active resources in the process of creating tourism attractions and experiences. This community-based recovery program aims to strengthen local communities to spur their own recovery and build the infrastructure required for growth. With a focus on promoting collaborations among local key stakeholders and communities, the program proposes the combination of two municipalities into a region that can work together for the social and economic development of the destination. The goal is to help regions recover quicker by creating a Destination Plan to help increase the local tourism offerings and seek the extension of the average length of stay. As a result,

economic development in the communities is improved through better commercial operations, new businesses, job creation, workforce development, and a growing tax base. In this self-sustainable program, the community and local government in the region learn to maintain and further develop the program once the phases of resource identification, general guidelines, co-design, execution, and evaluation are completed by FPR.

The objectives of the Bottom Up are to help build up economic resiliency in communities outside the metropolitan area to promote recovery over the long term and local economic development through the visitor economy strategy.

The framework of the Bottom Up includes two phases with a duration of six months each. The first phase is focused on short-term recovery and includes support to infrastructure, capacity building for local businesses and organizations, and efforts to strengthen collaborations among local stakeholders, while the second phase focuses on long-term planning and development.

During the first phase of the program, an operational Field Team relocates to the community to assess challenges and opportunities in local businesses, main assets and organizations, coordinate workshops, and distribute product donations. With an emphasis on resiliency, the program stresses the importance of physical infrastructures for economic development. After Hurricane Maria, small businesses, the backbone of a local economy, were unable to jumpstart their operations given the challenges with electricity, telecommunications, clean water, and debris removal. Many businesses were unable to open during the evenings due to lack of public lighting, had no access to clean water for cooking, or were unable to process credit cards because of lack of internet.

This is why the program provides quick investments (technical capacity and equipment) to mitigate potential future economic injury and faster up-time for businesses to withstand, recover, and avoid future shock to their economies. Water filters and cisterns, solar lamps and micro grids, satellite Wi-Fi antennas, among other equipment, are installed in businesses



Visitor Economy Focused



Asset Based



Community Driven



Resilient Oriented



Action Based

Source: Foundation for Puerto Rico

and institutions to improve the quality, durability, sustainability, and resiliency of local infrastructure in order to minimize business disruption during potential future disasters.

To accelerate growth, a community needs rapid development of new businesses and the expansion of existing ones. To do that, the program offers technical assistance to existing business owners and builds an environment of entrepreneurship among residents to encourage them to think about ideas and provides resources to enable the establishment of new businesses related to the visitor economy.

Given the program's asset and community-based approach, it is imperative to build capacity so that local organizations can work together on their own recovery and development strategy. Often, communities lack formal (or even informal) organizations with the ability to engage and partner with other stakeholders from all sectors to bring attention to the community and its needs. These organizations can be either the municipal government, a local NGO, or a private business. Having one or two anchoring organizations can enhance coordination among all local stakeholders (private and public) and link economic resources with potential opportunities. This is especially important in the context of a small community, as many external factors directly and continuously influence the local economy. Having strong institutions that can coordinate development efforts is essential to a successful recovery strategy that is sustainable over the long-term. The Field Team builds a map of local key stakeholders, meets with them

individually to assess their needs, coordinates multi-sectoral meetings to foster integration among local organizations, and provides capacity building through workshops on topics ranging from the process of registering as a non-profit organizations to grant writing, fundraising, volunteer management, among other key subjects.

With a visitor economy perspective, we make sure we get a clear picture of what unique experiences the region has to offer to the visitors. Given that the conditions and integration of the diverse visitor economy assets in the region is key to generate the necessary demand for visits, we identify the challenges, opportunities, and gaps in both the physical and operational status of assets for which we can recommend development strategies.

The second phase of the project seeks to create a community-led destination plan that can help bring more visitors in the short-term, ensure commitments from local stakeholders towards the implementation of the plan, and develop a sustainable, locally-based governance around plan goals and objectives. The plan conveys a statement of purpose, shared and agreed upon by a group of key stakeholders in the community and seeks to define the ways to develop the destination over a given period. It also describes the roles and concrete actions to be carried out by the local key stakeholders in the short-term to increase tourism activity sustainably, aligned with the vision adopted by community residents themselves.

The FPR Team, alongside experts, leads a series of community meetings for the co-design of a destination plan that includes short-, medium-, and long-term projects for the development of the region. The strategies and projects recommended in the final document are based on a range of data collected, including qualitative input from the community as gathered via individual meetings with municipal and state-level stakeholders, through site visits, and global data analysis, etc.

The Bottom Up Destination Recovery Initiative is currently in multiple communities and regions around the Island to create a network of destinations developed from the bottom-up that can contribute significantly to the overall social and economic development plans of Puerto Rico.

Implications of COVID-19 on the Destination Planning

The COVID-19 pandemic presents an unprecedented crisis for the tourism industry not only in Puerto Rico but across the United States and the world. This crisis, which has quickly developed into a severe global economic downturn, will have long-lasting consequences including plummeting tourist arrivals and tourism spending that are not likely to return to pre-crisis levels until 2024.¹

In March 2020, under an executive order, Puerto Rico entered an emergency lockdown and curfew – one of the earliest across the United States and its territories. Although the Island planned to re-open to off-island travelers in mid-July 2020, four months after the lockdown, the government postponed its plans and issued a travel advisory encouraging only essential travel with strict testing and quarantine requirements for any traveler entering the Island.

Owing to these restrictions, annual domestic passenger traffic at Luis Muñoz Marín International Airport (SJU) fell by 75.9% as of June 2020 (Year to Year)² and between March 2020–July 2020, there were over 113 cruise ship cancellations in Puerto Rican ports amounting to “approximately 334,000 passengers and economic losses of more than \$37 million in Puerto Rico”.³ Compounded

by reputational damage to the industry from a number of COVID-19 outbreaks on cruise ships early on in the pandemic, the industry has had to pay off refunds for cancellations and have incurred costs associated with docking ships at ports where ships are quarantined. If these trends continue through the end of 2020, inbound traffic by cruise lines to Puerto Rico and the Caribbean in general will also be sluggish for a few years following the pandemic.

Although hotel bookings were running above 2019 levels in the early months of 2020, they declined sharply in March and forecasts from early in the pandemic predicted continued losses through the rest of the year⁴. This was, however, estimated prior to a fuller understanding of methods and rates of transmission and likely did not account for another surge of transmissions in the Summer/Fall of 2020 that has in fact occurred in many of Puerto Rico’s traveler origin markets such as Texas, Florida, and Georgia.

Unsurprisingly, across various sentiment surveys, consumers have indicated heightened fear and continued wariness around long distance travel, in particular, beyond 2 hours. Given that Puerto Rico is geographically isolated and will require mainland United States and international travelers to arrive either by ship or airplane, the Island will need to significantly raise its messaging efforts around health and safety to alleviate worries amongst these travelers or re-focus its marketing efforts to domestic and

diaspora tourists. The DMO (also known as Discover Puerto Rico) has begun these efforts by revising its organization’s off-island promotional messaging to reflect the changes in mandates and safety measures and by creating a simple webpage summarizing the travel advisory on its main website for tourism suppliers and travelers to easily refer to. In addition, the Puerto Rico Tourism Company (PRTC) is certifying hotels that comply with new health and safety guidelines and providing seals of certification to alleviate any fears amongst travelers.

At the same time, the government of Puerto Rico has also had to deal with local residents’ concerns over the small share of travelers who have continued to enter the Island during the pandemic, flouting rules and restrictions, and therefore placing the health and safety of local residents at risk. This rising dissent against off-island travelers has been problematic for the state as it navigates reopening plans and delicately balances economic concerns against that of local sentiment. When the time arrives for the Island to fully reopen to travelers, those arriving in Puerto Rico will have to be properly educated on how to be good travelers. Even in non-pandemic circumstances, travelers must be reminded to respect local environments, cultures, rules, and practices. With COVID-19, this also means reminding travelers about mask-wearing requirements, social distancing measures, curfews, and hygiene/sanitation practices.

¹ “International tourist numbers could fall 60-80% in 2020, UNWTO reports,” World Tourism Organization, May 7, 2020, [unwto.org](https://www.unwto.org/en/news-room/press-releases/20200507-international-tourist-numbers-could-fall-60-80-in-2020).

² “ASUR Announces Total Passenger Traffic for June 2020”, PRNewswire, July 6, 2020

³ Puerto Rico Tourism Company, 2020 (as reported in Global Press Journal, June 21, 2020. “Coronavirus Devastates Puerto Rico’s Tourism Industry”)

⁴ Tourism Economics, March 2020.

As outlined in the Methodology section, the following Destination Plan was researched and written in 2019, long before the arrival of the pandemic. Hence, the snapshot of the Island's travel volume, typical visitor profiles, and competitive positioning is largely based on data from the Island's peak recovery phases following Hurricanes Irma and Maria. Although tourism demand may have significantly evolved over the last two quarters, and there is much uncertainty over the speed and shape of recovery, many of the recommendations made in the Destination Plan remain relevant.

Growing demand through marketing and promotion (albeit with a new focus on health and safety) as well as improving supply through investments in existing assets that drive visitors and that leverage each region's competitive edge will continue to be important for the Island and its various regions. Most importantly, the pandemic has accelerated the need for tourism-serving businesses to move to digital marketing, sell products/services online, and to revisit business models that can sustain operations during various crises. The plan's recommendations to retain and grow local businesses and to build adaptive capacity of organizations/individuals managing tourism assets will be even more important following the pandemic and should be prioritized moving forward.

As the world economy continues to evolve, the Destination Plan should serve as a living document that continues to provide guidance for forthcoming investments as Federal, National, and philanthropic aid becomes available across the Island and region to ensure strong recovery and long-term survival.



March 2020: Passenger screening at Luis Muñoz Marín International Airport (SJU). Source: Puerto Rico National Guard

Executive Summary

Introduction

Growing the visitor economy is a complex process and achieving successful outcomes takes time, resources, and local commitment. This plan offers a comprehensive blueprint for efforts driven by a mixed coalition of community stakeholders and island-wide partners to improve the visitor economy and grow visitation to the region from off-island visitors.

In practice this means meeting communities where they are, not where we want them to be. This effort is not reliant on “big” projects that too frequently fail to address fundamental underlying challenges that have historically stunted the growth of the visitor economy. The assessment outlined here upends traditional planning processes by focusing on a mix of interventions that reflect our gap assessment, community consensus, the possibility of resource allocation, and the presence of potential stakeholder champions. This plan encourages stewardship of projects by and for local communities and supports their efforts to gain experience through smaller projects while simultaneously supporting improvements in administrative structures that will help them be prepared to advance major initiatives over time.

The plan begins with a diagnostic of assets, market demand, and visitor characteristics, and concludes with a set of interventions that accomplish two things over time: **grow**

demand from off-island visitors and improve the supply of offerings and assets to ensure that visitor expectations are met and exceeded. However, all of this occurs with a twist – ensuring the effort is bottom-up – and informed by community input and engagement. A bottom-up approach recognizes the role that businesses, asset managers, and key tourism stakeholders play in successful destination tourism efforts. This is important because these are the individuals and organizations who will be charged with and responsible for meeting visitor expectations day in and day out.

Highlights from Our Findings

Global Tourism Trends

The market analysis measured the offerings of each region (mobility, lodging, and attractions) against five major customer segments (Families traveling with children, Gen Z, Millennials, Gen X, and Boomers) and their travel preferences.

- Ecotourism and wellness travel are growing in popularity as climate change and global consciousness among travelers of all ages increases. In 2018, 68% of consumers actively sought out eco-friendly accommodations, up from 65% in 2017.⁵
- Increasingly, travelers are seeking authentic experiences. Gen Z travelers, aged approximately 18-25, tend to plan

travel around highly localized festivals and events that enable more immersive cultural experiences.

- Social media is a monumental and growing influence on visitor decision making, particularly among Gen X, Millennial, and Gen Z visitors.

Island-Wide & Regional Market Findings

- The greatest share of visitors come from New York City, Miami, and Philadelphia. Trips originating in the states of Florida and New York make up 24% and 17% of all visits respectively.⁶
- Fifty-five percent (55%) of visitors have a bachelor’s degree or higher, and the same proportion make more than \$60,000 in personal income.⁷
- Sixty-four percent (64%) of visitors are between the ages of 25 and 54, though under-24s make up just over 11% and growing.⁸
- Thirty-nine percent (39%) of visitors surveyed came primarily for leisure, 29% came to visit friends and family.⁹
- While the San Juan metropolitan area receives 55% of Island visitors, by contrast, Aguadilla and Isabela currently see just over 2%.¹⁰

⁵ “Ecotourism Outlook 2018”. Leah Joyner, Qwynne Lackey, Dr. Kelly Bricker. University of Utah College of Health. 2018.

^{6, 7, 8, 9, 10} “Perfil de los Visitantes”. Gobierno de Puerto Rico, Junta de Planificación. Accessed November 14, 2019. Report.

Physical Environment

The most significant gaps found in the physical environment are related to the dearth in **transit and mobility** options in the region.

- Rafael Hernández International Airport (BQN) in Aguadilla, the Island's second largest airport, offers excellent proximity to assets, but at this time only offers inconvenient night-time flights that do not meet the needs of the off-island visitor who is not coming to visit friends and family.
- As is the case with nearly every region in Puerto Rico, most visitors to the Aguadilla and Isabela region arrive by automobile. Alternative modes of transit are unreliable or non-existent.
- The lack of ride-share (including Uber, Lyft, etc.) undermines opportunities to meet the travel needs of the younger visitor – particularly Gen Z – those under 25 who cannot rent cars.
- The network of regional and local roads is generally in good condition; however, many attractions are not visible from roadways and lack directional signage for visitors.
- Google Maps and other popular GPS based mapping tools work poorly and the lack of signage can cause visitors to get lost or fail to locate key assets

Business Environment & Destination Drivers

Assets

Our assessment found that the region's assets offer unique opportunities for activities like surfing as well as a variety of walking/hiking/biking opportunities in the mountains and along the waterfront (i.e. Guajataca Tunnel, Paseo Lineal in Isabela).

- The majority (50%) are natural attractions (beaches, nature hikes, caves). With the exception of the Plaza de Isabela and Bosque Guajataca, these assets are clustered along the waterfront. There are few shopping and entertainment options for travelers.
- According to TripAdvisor, the region's most popular attractions include Crash Boat Beach, Guajataca Tunnel, and Jobos Beach. Jobos Beach recently received a significant upgrade in infrastructure and amenities – as such reviews will likely improve – but reviews for Crash Boat Beach and Guajataca Tunnel were decidedly more mixed. Only 68% of reviewers gave Guajataca Tunnel four- or five-star reviews, calling it "hard to find" and pointing to the prominent "run down building with graffiti" at the entrance as well as the low level of on-going maintenance. At the prominent and culturally significant Crash Boat Beach, 87% gave the asset either a four- or five-star review. The reviews themselves indicated dangerous conditions in the deteriorating pier that could cause injury, parking challenges, lack of basic sanitation services (bathrooms), and the inordinately limited business hours of local vendors.

- Only 64% of assets were listed on TripAdvisor, leaving 36% out from one of the most popular itinerary setting websites.

Lodging

- While the region is serving Gen Z and Millennials with affordable lodgings options, there are fewer options for Families, Boomers, and Gen X-ers seeking a variety of price points (particular at the higher end) and lodging options with more amenities.
- Current lodging options in the Porta del Sol region are geared towards Island residents. A 2019 JLL report found that 63% of room nights are generated by residents.¹¹
- The balance of hotels in the region are unbranded and short-term rentals with (self-reported) occupancy rates of 37% in Aguadilla and 36% in Isabela.¹²
- Occupancy rates for branded lodging in the Porta Del Sol submarket, where Aguadilla and Isabela are located, fall below 60%, a common threshold that hotel operators use to determine opportunities for growth.

Administrative Capacity

- Longstanding systemic challenges continue to prevent organizations from managing and maintaining the quality of many of the region's natural, cultural, and recreation assets – challenges that are not unique to this region.
- Unlike other regions, PRTC has an office for Porta del Sol that has spearheaded a regional plan and leads an advisory group that meets regularly to advance coordination among key stakeholders.

¹¹ JLL. *Hotel Destinations. 2019.*

¹² "Property Performance: Last Twelve Months." AirDNA. Streetsense. 2018.

- There is municipal interest in advancing visitor economy initiatives, based in part on our observation of major investments by Aguadilla municipality (in the Malecón) and Isabela municipality (in Jobos Beach and the Paseo Lineal).
- Significant local volunteer efforts resulted in the cleaning up and re-opening of hiking trails in Bosque Guajataca following Hurricane Maria.

Recommendations

The recommendations reflect a two-pronged strategy that aims to **grow demand** through marketing and promotion while simultaneously **improving supply** through investments and enhancements to destination drivers and assets.

The projects are further split into two categories – projects that are “region-specific” and projects that are part of a “Visitor Economy recommendations” section which addresses island-wide systemic challenges that are more conducive to efforts led by the Island’s public and private sector stakeholders and partners.

Region-Specific Strategies: Aguadilla/Isabela

The region-specific recommendations for Aguadilla and Isabela emphasize a set of investments in four interconnected areas that reflect the region’s strategic position as an easily accessible, laid-back surfing, beach and hiking destination that offers authentic

Puerto Rican charm. For that to happen, improvements must occur in the following four key areas:

Strategies to grow off-island demand through **branding, marketing and communications efforts** that recognize the region as a destination for its mix of surf-friendly beaches, hiking/walking/biking along beaches and in the mountains, and unique small boat fishing culture as follows:

1. **Reinvigorate and grow the Festival de la Virgen Del Carmen** in Aguadilla, a cultural event that also celebrates the small boat fishing industry. The procession of colorful boats are a “must see” for those posting on social media.
2. **Develop a regional branding strategy** rooted in the region’s strategic position and aligned with an Island-wide branding strategy. Ideally this effort would be cultivated and led by a newly emergent Tourism Association.
3. **Establish tourism itineraries** rooted in customer profiles.

Strategies to improve the supply of offerings through investments in a mix of business and place-based assets, improvements in access and mobility, and capacity building as follows:

Enhancements at strategic and popular place-based assets that have still not fully recovered from Hurricane Maria. The Hurricane created lasting and still yet unrepaired damage to a number of the region’s most significant and popular destinations. The plan focuses on areas such as Crash Boat Beach, Guajataca Tunnel, and Bosque Guajataca due to their continued popularity with visitors as well as their long-

standing cultural significance for the local community.

4. **Guajataca Tunnel** is a unique waterfront destination that combines history, scenery, and easy hiking. With its flat and accessible walk through a long tunnel, as well as a waterfront path that leads to a quiet beach, the site is well poised for improvements that capitalize on the destination’s easy access from Route 2.
 - a. Establish a designated parking area with permeable pavement.
 - b. Redevelop the abandoned commercial building at the tunnel’s entrance.
 - c. Install wayfinding signage to the tunnel, power wash and collect debris, align with placemaking efforts (lighting, murals).
 - d. Restore hiking paths.
 - e. Install safe stairs and wayfinding signage towards the beach at the eastern end of the tunnel path.
5. **Crash Boat Beach** is home to the region’s colorful fishing boats and one of the only beaches where thrill seekers can jump into the ocean from a dock. The beach also supports a variety of small food and retail vendors.
 - a. Establish parking management, access control, and improvements to parking facilities.
 - b. Rehabilitate and rebuild the pier.
 - c. Organize beach clean-up efforts.
 - d. Open public bathrooms.

6. **Bosque Guajataca** is a popular local asset with potential to round out the experiences in the region with mountainous offerings.
 - a. Restore trails at Bosque Guajataca.
 7. **Enhance safety and lighting along Route 466** between Aguadilla and Isabela.
- Transportation access and mobility** are the lynchpins of the drive to bring more visitors to the region and further enable the area to stand out among its competitors.
8. **Expand service at Aguadilla Airport** with new daytime flights from international and/or state-side metropolitan hubs.
 9. **Explore rideshare platforms** that offer enhanced regional transportation options from the airport's unique proximity to assets as well as between the relative proximity assets in the region.

- Strategies to address administrative and regulatory issues.** Major challenges exist with respect to the organizations, both public and non-profit, that manage visitor assets. Limited resources to maintain assets in the conditions necessary to meet visitor expectations reflect a failure to build financially sustainable business plans and strategies. A plan that fails to recognize and address these systemic issues is set up for failure.
10. **Create a tourism association** to help ensure on-going coordination among partners working towards the implementation of the projects outlined in this plan.
 11. **Advocate for changes in existing public order code** that requires businesses at Crash Boat Beach to close early.

Visitor Economy Recommendations

There were numerous shared challenges identified during the planning process that reflect a set of structural and island-wide issues that are best addressed at the highest levels of governance. We have grouped these investments together into a section of the plan that can be developed in partnership with Island-wide public, private, and non-profit sector partners.

Asset Enhancements

Outside of San Juan, the conditions of many non-branded hotels are less than ideal. Finding ways to finance improvements to the places where visitors stay is a significant island-wide need.

1. **Small lodging financing fund** to enable small hotel and Airbnb operators to invest their assets.

Mobility Enhancements

Getting around the island can sometimes be a challenge given the inaccuracies in GPS and online mapping tools. Helping visitors find their way around helps raise awareness of assets and improves visitation.

2. **Regional wayfinding, highway, and pedestrian signage** along state highway and local roads.

Business Retention

Business retention focuses on efforts that ensure that local businesses have the

necessary knowledge to embrace online marketing, improve customer service and operations, and have the resources required to enhance the look and feel of their businesses through facade renovations. Projects include:

3. **Amplify the region's assets on online review sites** to raise the visibility of businesses among the visitor population.
4. **Develop grant programs for business operations and physical improvements** that help address operational challenges and ensure businesses have the resources to upgrade and improve.
5. **Continue to support and grow customer service training** to improve the visitors experience.

Capacity Building is essential to support the fiscal sustainability of the organizations that manage and maintain key tourism-supporting assets. This includes:

6. **Enable more assets to collect entrance fees.** This important fiscal sustainability strategy can be difficult to implement for organizations that do not have an official non-profit status or lack the tools and know-how that go along with collecting fees.
7. **Explore shared services among non-profit asset managers,** such as grant writing, administrative support, and co-location to aid in fiscal sustainability.

8. **Explore fiscal sponsorship models** that enable organizations to apply for formal 501(c)(3) tax exemption status. This will allow organizations to apply for funding from foundations, grants, and government programs that were previously unavailable to them.
9. **Technological tools** to enable sales transactions and allow for collection of entry fees.

Systems and Infrastructure enhancements, that, while outside of the scope of this study, address the deficiency in (10) electrical service, (11) waste management, and (12) water quality critical to the long-term sustainability of Island-wide economic development efforts.

Conclusion

In the coming months and years, the success of this effort will hinge on how local partners work together to establish coalitions and collectively determine how to grow the outlined projects. The selection of projects following community input will help determine which ones have stakeholder buy-in, the potential for partnerships, and potential resources for advancement. While every project is critical and interrelated, those conversations will drive which projects are prioritized by community residents and leaders.



Ruinas del Faro Punta Borinquen, Aguadilla. Source: FPR

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What Are We Here to Do?

What Are We Here to Do?

Our Challenge

For years, typical Puerto Rican tourism emphasized “sand and sun” – a strategic position that did little to differentiate the Island’s offerings from similar beach destinations. This despite the unique history, culture, people, and ease of access that sets the Island apart from its competitors. Today tourism represents only 7% of the Island’s Gross Domestic Product (GDP), far below the 15% average for other Caribbean nations.¹³ In the aftermath of Hurricane Maria the situation is increasingly dire. Significant population loss has further affected many local businesses. With fewer residents spending money, local businesses continue to suffer and are challenged in their recovery from the worst natural disaster the Island has ever seen. As island leaders look to the future, many have recognized the value in utilizing the visitor economy as an economic development tool that will enable spending growth from off-island visitors, counteract population loss, and leverage the Island’s underdeveloped natural assets. To this end, how do we accelerate growth in the visitor economy? **How can we be intentional about making sure that local businesses and residents benefit as more and more visitors come and enjoy this beautiful Island?**

Tourism in Puerto Rico lags behind other Caribbean islands and visitor destinations for a variety of reasons. FPR posits that low visitor expenditures are driven by two main factors – a relatively short length of stay and a large diaspora segment that stays with friends and family, rather than spending dollars on lodging or food in the way that a typical off-island visitor might. This means that in order to grow the visitor economy, we must first understand with much greater precision what the off-island visitor wants and needs. By meeting or exceeding the expectation of the visitor we will ensure longer stays and higher consumer expenditures. **Yet we can’t lose focus – we must also be proactive to ensure that businesses and residents also participate in and benefit from growth in the visitor economy.**

Our Goal: A Blueprint for Action Rooted in Community Input

In the end, this effort is not about turning Puerto Rico into a destination that looks and feels like every other beach destination, but rather one that relies on special elements of place – the DNA of Place – that make each region unique and worthy of visitation by someone seeking a unique experience that only Puerto Rico can provide.

The Destination Plan provides a clear and easy-to-read blueprint for action that is rooted in a **candid assessment** of the condition and quality of the region’s tourism-supported assets and overall business

environment, an understanding of tourism trends and visitor expectations, and community feedback and input.

In practice, that means that the priority projects outlined in these plans often focus on improvements at high-value locations that offer significant opportunities to change visitor perceptions writ-large, as well as clearly visible “wins” that help residents and business owners gain the confidence they need to work together and build the credibility necessary to tackle more sophisticated projects.

We must not underestimate the catalytic power of “easy” wins. In a place mired by bureaucratic and institutional challenges, while still recovering from the worst natural disaster the Island has seen, easy wins are frequently not as easy as they seem. They require the know-how and leadership of local champions, as well as community consensus and merchant engagement, ingredients too often in short supply.

As these plans are reviewed and adopted by community stakeholders, we want communities to view these as living documents that provide a strong framework for action with clear starting points, but by no means “set in stone.” Great plans evolve over time as partners offer feedback and insight, projects become further refined, and mid-course corrections are inevitably made. **At the end of the day, active collaboration among community members towards project implementation– even if the project outcomes are different than what is outlined here– would be an incredibly successful result.**

¹³ “Puerto Rico’s Visitor Economy, Highlights”. Foundation for Puerto Rico. April 2019.



Methodology:

How Did We Do It?

Methodology:

How Did We Do It?

The Destination Planning process led by FPR aims to develop several community driven action plans to grow the visitor economy within six regions throughout the island.

In evaluating the potential to grow the visitor economy in Aguadilla and Isabela, the Destination Planning Team set out to conduct a **gap assessment** that offered insight into how well the **supply** of assets and offerings met the **demand** generated by the visitor. A set of simple research questions guided our analysis.

Supply

- What tourism-supporting assets currently exist within the region, and what is their current condition?
- How are existing assets rated and reviewed by visitors and what is the general level of awareness of these assets?

Demand

- What are the characteristics of the potential visitor to the region?
- What do today's visitors want and need? What are their preferences when they travel?
- What other competing destinations are better positioned to meet their needs than this region?

Gap Assessment

- How well do the offerings and assets meet or exceed the expectations of visitors?

The gap assessment then provided a framework for identifying a short list of meaningful investments in tourism-supporting assets that are necessary to improve the visitor experience. Projects were selected and assessed against the following criteria:

- Alignment with the findings of the diagnostic gap assessment
- Community feedback and priorities
- Existing partners and budgetary resources
- Complexity and risk



Part 1: Field Team Outreach

A local Field Team, led by FPR, was embedded into the community for a six-month period, during which they were living, eating and spending every day amongst the locals. The team was charged with preparing an asset list and a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis, while engaging local businesses, residents, and managers of cultural and natural assets. Their work included formal Business and Cultural surveys; targeted stakeholder interviews with public, private, and non-profit sector leaders; and general community outreach. The information was cataloged, recorded, and used as a baseline for the Destination Planning Team's assessment and gap analysis.

Stakeholder Engagement

Central to the success of the Bottom Up Destination Planning effort is community input and buy-in. To ensure recommendations and strategies are driven not only by market trends and forces, but also by community needs and demands, the FPR Field Team and the Destination Planning Team conducted different public engagement efforts. Between July 2019 and January 2020, several individual meetings and community workshops were held to gather stakeholders' input on existing challenges/issues facing the tourism economy and to identify/refine key opportunities for improvements in the region. The following table summarizes those specific meetings and events related to the Destination Planning process.

Stakeholder Engagement

Site Visit/ 1-on-1 Interviews

June 2019

During a two-day site visit to the region, the Destination Planning Team, with support of FPR Field Teams, conducted in-person interviews with multi-sector stakeholders holding a variety of influence on the regional tourism economy. Interviews explored key challenges and opportunities around attracting visitors to each region, managing/maintaining existing tourism assets and businesses, and expanding offerings to the visitor.

- Public agencies and municipal offices
- Asset managers
- Non-profit/grassroots/community group leaders
- Business owners

Community Workshop #2

October 2019

An interactive meeting was held to engage with previously identified and new local stakeholders interested in the development of the Destination Plan. The meeting included a brief presentation of key findings from the Destination Planning Team's comprehensive market assessment of the tourism economy and assets in each region. Following the presentation, stakeholders participated in a hands-on exercise to brainstorm potential ideas and projects to enhance conditions in the regional tourism landscape, prioritizing short-term actions. Community ideas ranged from physical and infrastructure improvements to programming and events.

- Residents
- Business owners
- Public agencies and municipal offices
- Non-profit/grassroots/community group leaders

Community Workshop #3

November 2019

An interactive meeting was held to review and refine an initial list of ideas and projects that were generated either through El Nido Cultural or through preceding conversations with stakeholders and community workshops. This meeting was a key touchpoint for the FPR Field Team to engage with stakeholders prior to the finalization of short-term projects identification and the full Destination Plan.

- Residents
- Business owners
- Public agencies and municipal offices
- Non-profit/grassroots/community group leaders

Community Workshop #1

August 2019

Two individual meetings, one per town

A town hall-style meeting was held for a large and diverse group of stakeholders to introduce the overall Destination Planning project, including key team members and timelines. Attendees were also encouraged to validate key assets and identify key challenges and opportunities in the regional tourism economy through hands-on exercises.

- Residents
- Business and property owners
- Non-profit/grassroots/community group leaders
- Public agencies and municipal offices

El Nido Cultural

September – October 2019

An open call-for-ideas process was established and managed by Inversión Cultural to solicit grassroots projects that may be further developed to support expansion and enhancement of tourism offerings. A digital application intake form was set up (and marketed via various social media platforms and through press releases) and complemented by 1-on-1 technical assistance to enable a diverse range of stakeholders to submit robust ideas to the open call. Selected participants received group and individual support sessions to further develop their project idea sheet.

- Entrepreneurs
- Non-profit/grassroots/community group leaders

Community Workshop #4

December 2019

A meeting was held to present the first draft of the Destination Plan to the communities and key stakeholders in each region. The meeting marks the beginning of the implementation process for recommended projects identified in the plan – including building coalitions and convening the necessary actors who manage and control key properties and assets.

- Residents
- Non-profit/grassroots/community group leaders
- Business owners

Prior to each engagement activity, the FPR staff and Field Teams led outreach efforts to ensure well-participated community meetings and in-person interviews. The teams distributed fliers primarily via existing community anchors, local groups and non-profits, and directly to key community leaders with existing local networks. In January 2020, FPR held individual meetings with key stakeholders to validate the second draft of the plan.

Part 2: Diagnostic

The Destination Planning Team utilized the Commercial DNA (C-DNA),¹⁴ framework to diagnose the challenges and opportunities in each region, and to identify strategies and projects that aligned with the interests and priorities of each community. The framework looks at four areas of analysis: Physical Environment Assessment, Business Assessment, Market Analysis, and Administrative Capacity.



Market Analysis

The market analysis included three main components. The Team first looked at global and regional tourism trends to uncover major themes and opportunities for tourism growth globally, island-wide, and at the region level, utilizing existing secondary and primary data sources. The second component of the market analysis included a customer segmentation analysis by age cohort. This was used to identify nuances in consumer tastes and preferences by stage of life. The analysis benefited from a wealth of existing literature on visitor behavior, which is frequently segmented by age across the industry. To further investigate local trends, we supplemented this analysis with a “deep dive” into the specific thematic drivers of tourism that considers subsegments of tourism visitation.

Finally, two case studies were identified with similar profiles to our Western Region to enable an assessment against competitive benchmarks with similar tourism profiles. The first study was the Mayan Riviera, with an emphasis on Tulum. The second study was the Dominican Republic, with an emphasis on Samaná. Located in Spanish speaking countries, both, Tulum and Samaná, have grown significantly in recent years and are known for authentic experiences that reflect responses to growth segments in the tourism economy. Neither of these destinations is served by a large international airport. In fact, most international flights land at airports that

require an additional 1-2 hours of travel time for the visitor. These similarities, and their popularity and success at meeting the changes in the tourism market, make them excellent case studies for the purposes of this plan.

Physical Environment Assessment

The analysis of the physical environment covers a physical assessment of the tourism assets in the region, including the quality of the public and private realms, as well as an assessment of accessibility and mobility infrastructure. This involved considering how visitors arrive in the Island and to the region as well how they move around the region upon arrival.

The assessment was done primarily through field work completed during a two-day site visit to the region by the Destination Planning Team, remotely through Google Street View, information gathered from the Field Team during a six-month community immersion, and feedback from stakeholders.

The Destination Planning Team took time to walk the streets, drive around, visit local assets and attractions, and spend time in public places to assess both visual and physical connectivity. Additionally, geospatial assessments and mapping exercises were used to understand the relation between accessibility and adjacent or neighboring “destinations”.

¹⁴ The C-DNA framework is an award-winning diagnostic methodology developed by Larisa Ortiz with support and in partnership with the Local Initiative Support Corporation, the nation’s largest community development intermediary. It has been adopted by several communities, including the City of New York where it is used to inform public sector capital investments in communities throughout the city.

Business Environment Assessment

The Destination Planning Team conducted an audit of the Island's business, natural, and cultural assets using a variety of sources, including the newly released ViewPR database, an online platform developed by FPR, asset lists prepared by the PRTC, and asset lists prepared by the Field Teams. Significant effort went into cleaning, classifying, and merging these data sets to provide meaningful insight into the mix and quality of offerings. The assessment included identifying clusters of businesses such as food establishments, entertainment venues, commercial districts, and accommodations. We then conducted an audit of each asset against popular online review sites, including Google, TripAdvisor, and Hotels.com.

Two site visits in Summer 2019 included walking and driving tours of the area's assets. Additionally, geospatial assessments and mapping exercises are used to understand the locations and clustering of destination drivers and their relationship to each other.

Gap Analysis

The market, physical, and business environment assessment concluded with a gap analysis to evaluate the extent to which the region's tourism-supporting assets and offerings were meeting the needs and serving the tastes and preferences of the customer segments identified in the market analysis.

Administrative Capacity

Following the gap analysis, the report assesses the community's capacity for project implementation at a macro-level. This included an assessment of governance, partnerships, and potential resources. Much of this assessment included conversations with officials at the island-wide level whose resources and collaboration are necessary to support implementation. Stakeholders included Invest PR, Centro Para Emprendedores, Instituto de Cultura Puertorriqueña (ICP), PRTC, local municipalities' representatives, Puerto Rico Ports Authority, Boys & Girls Club of Puerto Rico, INprende, Grupo Guayacán, Kiva, Conservación Costera PR (CoCoPR), environmental stakeholder groups, community and local cultural associations, local businesses, and major developers. These interviews were conducted during two site visits and as an ongoing series. A list of stakeholders interviewed is in the Technical Appendix.

An assessment of capacity involved one-on-one interviews with key stakeholders. Furthermore, team member Inversión Cultural greatly informed this assessment process. Inversión Cultural has a long history on the Island and is very well versed in the unique challenges faced by local non-profits.

Part 3: Project Recommendations & Destination Plan

Following the completion of the assessment and gap analysis, the Team presented its findings to the public at community meetings held throughout each region. FPR led a workshop discussion at each meeting to gather ideas and responses to the assessment findings. Community members were asked to generate specific and actionable project recommendations, with an emphasis on short-term projects that responded directly to the findings from the gap analysis.

The Destination Plan is a summary of findings from the assessment and gap analysis and concludes with a list of short-, medium-, and long-term projects that reflected an alignment against consumer and market demand findings.

Data Limitations In Puerto Rico

At the inception of the Destination Planning process, the Team gathered all available primary and secondary data pertaining to each region's visitor economy assets and market conditions, prioritizing the **primary data** collected by the Field Teams in their preliminary work.

The Destination Planning Team quickly identified significant data limitations as related to the collection and analysis of **secondary**

data, owing to circumstances unique to the Island. This required mid-course corrections and adaptations to the original methodology and approach. We outline the challenges below and how the methodology evolved to address these challenges.

Census Data

Following Hurricane Maria, Puerto Rico has seen the largest net out migration of population since 1950. Between 2017 and 2018, official estimates show a decrease of 4.4%, or 142,000 inhabitants, according to the U.S. Census Bureau.¹⁵ The Center for Puerto Rican Studies further projects a 14% loss of population by the end of 2019, which reflects a loss of between 114,000 and 213,000 Puerto Rico residents annually.¹⁶ This significant loss of population has rendered 2010 Census Data obsolete and unreliable.

14% Loss of Population

by the end of 2019, as reported by the Center for Puerto Rican Studies

Survey Data

In 2019, FPR Field Teams deployed an informational survey across the regions. This exercise included approximately 192 completed interviews, which shed light on quality perceptions of the existing visitor economy and gathered information about local employment, linguistic barriers, educational level, age, and gender, among

other demographic data. This survey provided meaningful qualitative insight, but lacked random sampling as well as an enough response rate to have less than 5% margin of error (which is approximately 300 responses).

Lodging

Hotel market information frequently relies on Smith Travel Research (STR) which produces the Trend Report, the industry standard for hotel performance intelligence. Baseline performance metrics include Occupancy, Average Daily Rates, and Revenue per Available Room to track historical and existing market performance. In the markets and regions where the Team conducted lodging assessments, most establishments identified do not report to STR, rendering the report unreliable.

To address these data shortcomings, the Destination Planning Team utilized a combination of sources, including 1) AirDNA data to understand the Airbnb market, 2) qualitative characteristics of unbranded hotel assets embedded and mined from ViewPR Data, 3) stakeholder interviews with local developers and hotels to assess existing market performance, 4) review and booking sites to generate a picture of the volume of visitorship and customer sentiment through an analysis of ratings, and 5) a 2019 Hotel Destinations Report study commissioned by the PRTC. This report, however, focuses on branded hotel products which are located primarily in the San Juan metropolitan area, where 61% of total room supply on the Island is located. In the Porta del Sol region, which includes both Aguadilla/Isabela and Cabo Rojo/San Germán, the report found only three branded hotels and

¹⁵ "More Puerto Ricans Move to Mainland United States, Poverty Declines". U.S. Census Bureau. July 2019.

¹⁶ "Puerto Rico's population declined sharply after Hurricanes Maria and Irma". Pew Research Center. July 2019.

32 unbranded hotels. The high percentage of unbranded hotels made many of the findings from this study unreliable for the purposes of regional planning efforts.

Puerto Rico Tourism Company (PRTC) Data

Existing data included endorsed visitorship and registration information, which has been extrapolated for preliminary quantitative modeling, lacks the ability to understand the “complete picture” based on the volume of hotels that are not PRTC endorsed in the assessed Destination Planning regions.

Hotel Tax Registry information from PRTC, which could be used to calculate hotel-based inputs of total visitorship was not available to us at the time of the analysis.

Visitor Estimates

The Destination Planning Team did not identify any operators that collected and analyzed visitor data in either Excel or Access database files. While many sites have logbooks, these entries are voluntary and handwritten, which would have required expensive manual data input for what is generally unreliable primary source data. The Team asked individual operators to estimate daily visitation, this input was useful in understanding perceptions, though statistically unreliable.

As a proxy for visitation figures, the Destination Planning Team quantified the number of visitor reviews for every regional listed asset on the popular travel website TripAdvisor to determine the popularity of each destination driver and to discern visitation patterns among visitors.

Market Assessment Overview



Puerto Rico is positioned to target new audiences and make investments that improve the quality, both real and perceived, of tourism-supporting assets on the Island. The Destination Planning Team’s evaluation of both Aguadilla and Isabela, laid out in this document, is rooted in an understanding of who is currently visiting Puerto Rico and why, who can be attracted to visit through strategic investments and positioning, and what is the current state of key assets on the Island.

The next sections lays out **global and regional tourism trends**, providing context on tourism in the region, as well as the ways in which consumer tastes and preferences within the visitor economy are evolving on a global scale.

Following the trends assessment, we introduce our **customer segmentation methodology**, which builds upon but does not duplicate psychographic analysis already produced by the PRTC and Discover Puerto Rico, among others. Rather, the Destination Planning Team’s segmentation by age cohort is designed to serve as an accessible tool for local

communities to determine the scope and prioritization of potential investments in tourism-supporting assets based on the tastes and preferences of a wide range of potential visitors. Given the demographic composition of current visitors described above, this analysis is limited to tourists from the United States with the means to travel for leisure.

The Destination Planning Team’s gap analysis, which is included in this document, maps the value of key assets from the perspective of each age cohort to the quality of these assets in the region. Similar to the 2018 PRTC analysis, the Destination Planning Team evaluation highlights areas in which the region is not delivering an experience of adequate quality to potential visitors, but goes one step further by segmenting age groups, enabling communities to develop projects whose implementation would directly serve to attract specific cohorts (e.g., Millennials). Broadly speaking, the results of this region-specific analysis aligns with the PRTC’s island-wide findings, namely in the areas of transport accessibility, reliability of information, and maintenance of infrastructure.

Tourism Market Assessment

Tourism Marketing Assessment

In order to best understand how Puerto Rico can market and develop itself for tourism, the Destination Planning Team began by developing a deep understanding of visitor trends and preferences.

We began by analyzing global trends in the visitor economy best understood through a consideration of existing visitor supporting assets – mobility, lodging, and destination attractions – that are continually evolving. To get a sense of what today’s traveler is looking for in a destination, we must first understand their tastes and preferences.

The average visitor consumer was segmented by age and categorized into five groups: Families, Generation Z, Millennials, Generation X, and Boomers. After distilling the values and baseline needs of each segment while traveling, we mapped these preferences to the existing conditions assessment of tourism assets in Aguadilla and Isabela to identify gaps in their region’s assets. The results of this analysis enabled Aguadilla and Isabela’s communities to develop a very strategic set of short-term project ideas that prioritize investment that hue closely to the needs and interests of the visitors they want to attract.

Global Tourism Trends

While travel and tourism have always been a fixture in people’s lives, increased choice, affordability, and exposure to information about previously inaccessible destinations has elevated its overall role and importance. Although travel has long been considered a luxury good, there are over 2 billion people expected to be traveling by 2030. Tourists now seek to travel for a specific purpose, such as cultural engagement, ecological activism, health, and wellness.

Whatever an individual or group’s specific reason for traveling, chances are that they are approaching their trips with intention from the initial stages of their vacation planning.

For younger travelers, between ages 18-38, authenticity is a major driver of choice and behavior. These travelers see little appeal in visiting traditional tourist nodes, including over-touristed areas where they will be surrounded by other tourists – instead, they seek out local, curated experiences.

Social media’s monumental and growing influence in putting these local experiences on the map to draw visitors has been driven by a revolution in the way that tourists of all ages document their travel experiences. The photo album or home video, shared with close friends and family, has been replaced by the Instagram grid, which can be shared with millions of people with immediate effect. This section explores three influences in greater detail: intention, authenticity, and technology.

Intention

Tourists, more than ever before, are planning their trips around specific goals that shape most, if not all, of their decision making. Those goals vary from traveler to traveler, but two major global trends have shaped this category and the travel industry with it:

Ecotourism: Global consciousness around climate change, and the role of the travel industry in its spread, has driven the growth of a relatively new sector of tourism that focuses on social, environmental, and economic sustainability.¹⁷ In 2018, 68% of consumers actively sought out eco-friendly accommodations, up from 65% in 2017.¹⁸ These eco-friendly hotels make efforts to reduce their environmental impacts by participating in recycling or composting programs, using less packaging for hotel toiletries and using energy-efficient lighting, among other initiatives.¹⁹ Ecotourists often take trips specifically crafted to engage with nature, to help clean up or improve a natural environment, or to simply observe the great outdoors. Adventure tourism is often connected to ecotourism because the activities that tourists engage in are very similar, such as birding, camping, surfing, or climbing, among others. Many adventure travel companies, such as Natural Habitat Adventures and Intrepid Travel, are tied to climate and environmental advocacy.²⁰

Wellness: Restoration and health motivated travel has grown in popularity in the information age, and an entire industry

^{17,18,20} “Ecotourism Outlook 2018”. Leah Joyner, Qwynne Lackey, Dr. Kelly Bricker. University of Utah College of Health. 2018.

¹⁹ “5 Breathtaking Eco-Friendly Hotels and Resorts From Around the World”. Sophie Hirsh. Green Matters. July, 2019.

segment has emerged to respond to a growing market of travelers that are looking to tie their travel experiences directly to their physical, mental, and emotional wellness with targeted activities to accommodate these desires.²¹ Wellness trips include meditation and yoga retreats, spa weekends, adventure retreats, or digital detox retreats. According to the Global Wellness Institute, wellness travel grew at a rate of 6.5% annually from 2015-2017 and is expected to grow more than twice as fast as general tourism through 2022.²²

Authenticity

The desire for authenticity is rooted in the significant value that younger travelers place on experiences over material goods. Millennials aged approximately 26-40, for instance, are more likely to pick “live like a local” experiences and create their own travel itineraries than use a travel agency – or even travel platforms that are popular with other age groups. Their resulting travel experiences diverge from the overly scheduled, contrived trips that their parents’ generation found comfort in. Instead, they choose opportunities to immerse themselves in aspects of local living.²³ The need for authenticity particularly manifests itself in young travelers’ desire for unique local foods and lodging experiences. For example, they are more inclined to choose hole-in-the-wall restaurants that don’t appear to be frequented by other – particularly older – tourists, and they are highly disinclined from staying in chain hotels. Gen Z travelers,

aged approximately 18-25, extend this deep interest in local experiences to a tendency to plan travel around attending highly localized festivals and events that enable more immersive cultural experiences.

Social Media & Technology

Travelers increasingly want to stay “connected” during their vacations and to use a variety of digital platforms to plan their travel.

Technology in Travel Planning: Digital platforms influence travel decision making. Online travel agencies (OTAs) are growing in popularity and have changed the way that tourists organize their travel. Instagram has also become a major tool in travel decision making. For example, 40% of respondents to a recent Forbes survey who were under 33 highlighted “instagrammability” as the single most important factor in choosing a vacation destination.²⁴ With many online resources available for travel planning, some tourists are more likely to respond to travel blogs with direct testimonials from other travelers than to an advertisement.

Technology Use During Travel: The tourism industry has in recent years responded directly to the need for travelers to remain connected while on trips. Airlines and cruise ship companies have followed this trend by enhancing connectivity onboard.²⁵ According to a 2018 International Air Transportation Association (IATA) global airline travel survey, 37% of passengers want to be able to book



Source: Shutterstock

ground transportation or hotel stays while on their flight to their destination.²⁶

Post-Travel Commemoration: After a trip has finished, many tourists want to document their experiences and share them on social media. Some Destination Marketing Organizations (DMOs) partner with social media influencers or feature open blog sites for tourists to post about their travels. The Dominican Republic Ministry of Tourism features a blog wherein tourists may express themselves and write about their unique travel experiences.²⁷ Mexico’s Tourism Secretariat (VisitMexico) has over 400,000 followers on Instagram and creates an interactive platform for tourists to commemorate their travels by reposting photos from travelers themselves under the hashtag #VisitMexico or #FoundInMexico.²⁸

^{21, 25} “2019 Cruise Trends & Industry Outlook”. Sarah Kennedy. *Cruise Lines International Association (CLIA)*. 2019.

²² “Global Wellness Tourism Economy”. Ophelia Yeung, Katherine Johnston. *Global Wellness Institute*. November, 2018.

²³ “OECD Tourism Trends and Policies 2018”. Angel Gurria (OECD Secretary-General). *Organization for Economic Cooperation and Development*. 2018.

²⁴ “The 4 Biggest Travel Trends for 2019”. Eustacia Huen. *Forbes*. December 24, 2018.

²⁶ *The International Air Transport Association (IATA)*. 2018.

²⁷ *Go Dominican Republic*.

²⁸ *Visit Mexico*.

Asset-Specific Tourism Trends

Mobility

Ground Transportation: While rideshare has recently been the most prominent development to disrupt the ground transportation market, with a focus on the taxi cab industry, the next new wave of disruptors (and existing leaders in this area, including Uber and Lyft) are targeting multimodal transit – interfacing with, and sometimes supplanting, existing mass transit.²⁹

Lodging

Sharing Economy and Exclusive Home

Rental: The sharing economy has had a significant impact on people’s consumer behavior, companies such as Uber and Airbnb have radically altered the tourism landscape. Although the most prevalent form of vacation lodging is still hotels,³⁰ vacation rentals are growing in popularity as Airbnb has experienced a 153% global compound growth rate over the past decade.³¹ While the vacation rental market has experienced significant regulatory pressure because of its impact on an already tight housing supply in many major global cities, the opportunities that the concept has given travelers to stay in places with few or no hotels has made entire regions far more accessible to tourists. Some of the leading vacation rental platforms have also moved to directly compete with upmarket hotel chains by supplying luxury options with key design or distinguishing features. Airbnb, for instance, has created two new lines of rentals for this purpose – Airbnb Plus and Beyond by Airbnb.

Boutique Hotels: Boutique hotels have been increasing in supply for the last five years. They grew by 7% in 2017, as opposed to the 1.8% increase in the total US hotel supply. In 2017, demand was growing as much as supply, at a 7% increase, outpacing upscale hotels and overall hotel demand.³² Boutique hotels generate demand because they often have the freedom to tailor hotel design to their local market by offering personalized service and attention to detail that larger chains could not.³³

Attractions

As travelers increasingly value once-in-a-lifetime experiences over more familiar, accessible destinations, new trends have emerged.

Second City Travel: The search for authenticity and curated experiences among a growing set of tourists has created a market for travel to smaller regional destinations within reasonable travel distance from traditional tourist nodes. Getting away from the tourist hotspots to visit smaller towns can make for less crowded, budget-friendly, enriching cultural experiences.

Given the proximity to San Juan, Aguadilla and Isabela offer several opportunities for Second City Travel as well as authentic experiences, but are lacking in a meaningful curation of itineraries for travelers, making it less likely that visitors will find enough to do to warrant making the trip.

Last Chance Tourism: Last chance tourism is the general principle of visiting a place before it no longer exists (i.e., due to environmental factors) or it is no longer accessible (i.e., due to tourism restrictions). These tourists travel to places that have been threatened by human impacts or to attractions that may be closed in the future.³⁴

²⁹ “Uber Just Added Public Transportation to its App”. Andrew J. Hawkins. *The Verge*. January 31, 2019.

³⁰ “American Multi-Generational Travel Trends, Travel Habits and Behaviors of Generation Z, Millennials, Generation X, and Baby Boomers”. Expedia Group Media Solutions.

³¹ “Airbnb Statistics”. Jaleesa Bustamante. *iProperty Management*.

³² “Boutique Quickly Becoming Fastest-Growing Segment”. Kim Bardoul. *Hotel News Now*. May 15, 2018.

³³ “3 Reasons Why Independent Hotels are Thriving”. Jonathan Webster (Geronimo Hospitality Group). *Hotel Management*. October 23, 2018.

³⁴ “Ecotourism Outlook 2018”. Leah Joyner, Gwynne Lackey, Dr. Kelly Bricker. *University of Utah College of Health*. 2018.

Regional Tourism Trends

Tourism is an essential driver of Puerto Rico's economy. In 2016, the visitor economy made up over 7% of Puerto Rico's Gross National Product (GNP).³⁵ Between 2011 and 2017, visitation to Puerto Rico increased 24%, with 5.2 million people visiting the Island in 2017.³⁶ In September 2017, Hurricanes Irma and Maria decimated portions of the Island, leaving in their wake an estimated \$80 billion in damages, and 1.2 million fewer visits during the remaining three months of the year.³⁷

In the two years since then, Puerto Rico has seen its profile as a tourism destination on the global stage grow, as well as its capacity to receive visitors in search of a wide variety of experiences. By the fall of 2018, 90% of the Island's total hotel inventory was restored and open for business, along with over 4,000 restaurants and 186 attractions.³⁸ In January 2019, the New York Times named Puerto Rico the Number 1 place to visit globally, a powerful recognition and symbol of recovery.³⁹ Discover Puerto Rico, the Island's Destination Marketing Organization (DMO) founded in March 2017, credits its media relations efforts for this piece and dozens of others publications from Condé Nast Traveler, Forbes, Fodor's, Travel + Leisure,

and Harper's Bazaar, many of which focused on regions outside of the San Juan metropolitan area.⁴⁰

Current Visitor Profile

In November 2019, the Puerto Rico Planning Board released a highly detailed profile of the 2017 Island's visitors. According to this report, over 90% of visitors that year came from the United States, with 24% of the trips originating in the state of New York and 17% originating in Florida.⁴¹ Assuming the profile of the typical visitor to the Island has not changed significantly since 2017, 55% of visitors today have a bachelor's degree or higher, and the same proportion make more than \$60,000 in personal income. 64% of visitors are between the ages of 25 and 54, though under-24s make up just over 11% and growing. While 39% of visitors surveyed came primarily for leisure, 29% came to visit friends and family. Regardless of the primary reason for traveling to Puerto Rico, approximately 44% of visitors report staying with friends or family, while 36% stay in hotels.

Once in Puerto Rico, 55% of visitors stay primarily in the metropolitan area of San Juan.⁴² Outside of this area, no single municipality sees more than 4% of primary stays, including the municipalities of Vieques and Culebra whose natural sites make them

extremely popular destinations for visitors. **Together, Aguadilla and Isabela both see just over 2% of primary visitors.**

According to surveyed visitors, the top five activities that people traveling to Puerto Rico engage in while on their visit are:

- Restaurant and bar outings (82%);
- Walking near where they're staying (69%);
- Shopping (63%);
- Aquatic activities, including going to the beach (39%); and
- Nightlife (19%).

Areas with potential, particularly for the region covered in this plan, include food, aquatic activities, and walkable environments – especially with downtowns in such proximity to world class surfing beaches.

³⁵ "Puerto Rico Tourism Company Executive Director Ingrid Rivera Rocafort". *Caribbean Business*. March 6, 2016.

³⁶ "Puerto Rico Takes its Place on the Tourism World Stage" *Government of Puerto Rico, Puerto Rico Tourism Company*. Skift. October 24, 2019.

³⁷ "How Puerto Rico Is Using Tourism To Rebuild After Hurricane Maria, Forbes, Alexandra Talty". September 30, 2018.

³⁸ "Puerto Rico Uses Hurricane Headlines to Help Make It a Global Destination". *Dan Peltier*. Skift. September 27, 2018.

³⁹ "52 Places to Go in 2019". *Rodrigo Honeywell, Adriana Ramic, Rumsey Taylor, Amy Virshup, Josh Williams*. *NYTimes*. January 19, 2019.

⁴⁰ "Discover Puerto Rico Annual Report (FY 2018-2019)". July, 2019.

^{41, 42} "Perfil de los Visitantes". *Gobierno de Puerto Rico, Junta de Planificación*. Accessed November 14, 2019. Report.

^{41, 42} "The Metropolitan Area of San Juan includes the municipalities of Bayamón, Caguas, Canóvanas, Carolina, Cataño, Guaynabo, San Juan, Toa Alta, Toa Baja, and Trujillo Alto.

Competitive Positioning

In August 2018, Discover Puerto Rico released a study of eight target markets from which to attract new and repeat visitors.⁴³ This investigation found that respondents in **New York City, Miami, and Philadelphia had the highest share of existing visitors and healthy percentages of respondents denoting themselves as potential visitors** (also places with a high percentage of diaspora residents) – giving all three of these markets the strongest potential for repeat and new visitation. In fact, 25% of Miami respondents expressed likelihood of visiting Puerto Rico in the next 12 months, with 18% of New York City and 16% of Philadelphia respondents reporting the same.

The study also compared Puerto Rico’s image in these target markets to those of South Florida, the Caribbean-at-large, Hawaii, Mexico, the Dominican Republic, Costa Rica, and Colombia, and found that respondents were more likely to visit Puerto Rico in the next 12 months than the Dominican Republic, Costa Rica, or Colombia, and that respondents overall were only 4% more likely to visit Mexico (19%) than Puerto Rico (15%) in the next year.

A similar study commissioned by the PRTC and released in March 2018 identified Florida, the Bahamas, Mexico, and Costa Rica among the top destinations considered in the same set as Puerto Rico among visitors over the past year.⁴⁴ The Destination Planning Team took these findings into consideration

when selecting the Samaná Peninsula in the Dominican Republic and the Riviera Maya in Mexico as competitive destinations for the Aguadilla and Isabela region.

The same study included a gap analysis between features and attributes that tourists look for when selecting a travel destination, and Puerto Rico’s assets. Among the important needs that Puerto Rico is currently perceived to be delivering were: an authentic local dining scene, history and cultural attractions, natural and historic sightseeing opportunities, variety of lodging options, pristine beaches, accessibility by air transportation, fresh food, opportunities to immerse oneself in the local culture, ease of communication, and good value for money.

Important needs that Puerto Rico is not currently perceived to be meeting, according to the survey, include: safety and security, ease of getting around, reliable information sources, clean air and environment, clean drinking water, a reliable electrical system, well maintained infrastructure, access to internet and Wi-Fi, and a stable and ethical government.⁴⁵

A 2018 Study of visitors commissioned by the PRTC found:

Puerto Rico is delivering on...

- local dining scene
- history and cultural attractions
- natural and historic sightseeing opportunities
- variety of lodging options
- pristine beaches
- accessibility by air transportation
- fresh food
- culture immersion
- ease of communication
- good value for money

However, the perception remains that Puerto Rico fails to deliver on...

- safety and security
- ease of getting around
- reliable information sources
- clean air and environment
- clean drinking water
- reliable electrical system
- well maintained infrastructure
- access to internet and Wi-Fi
- stable and ethical government

⁴³ "Brand Health Research". *Insights Strategic Marketing and Research. Discover Puerto Rico. August, 2018.*

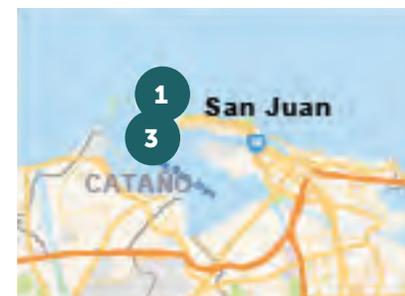
^{44, 45} "Post-Maria Destination Attitudinal Study Quantitative Analysis on the Traveler's Perception". *Puerto Rico Tourism Company. March, 2018.*

Major Island-Wide Tourism Context



Major Attractions⁴⁶

- 1 Viejo San Juan - San Juan
- 2 El Yunque National Forest - Rio Grande
- 3 Castillo San Felipe Del Morro - San Juan
- 4 Bahía Bioluminiscente - Vieques
- 5 Flamenco Beach - Culebra
- 6 Cueva Ventana - Utuado and Arcibo
- 7 Cayo Icacos - Fajardo
- 8 Cueva Del Indio - Arcibo
- 9 Parque De Bombas - Ponce
- 10 Paseo Tablado La Guancha - Ponce



-  Major Commercial International Airport
-  Major Commercial International Port
-  Major Metropolitan Area

⁴⁶ Google Trips

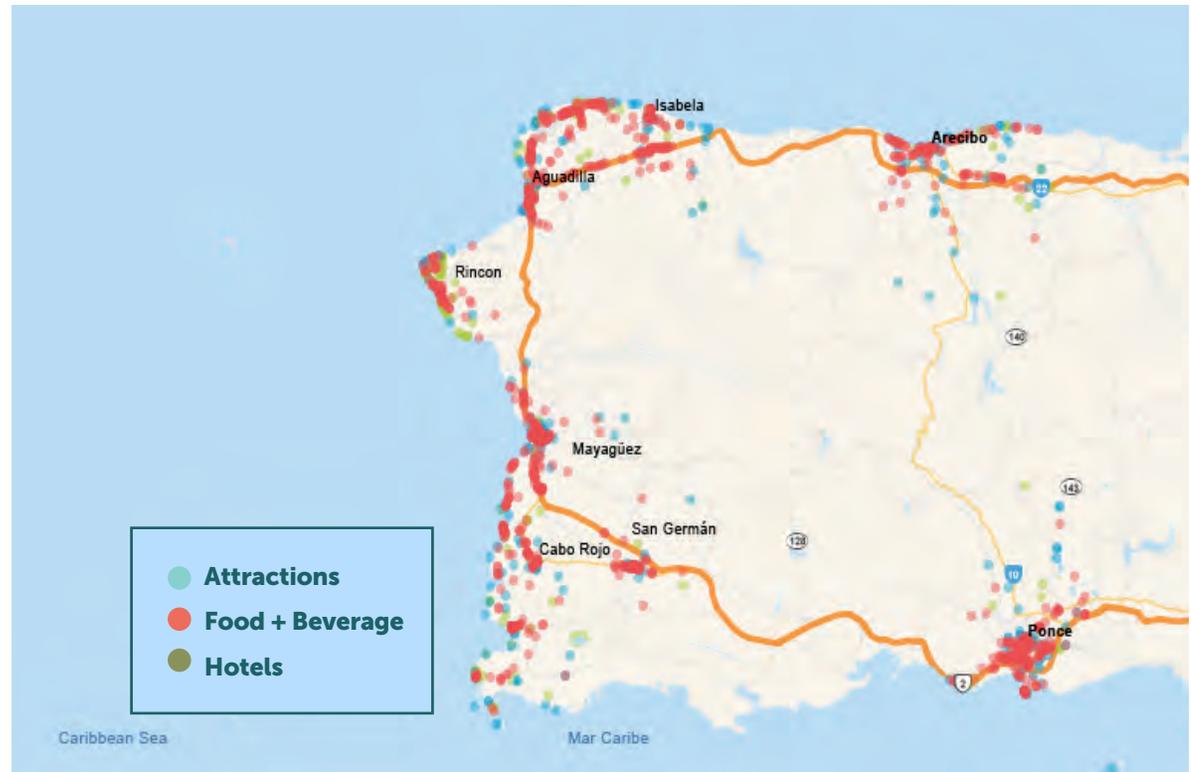
Tourism Within Aguadilla & Isabela

Within the Island, the region competes with nearby destination environments and clusters – mainly other coastal towns, some with more density and a larger working population – for the visitor’s time. **A 2017 study on the visitors’ profile, conducted by the Puerto Rico Planning Board, found that no single municipality other than San Juan (with 33.4%) received more than 4% of Island visitors.**⁴⁷ For all visitors to the west side of the island, it is likely that the region of Aguadilla/Isabela will capture part of a trip’s total duration or a component (such as the beach of a visitor who may find lodging in Rincón).

Major competitive clusters nearby include Rincón, to the south, which has a significant amount of hotel stock, and some well-positioned oceanside attractions. As customers do not tend to make decisions based on municipal or administrative boundaries, it is likely that a customer visiting the west coast will venture back and forth between Rincón and other areas within the region. Identifying customers’ travel plans is key for leveraging the commonalities and the gaps between adjacent regions.

Mayagüez is also a highly populated city equally distant between the northern and southern part of the island. This municipality has hiking trails, Mona Island, Desecheo Island, and a small public plaza with historic architectural features. While mostly driven by local traffic, rather than visitor economy

Porta Del Sol Regional Destination Clusters



Source: Streetsense; Foundation for Puerto Rico. 2019.

traffic, Mayagüez has enough offerings that it may be positioned to capture a piece of a trip from the visitor, depending on the itinerary.

To the East, Arecibo is a small destination cluster with a few similar attractions, equidistant from the San Juan metropolitan area and Aguadilla. While customers are generally willing to travel farther for the destination that supports their sought-after

experience, it is likely that a significant portion of traffic to Aguadilla and Isabela may pass through Arecibo from San Juan by vehicle. Similar to the effect that a trip through Mayagüez may have on the region, Arecibo may capture a visit, or several visitors, from Aguadilla and Isabela. Arecibo, however, is out positioned by Aguadilla and Isabela by their adjacency to other destination clusters on the west coast, which include Rincón.

⁴⁷ "Perfil de los Visitantes". Gobierno de Puerto Rico, Junta de Planificación. 2017.

Customer Segments

To understand what today's travelers typically want and need on their trips, the Destination Planning Team first sought to understand their tastes and preferences. Across the travel industry, these are typically correlated to and segmented by age, into five key groups:

Families (with children)

Because children play a substantial role in travel decision making and spending, this group encompasses all parties traveling with children under 18.

Generation Z

Born between 1995 and 2015, or aged 5 to 25 years old (18 to 25 for the purpose of this analysis), travelers in this category are growing in influence and spending potential. Gen Z travelers are young, willing to explore, and, as they gain financial independence, are breaking away from family-style travel.

Millennials

Born between 1980 and 1994 (or aged 26 to 40), travelers in this category are the first generation to have grown up with widespread internet connection and usage, therefore, their life experiences are shaped by access to significantly more information than their predecessors.

Generation X

Born between 1965 and 1979 (or aged 41 to 55), "Gen X" makes up approximately 25% of the U.S. population and enjoys relatively substantial travel and spending potential.

Boomers

Born between 1944 and 1964 (or aged 56 to 76), the Boomer traveler values predictability and comfort, and wants as little guesswork involved as possible.



Source: Unsplash

On each of the following pages, we have elaborated on the relative value that travelers in each of these cohorts generally place on the assets (physical and programmatic) that they look for in a destination.

Surfers

Surfers are a target demographic because of the plentiful and high-quality surfing assets in western Puerto Rico, such as Crash Boat Beach in Aguadilla and Jobos Beach in Isabela. In 2019, the Save the Waves Coalition selected Crash Boat Beach in Aguadilla to be the World Surfing Reserve.⁴⁸ Surfers come to the region, and specifically to Aguadilla and Isabela, to enjoy some of the best waves in the Caribbean. High season occurs during winter months and waves flatten out during summer months.

Surfing is a sizable industry globally, with 'good wave' locations generating approximately \$50 billion in economic activity.⁴⁹ While tourists who travel to destinations specifically for surfing look primarily for waves that can only be surfed at those locations, surf culture also demands an active after-surf evening scene as well as a variety of food offerings.⁵⁰ For adults, this might mean a craft brewery to catch a cold beer. For families, this might mean great casual dining seafood restaurant offerings near the beach. In order to maintain the reputation of Aguadilla and Isabela as a world-class surfing destination, every effort should be made to maintain the quality of and access to beaches, a variety of food offerings, and other support systems for the surf community.

⁴⁸ "Punta Borinquen Announced as 11th World Surfing Reserve". Save the Waves Coalition. December 20, 2018.

⁴⁹ "Good Waves Generate Estimated \$50 Billion Per Year". Dashed Pierson. Surflife. August 13, 2016.

⁵⁰ "Five Top Travel Trends in 2018 and how to Benefit from Them as a Surf House Owner". Booking Layer. January 18, 2018.

Customer Segment

Families

(with children under 18 years old)

Traveling families often have stricter limitations than parties that are traveling without children. Transportation can be difficult with young children, so most parents opt for domestic trips. While these trips range in length, households with more children tend to take shorter trips. Family trip planning is typically centered around cost and resource availability, but among parents' top priorities is finding travel destinations where all members of the family will have fun.⁵¹

The typical American family is planning a trip to a place in the US where there are activities for everyone in the family. Many parents will spend a vacation week with the kids at an amusement park or somewhere the family can be outdoors. Additionally, with a fear of the kids getting sick, parents will likely choose a hotel with access to resources.

⁵¹ "Generation Alpha & Family Travel Trends". Expedia Group Media Solutions.

⁵² "Our Family Travel Survey Results are in!". Emma Sparks. Lonely Planet Kids. May 8, 2018.

^{53, 54, 55} "Generation Alpha & Family Travel Trends". Expedia Group Media Solutions.



Source: Shutterstock



Mobility & Transit

Traveling with young children is a challenge, so families look for ease of access to their vacation site. When on vacation, many families use either a personal or a rental car to get around, in addition to walking and taking public transit or taxis. Convenience is key among a parent's vacation desires, so accessibility often dictates what families can do when traveling with children.



Lodging

Most families choose to stay in a hotel on their vacations for its convenience and proximity to resources. Over 40% of parents are most likely to choose a hotel over any other type of accommodation, and close to 58% of families with children under the age of nine opt for hotels.^{52 53}



Attractions

One of the greatest challenges in traveling with children is keeping them entertained. Thus, family travel decision drivers are centered around activities for the entire family, places that young children will enjoy, and locations in which parents do not have to worry about their safety. Almost three quarters of parents are looking for theme parks on their trip.⁵⁴ Most families are also looking for water or outdoor activities. Though trips can be taxing experiences for parents, travelers look forward to spending time with their families, relaxing, and getting away from their everyday routine.⁵⁵

Customer Segment

Generation Z

(age 25 and younger)

Gen Z value travel and unique experiences, but they are conscientious spenders. Technology is an integral part of life and decision making for a Gen Z and defines the generation.

The young, recent college graduate may not have as much disposable income as older customer segments that have advanced farther in their careers, however Gen Z travelers highly value travel and unique experiences. Growing up during the recession, the spending patterns of this customer segment resemble that of Boomers, but their interests are more aligned with Millennials and they are more willing to spend more on events and festivals.



Source: Shutterstock



Mobility & Transit

Gen Z travelers highly value low cost transportation options that maximize accessibility. The typical Gen Z traveler thrives in locations with transit infrastructure, which enables them to be nimble in their vacation plans. They are interested in quick and on demand transit options such as rideshare and taxis, but also demand walkability and access to public transit wherever possible. Car rentals are less important to Gen Z travelers because many are not old enough to drive a rental car or, alternatively, do not have a driver's license.

Moreover, many rental car companies have significant restrictions and higher rental fees for those under the age of 25, making it difficult for the younger travelers to vacation in places where mobility is highly reliant on an automobile.



Lodging

Growing up during the recession, the average Gen Z traveler is a more conservative spender than the preceding generation. This is evidenced in their flexibility in lodging. Amenities are only moderately important, and most are willing to sacrifice fancier amenities to spend their limited vacation funds on experiences.



Attractions

The average Gen Z traveler is meticulous about the attractions that they engage with in any given destination, and quality and variety of attractions is more important to them than their overall quantity. They seek off-the-beaten path destinations, are open-minded, and are constantly hungry for local recommendations.

Customer Segment

Millennials

(age 26–40)

Millennials do not want to work for their vacations, so ease of access is key. While they are value oriented, they are willing to spend their money on “once in a lifetime” experiences.

Young working professionals and “foodies” value new experiences and travel often. They research online for all-inclusive packages for ease of travel and will document the whole trip on social media. Some book Airbnb’s which gives them a more authentic experience that immerses them in the local culture.

^{56, 57, 58} “American Multi-Generational Travel Trends, Travel Habits and Behaviors of Generation Z, Millennials, Generation X, and Baby Boomers.” Expedia Group Media Solutions.

⁵⁹ “Ecotourism Outlook 2018”. Leah Joyner, Owynne Lackey, Dr. Kelly Bricker. University of Utah College of Health. 2018.

Source: Shutterstock



Mobility & Transit

Millennials value convenient access to transit. Like Gen Z, on demand transit, such as taxis and rideshare, are just as important to Millennials as walkability and local public transportation. For many Millennials, travel to the vacation location does not need to be far. For example, 40% of Millennials somewhat agree or strongly agree with the statement “I don’t like traveling far, as long as I’m not at work, I am on vacation.”⁵⁶ However, for those that do enjoy traveling to farther places, it is important for there to be convenient transit where they choose to visit.



Lodging

Similar to Gen Z, Millennials place less value in where they sleep on vacation. Instead, they choose to spend more time and effort in planning their experiences. Millennials enjoy an easy to plan and accessible vacation, which is evident in the fact that 83% somewhat agree or strongly agree that they prefer all-inclusive vacations like resorts or cruises.⁵⁷ Millennials care about the cost of travel and the environmental impacts of their actions, both of which have contributed to a growth in ecotourism.⁵⁸



Attractions

Millennials value attractions of high quality, quantity, and variety because they place a high value on the experiential aspect of every trip. Food and its strong connection to social media have created a generation that takes photos of their food before consuming it. As “foodies” at heart, 66% of Millennials somewhat agree or strongly agree that they plan their travel around where they will eat or drink.⁵⁹ With younger generations, newer types of attractions such as ecotourism have grown more popular and this increased focus on sustainability follows the global trend of intentional travel.

Customer Segment

Generation X

(age 41–55)

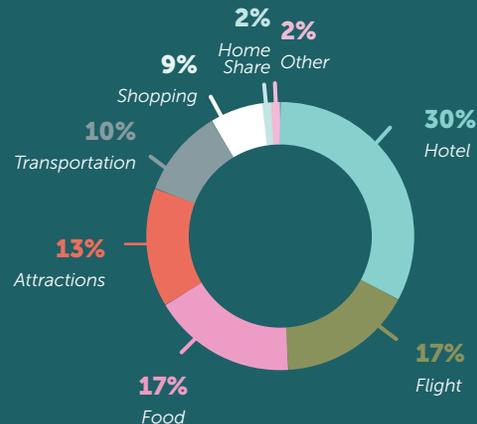
The typical Gen X traveler has high standards for their chosen vacation experiences but are willing to pay a little more to access them than the other cohorts. Gen X read more online reviews than any other demographic and above all, are looking to experience something they couldn't when they were younger.⁶⁰

Empty-nesters have already seen parts of the world and now want to experience something new. They'll spend their off hours researching Expedia reviews for the best wine spot and book their next trip on an online travel booking platform.



\$5,400

Amount Gen X-ers set aside for their vacation budget (approximate)



Mobility & Transit

Gen X prefer comfortable transportation options and more generally, have a higher spending potential than younger generations. While still spry enough to be walking around and taking public transportation, Gen X prefer car-based transportation over other modes of transit. Gen X value car rentals more than any other customer segment and unlike other segments, 43% of Gen X travelers used a car to get to the destination on their last trip.⁶¹



Lodging

Gen X are willing to spend more of their budget on their lodging and this translates to higher expectations in amenities, but also a higher willingness to pay. Although Gen X expectations are higher, they don't value hotel availability as much as others, as long as the lodging meets their standards.



Attractions

The variety of a location's attractions is not as important to Gen X as the quality of the attractions are. The typical Gen X traveler has already seen parts of the world, so while the attractions are not insignificant, Gen X are more interested in traveling to destinations with superior assets. Furthermore, when Gen X travel, they seek to experience things they couldn't when they were younger. So, the higher the quality of the experiences are, the better they will match Gen X-ers' expectations.

⁶⁰ "How to Sell to Generation X Travelers". Natalie Maneval. Travel Agent Central. April 18, 2016.

⁶¹ "American Multi-Generational Travel Trends, Travel Habits and Behaviors of Generation Z, Millennials, Generation X, and Baby Boomers". Expedia Group Media Solutions.

Customer Segment

Boomers

(age 56+)

Boomers are most interested in rejuvenation and spending time with friends, family, and the people they care about. Trips are often planned as bucket list items, reunions, multi-generation trips, or milestone trips.

Retired boomers want to spend time with friends and family. Sharing experiences with others is important so a multi-generational or milestone trip may be in the cards.



Source: Shutterstock



Mobility & Transit

As with all travelers, Boomers most frequently fly to their destination. Of all types of transit, most Boomers prefer taxis and do not prioritize other forms of transport, such as walking, public transit, or car rental, wherein they might be forced to actively participate in the act of transit itself. Similarly, rideshare is a very low priority for Boomers, who are less tech savvy and are most comfortable sticking with taxis.



Lodging

Boomers are willing to spend on comfortable lodging experiences. They may be nearing retirement or have accumulated disposable income or vacation days, and thus have higher expectations for the hotels they stay in. They expect the amenities to be of high quality and many options of hotels to choose from. Thus, they are willing to pay more than younger generations and spend more on vacations in general.



Attractions

For Boomers who may not be as physically able to participate in active recreation or natural attractions, these types of activities have less appeal. But, while they do not place as much value in some attractions, shopping and cultural activities are of high importance for traveling Boomers. Shopping is also relevant not necessarily for Boomers themselves, but for purchasing souvenirs for loved ones at home. Boomers have seen more of life than younger generations, so unique cultural attractions are often of interest.

Physical Environment Assessment

Physical Environment Assessment

The built environment and quality of a place at key tourism-supporting assets play a significant role in consumer decision-making and visitor satisfaction.

Customers spending discretionary vacation time and dollars want to know the basics: Are the places they choose to visit appealing, comfortable, and safe? Are there enough of them to warrant a visit of a day, a few days, a week? Is it easy to get around with friends and family, including the very young and old? These factors influence visitor enjoyment, utility and overall satisfaction. The answers to these questions are informed by a combination of factors, including but not limited to the quality of the physical environment at each asset, the conditions of the public and private realms, and the ability to arrive/depart in comfort and get around easily once there.

The Destination Planning Team took time to walk the streets, drive around, visit local assets and attractions, and spend time in public places to assess both visual and physical connectivity. Two site visits in Summer 2019 included walking and driving tours of the area’s assets. The first site visit enabled the consultant to assess existing challenges in the physical environment, as well as communicate with stakeholders.

Accessibility

Most visitors to the Aguadilla and Isabela region arrive by automobile. The region is accessible by Puerto Rico Highway 2, a limited access expressway that begins in San Juan and provides the most direct route from the metropolitan region. It is a highly trafficked route and often congested.

Visitors are also able to arrive via a limited number of direct flights to Rafael Hernández International Airport (BQN) from major U.S. East Coast points of origin. In the past, cruise ships also docked at the Port of Mayagüez.

Mobility & Transportation

Convenient and comfortable connectivity enables visitors to develop itineraries to visit and engage with multiple assets and offerings. The Destination Planning Team assessed the utility of a variety of transportation modes to determine the degree to which each mobility option is available to visitors.

- A “high” rating level is assigned if the region offers high quality infrastructure and transportation services.
- ◐ A “medium” rating level is assigned if the region offers moderate quality infrastructure and transportation services.
- A “low” rating level is assigned if the region does not meet baseline conditions typically expected by visitors.

General Mobility Assessment by Mode Type

Aguadilla/Isabela

Type	Utility
Car Rental	●
Flight	◐
Boat	○
Taxi	○
Public Transit	○
Rideshare	○
Bike	○

Note: No circle means the mobility item is not applicable or available.

Car Rental

Rental cars are readily available at the Aguadilla Airport; however, we were told by multiple stakeholders that demand sometimes outstrips supply and that at times there are no cars available for rental. Car rental requirements often restrict rentals to those under age 25, squeezing out a growing customer segment.

Road Conditions

Puerto Rico offers a sophisticated network of regional and local roads. Regional and island-wide highways are typically of high quality, allowing visitors to enter and exit the region. Small, local roads, such as PR-459 and PR-4466 are functional but of deteriorating quality. These roads connect visitors in the region with local attractions, such as Jobos Beach.

Many of the food offerings are clustering in auto-oriented areas, based on the need to rent a car to access attractions. A vehicular evaluation of accessibility to destinations within the region is offered in the table "General Vehicular Mobility Assessment by Destination" located in the next page. Generally, the historic urban centers of Aguadilla and Isabela, both destinations and attractions within the region, are also highly car-accessible, with public parking and street parking available for visitors.

Parking

Parking availability is critically important in a region where public transit and rideshare to key assets is non-existent. Therefore, parking availability at key assets remains an important component of the visitor experience.

Areas and assets with limited, challenging, or confusing parking availability undermine a visitor's overall experience. A few places to note:

- **Crash Boat Beach.** While there is a small parking lot at the beach, it is controlled by independent operators with unclear pricing - which can be confusing to visitors. On busy weekends, the parking lot is quickly filled.
- **Urban centers in Aguadilla & Isabela.** In addition to street parking, there are municipal parking lots in Aguadilla and Isabela. However, the perception that parking availability is limited in the historic remains.



Route 110 Accessibility. Source: Streetsense.



Downtown Isabela Accessibility. Source: Streetsense.

General Vehicular Mobility Assessment by Destination

Aguadilla/Isabela

Type	Aguadilla Urban Center	Isabela Urban Center	Villa Pesquera (Isabela)	Route 110 Business Ctr.	Aguadilla Food Truck Park	Route 107 Business Ctr.
Street Parking	●	●	●		●	●
Parking Lots	●	◐			○	○
Parking Structures	●	●				
Routes/ Visibility	●	●		◐	○	◐
Street Condition	○	◐	●	◐	●	○
Street Widths	○	◐	●	●	●	○

Note: An empty circle indicates low performance, a half circle indicates average performance, and a filled circle indicates high performance. No circle means the mobility item is not applicable or available.



Accessibility features at Aguadilla urban center. Source: Google Maps



Villa Pesquera (Isabela) front street. Source: Google Maps

Public Transit

Formal public transit is nonexistent. There are no public bus routes. A system of “carros públicos” or “public cars” is available, which works like taxi cabs. However, they operate fixed routes and leave from terminals located in the urban centers. Users must typically wait until a vehicle is full before departing. Service is patchy and usually attends small geographic areas that do not include visitor attractions

Flight

The area is served by Rafael Hernández International Airport (BQN), also known as the Aguadilla Airport, the second largest airport on the Island after Luis Muñoz Marín International Airport (SJU), which remains the most effective and popular option for air travel. The utilization of the Aguadilla Airport by visitors is very limited as the airport currently services approximately four passenger flights per night and only between the hours of 11 pm and 4 am. Usually, passengers who arrive at this airport are Puerto Ricans, who live stateside, and are visiting friends and family. Given its importance to the region, we have dedicated a section in the report to the airport.

Boat

The Port of Mayagüez is located outside of this region within an approximately 45-minute drive to Aguadilla and Isabela. It is the third busiest port in Puerto Rico. While outside of the region of study, the Port of Mayagüez once hosted cruise ships and a daily ferry to the Dominican Republic. It was slated for a \$300 million renovation that was approved in 2017, but the effort was permanently delayed after Hurricane Maria.

In the area, some private marinas exist, but are not commercial or public and do not generate convenience at an economy of scale. Existing ports for boat-travelers are private, and do not offer tours, connections between other locations, or serve transportation needs, such as those between Ceiba and Vieques.

Taxi

Taxis in the region are scarce and often prohibitively and unexpectedly expensive for visitors. For those arriving at the Luis Muñoz Marín International Airport (SJU), there are taxis that charge high fees for short trips. While rideshare or taxis can be hired for the trip from San Juan to Aguadilla/Isabela, once in the region it is unlikely that visitors might find a taxi to move around the region or back to the metropolitan area.

Rideshare Accessibility Across the Island



Uber Rideshare Coverage Area Source: Uber.

Rideshare

While the official Uber coverage area does include the Eastern portion of the Aguadilla and Isabela region, there are few to no drivers available outside of the metropolitan region. Some visitors hire personal drivers.

Bike

Some bike infrastructure exists; however, bike trails serve as recreational attractions for leisure and hobby travelers, rather than a meaningful way of connecting assets. One example is the approximately 4-mile long walking/biking path/boardwalk known as Paseo Lineal in Isabela that takes visitors from Villa Pesquera to Pozo de Jacinto adjacent to Jobos Beach. Bike rentals are available at Villa Pesquera.

Pedestrian

The quality of the pedestrian environment is extremely uneven. Puerto Rico is a place where automobiles dominate, and as a consequence the built environment has been heavily compromised by new development that prioritizes automobile access, which has also resulted in the lack of maintenance of pedestrian infrastructure, including sidewalks. This is the case in the vicinity of the waterfront “Villa Pesquera” in Isabela, where the short walk to a well-known restaurant is marked by broken sidewalks, forcing pedestrians to walk in the street. Hence, some of the most successfully food operators and boutique shopping are in strip mall environments.

In the historic downtown communities of Aguadilla and Isabela, pedestrian conditions—including sidewalks, curbs, street trees, etc. — are better maintained. Investments in Aguadilla also include an inviting boardwalk along the waterfront called Paseo Real Marina.



Paseo Lineal in Isabela is a recreational walking and biking trail, which connects several beaches. Source: Flickr

At other locations, pedestrian paths are difficult to find or poorly maintained —sometimes even treacherous or dangerous— making pedestrian accessibility difficult if not impossible for families with young children, older visitors, or individuals with disabilities. A few examples include the walking path from the Guajataca Tunnel that culminates in a picturesque local beach, walking paths from Jobos Beach to Pozo de Jacinto, and walking/hiking paths in

the Guajataca Forest Reserve where several hiking paths remain in disrepair following the Hurricane.

General Pedestrian Mobility Assessment By Destination

Aguadilla/Isabela

Type	Aguadilla Urban Center	Isabela Urban Center	Villa Pesquera (Isabela)	Route 110 Business Ctr.	Aguadilla Food Truck Park	Route 107 Business Ctr.
Wide Sidewalks	●	●	●			
Trees	◐	○	●		◐	○
Visible Signage	○	●		◐		
Outdoor Seating	◐	○	○		●	
Contiguous Paths	◐	○	●			
Crossings						
Lighting	○	○				○

Note: An empty circle indicates low performance, a half circle indicates average performance, and a filled circle indicates high performance. No circle means the mobility item is not applicable or available.

Source: Streetsense.

Cleanliness & Safety

Cleanliness and safety are significant components of visitor satisfaction. Nonetheless, waste management is lacking across the Island. Trash and refuse are notable at many key tourism and cultural assets, including historic sites and downtown areas. On-going maintenance and trash collection at some of the region's most popular attractions, such as the Guajataca Tunnel, are still significant issues.

Another area of concern that affects several beaches is water quality. At Crash Boat Beach in particular, the water becomes unsafe for swimming following heavy rains. Other concerns at this beach include the lack of regular maintenance. On the Islands of Puerto Rico website, an independent travel review site, the "poor maintenance and attention to detail" are called out, and even before Hurricane Maria the beach was rated 6 out of 10 for this reason. The parking facilities are also informally and unofficially managed by locals with no clear pricing structure, which can be confusing for visitors.



A trash management program in Jobos Beach has infrastructure but little management. Source: Streetsense

Aguadilla Airport

Most visitors arrive to the Island through the Luis Muñoz Marín International Airport (SJU) located in the metropolitan area. However, the Rafael Hernández International Airport (BQN), commonly referred to as the Aguadilla Airport, is an important point of entry that serves the region.

Primarily known as a nighttime passenger and cargo flight provider for Emirates Cargo and FedEx, this airport attracts local and diaspora visitors who are looking for low-priced fares and are open to late night arrivals. The airport's current operations also include overnight service to the Mainland with JetBlue, United/Continental, and Spirit Airlines.

For most visitors, the off-hours operations of the airport make it inconvenient for them to use as a point of arrival. During initial interviews with the Destination Planning Team, a representative from the Ports Authority of Puerto Rico mentioned an interest in bringing in more daily flights but indicated they would require incentives because nighttime flights allow them to use planes during their least profitable times. While friends and family may be willing to forgo the convenience of daytime flights, the average visitor is not.

The ability of the Aguadilla Airport to serve a larger volume of visitors has been a critical component of our analysis. Our assessment included a review of previous planning documents such as: the 2045 Long Range Multimodal Transportation Plan prepared by the Puerto Rico Highways and Transportation Authority (PRHTA), the Comprehensive and

Total Passenger Traffic Through Calendar Year

Airport name	2013	2014	2015	2016	2017
Mercedita (Ponce)	201,216	201,645	206,815	231,598	186,943
Eugenio María de Hostos (Mayagüez)	12,909	14,499	13,290	12v,135	15,281
Benjamín Rivera Noriega (Culebra)	60,859	73,843	79,412	82,612	64,303
José. Aponte de la Torre (Ceiba)	82,981	81,815	90,593	97,037	84,420
Hermenegildo Ortiz Quiñones (Humacao)	1,691	1,389	4,173	1,154	1,000
Antonio Nery Juarbe (Arecibo)	9,744	18,240	4,305	10,139	14,024
Antonio Rivera Rodríguez (Vieques)	144,926	150,843	156,207	131,980	108,614
Rafael Hernández (Aguadilla)	407,664	427,239	412,572	519,603	498,422
Fernando Luis Ribas Dominicci (Isla Grande)	51,865	51,981	51,125	50,231	42,896
Total	973,855	1,021,494	1,018,492	1,136,489	1,015,903

This table illustrates the five-year historical numbers of passenger movement through all airports in Puerto Rico, except the main one, Luis Muñoz Marín International Airport (SJU). Source: Streetsense.

Feasibility Transportation Study for the Municipality of Aguadilla prepared by Estudios Técnicos, and the Regional Tourism Plan of Porta del Sol prepared by the PRTC. Also, several interviews with staff at the Ports Authority, and a maintenance and cargo operator for the airport were made.

Existing Conditions & Current Efforts

All major stakeholders recognize the singular opportunity represented by the Aguadilla Airport and the potential to grow tourism through enhanced passenger service from a greater variety of destinations at this location. The airport itself is currently underutilized and significant investments are necessary to encourage airlines to offer more service during the daytime. The length of the runway is not an issue – it is sufficiently long to handle most commercial aircraft carriers. However other concerns of note include the lack of a terminal ramp, jet bridges, and a 24-hour tower. Additionally, the quality of land-side facilities need improvement to comply with higher expectations of customer comfort, particularly for the visitor traveler whose expectations are greater than that of the diaspora traveler. The Porta del Sol Plan further indicated a desire to see more “puddle jumper” flights from San Juan, much in the way that Vieques and Culebra benefit from direct flights.

The Ports Authority raised concerns about the lack of access from PR-2, insufficient and poorly organized parking, and limited alternative transportation options to visitors lodging and assets for travelers (i.e. rideshare, formalized shuttle buses, inadequate pedestrian and bike facilities, etc.). Finally,

safety concerns were raised, particularly for those arriving in the middle of the night and renting cars.

The Ports Authority further indicated that while there was interest in increasing the number of passenger flights, the airport’s main function is that of a cargo terminal, therefore balancing the needs of passenger operators might be a challenge, particularly given the single runway.

The Master Plan for the Aguadilla Airport identifies the possibility of expansion towards vacant land to the south, which would include the construction of a taxiway, commercial and cargo terminals, aprons to manage the planes, as well as the expansion of hangars and maintenance areas. Additional improvements to the surrounding road network are recommended, including improved connections to PR-2 to manage increased truck traffic and improvements to PR-110 into a four-lane access road.

A desire for comprehensive investments in the airport facility has been noted at every level of government, however the source of funding for these investments remains unknown at this time.

Market Forces

It is important to consider the desire for more passenger service within the broader context of market trends in the aviation industry. While all stakeholders express an interest in seeing passenger service increase, there are several market forces to take into consideration. The airline industry has seen a decline in regional and community air service as well as the consolidation of airline service in major cities. Both affect the viability of plans to expand passenger service at the Aguadilla Airport. Additionally, high operating

costs, untested market demand, and pilot shortages cause further hesitation among airlines. Dropped routes –as have been experienced at Aguadilla Airport– are the result of some of these market forces. Some carriers are servicing airports when public and private partnership funding is available to mitigate new service expansion risks and to offer minimum revenue guarantees.

Resources For Investment

Currently there are no dedicated funds for improvements in this airport. There are several federal resources available for airport improvements, however the Aguadilla Airport is currently ineligible under current guidelines. These include the Essential Air Service Program that provides a subsidy per passenger (only Mayagüez Airport is currently eligible) and the Airport Improvement Program operated by the US Department of Transportation - Federal Aviation Administration (USDOT - FAA), which provides grants for planning and development. Further investigation is necessary to determine whether Aguadilla Airport’s classification can be changed.

The inclusion of the airport in the Foreign Trade Zone (FTZ) also provides another funding opportunity that might be leveraged, as noted in the Comprehensive and Feasibility Transportation Study for the Municipality of Aguadilla (2016). Additional research into the viability of these funding sources is required.

Business Environment Assessment

Business Environment Assessment

The business environment assessment examines the natural, business, and cultural assets that drive visitor potential for the region; the degree to which there is market awareness of these assets among visitors; and the extent to which they are properly amenitized to meet customer expectations.



Villa Pesquera is a waterfront business cluster in Isabela located at one end of the Paseo Lineal, the walking/biking path to Jobos Beach. Source: Streetsense

Business Clusters

The region's clusters of businesses are located in a few areas where there is business co-location and adjacency. Many of these clusters follow a traditional suburban pattern and are home to most gastronomic experiences.

In downtown Aguadilla there is a collection of restaurants and attractions. These attractions are supported by a historic plaza, a walkable street network and waterfront parks, including El Parterre, a small landscaped plaza at a natural spring where some vendors gather, and Paseo Real Marina boardwalk. Most of the attractions in downtown Aguadilla are cultural and recreational. While there are Airbnb offerings, there are no branded or unbranded hotels. Few non-food retailers are present.

The second regional cluster is downtown Isabela, where there are strong adjacencies between Food and Beverage, historic, and cultural offerings. Like many urban centers in Puerto Rico, the plaza is a magnet for residents to congregate. The area surrounding the plaza is walkable. However, a lack of an established retail presence with critical mass poorly positions the cluster to support any significant daytime (or nighttime) tourist economic activity.

The third cluster, with some degree of co-location and clustering among retail, services, and Food and Beverage business is Jobos Beach. While this area has less density and few pedestrian-oriented (or non-vehicular) roads that establish a baseline for walkability, it does have a mixture of adjacent and accessible attractions and restaurants. Jobos Beach has a nearby ocean-side hotel/parador, which is located within walking distance of the water. However, unlike the downtowns in the region, this area does not have a historic-built context.

The fourth cluster with co-location and clustering is the zone around the Aguadilla Airport. Some of the most popular food offerings are gathered on these roadways rather than in immediate proximity to

waterfront assets. Visitors are required to use their car in order to patronize these offerings, which presents the concern that driving to/from these dining destinations requires them to limit their alcohol intake.

The area, however, lacks the same land use fabric that supports the expansion of clustering and visitor economy activity that is present in other mentioned locations. While home to a stretch of several beaches, and an airport-oriented hotel, this area is not particularly conducive to serving as an activated visitor zone; the residential neighborhood is predominant, walkability is low, and a lack of historic or culturally rich public spaces compares poorly to other, existing destination nodes. Focusing efforts on the other three clusters is recommended.



Beach at the end of the Guajataca Tunnel. Source: Streetsense

The following map illustrates the clusters of businesses described in this section.

Business Clusters in Aguadilla and Isabela



Source: Streetsense, Foundation for Puerto Rico. 2019.

Attractions

The following assessment considers the composition of the visitor economy by attractions, lodging, as well as Food and Beverage clusters, with special consideration given to the business clusters previously mentioned.

The FPR Field Teams identified thirty (30) major attractions that drive visitation to the region (see Attractions List Table). The majority (50%) are natural attractions, followed by cultural (37%), and recreational (13%).



Plaza in Downtown Isabela . Source: Flickr

Attractions List

Name	Municipio	Type	Name	Municipio	Type
Cara del Indio	Isabela	Cultural	Guajataca Beach	Isabela	Nature
El Parterre	Aguadilla	Cultural	Jobos Beach	Isabela	Nature
Ermita San Antonio De Padua De La Tuna	Isabela	Cultural	Middles Beach	Isabela	Nature
Guajataca Tunnel	Isabela	Cultural	Montones Beach	Isabela	Nature
Las Ruinas Faro De La Ponderosa	Aguadilla	Cultural	Playa Pastillo	Isabela	Nature
Mirador de Aguadilla	Aguadilla	Cultural	Playa Peña Blanca (Wishing Wells)	Aguadilla	Nature
Museo Casa Isabelina	Isabela	Cultural	Pozo de Jacinto	Isabela	Nature
Museo de Arte de Aguadilla y del Caribe (MAAC)	Aguadilla	Cultural	Punta Borinquen Beach	Aguadilla	Nature
Museo del Tren de PR en Isabela	Isabela	Cultural	Playuela	Aguadilla	Nature
Parroquia San Antonio de Padua	Isabela	Cultural	Shacks Beach	Isabela	Nature
Macromural	Aguadilla	Cultural	Surfer's Beach	Aguadilla	Nature
Bosque Estatal De Guajataca	Isabela	Nature	Paseo Lineal Isabela	Isabela	Recreativo
Crash Boat Beach	Aguadilla	Nature	Paseo Real Marina	Aguadilla	Recreativo
Cueva Las Golondrinas	Isabela	Nature	Villa Pesquera	Isabela	Recreativo
Cueva Survival Beach	Aguadilla	Nature	Plaza de Isabela	Isabela	Recreativo

Source: Streetsense, Foundation for Puerto Rico. 2019.



Cultural, Natural, and Recreational Attractions in Aguadilla and Isabela. Source: Streetsense, Foundation for Puerto Rico. 2019.

Anchors & Magnets

The most prominent anchors drive decision making among visitors and form the basis of market differentiation for each region, rooted in its unique “DNA”.

Of 30 main attractions in the region, the most popular assets (as reflected by the total number of reviews from TripAdvisor) included the following:

- Crash Boat Beach
- Jobos Beach
- Guajataca Tunnel
- Las Ruinas del Faro de Aguadilla
- Paseo Lineal de Isabela
- Observation Tower at Bosque Estatal de Guajataca
- Cueva del Viento
- Monumento al Cacique Mabodamaca
- Pozo de Jacinto
- Shacks Beach
- Rompe Olas Beach

As previously noted, most are **waterfront assets**, including Crash Boat Beach, Jobos Beach, the Guajataca Tunnel, Cueva del Viento, Pozo de Jacinto, and Rompe Olas Beach. This also includes a 4-mile long linear walkway/ bike path located at Isabela, known locally as “Paseo Lineal”, that begins at Villa Pesquera and terminates at Pozo de Jacinto next to Jobos Beach .

Additionally, there is a small but notable collection of **biking/hiking/walking opportunities** available to visitors ranging from easy to difficult, including a flat and short hiking path at the historic Guajataca Tunnel, the previously mentioned Paseo Lineal de Isabela, and more strenuous hiking paths and caves in the Bosque Estatal de Guajataca.

It should be noted that a few significant anchors identified by the community were missing from TripAdvisor, including the Macromural in Aguadilla, a unique large scale public work of art in downtown Aguadilla. There was also no mention of the vibrant local fishing culture known for unique painted fishing boats at Crash Boat Beach and celebrated locally through an annual event known as Festival de la Virgen del Carmen.

Security

Beaches do not have lifeguards, posing a risk to swimmers.

Historically, the region’s beaches have been known to suffer from riptides. Riptides can cause serious safety issues to locals and visitors alike. Despite best efforts, local organizations have limited capacity to manage the beaches appropriately.

Additionally, news-reported incidents can amplify perceptions that the beaches are unsafe, particularly for leisure-based travelers who may be unaware of environmental signals that other tourist groups, such as advanced surfers, may be. This can cause perception issues not just for the respective beaches with this issue, but other beaches throughout the region, as well.

Presence

The importance of online visibility cannot be underestimated. According to well established industry research, review sites have a significant impact on travelers’ decision-making.⁶² Nearly two thirds of travelers, or 68%, indicate that reviews are important to “helping them know about attractions”. When it comes to lodging, 83% of respondents indicated that reviews help them pick the right hotel and a full 53% won’t commit to a booking until they read reviews. The quality of reviews is critically important, in part because research has found that increases in review ratings can lead to increase in revenue caused by higher visitation.⁶³

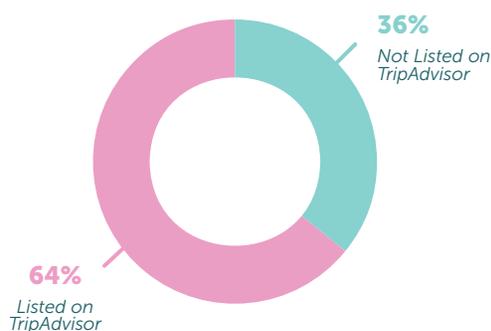
As such, our team conducted an in-depth analysis of attractions against TripAdvisor, an American internet-based travel company that in 2019 generated approximately 730 million user reviews and opinions. It is generally regarded as one of the world’s largest and most popular travel sites.

A review of listings in Aguadilla and Isabela found that a full 35% of locally identified visitor attractions were not listed, including the popular Macromural, Paseo Real Marina (the waterfront boardwalk in downtown Aguadilla) and a variety of locally known surfing spots.

⁶² “Independent Study of 12,000 Global Travelers”. PhoCusWright. 2013.

⁶³ “Reviews, Reputation, and Revenue: The Case of Yelp.com”. Michael Luca. Harvard Business School. 2016.

Of the 92 unique assets identified in preliminary data collection, only eleven (11) had more than 45 reviews.⁶⁴ It is notable that Crash Boat Beach is alone among sites with over 1,000 reviews, followed by Jobos Beach in a distant second with 253 reviews. When comparing the top ten attractions as listed on TripAdvisor in Las Terrenas, a town in the Samaná province of the Dominican Republic and one of our comparable benchmark visitor destinations, the median number of reviews was 292, compared to 78 for assets in Aguadilla and Isabela.



Listed vs Unlisted Assets on TripAdvisor. Source: Streetsense. 2019.

Top-Rated Assets on TripAdvisor

Aguadilla/Isabela

Community Identified Asset	Name on TripAdvisor	# of Reviews	Average Rating	% Excellent or Good
Crash Boat Beach	Crashboat Beach	1060	4.5	87%
Jobos Beach	Jobos Beach	253	4.5	84%
El Túnel del Tren en Guajataca	Túnel de Guajataca	161	4	68%
Las Ruinas del Faro de Aguadilla	The Old Aguadilla Lighthouse Ruins	138	4.5	72%
Paseo Lineal de Isabela	Linear Walk Isabela	81	4.5	53%
Bosque Estatal de Guajataca	Guajataca Forest Reserve	75	4.5	77%
Cueva del Viento	Guajataca Forest Reserve	75	4.5	77%
Monumento al Cacique Mabodamaca	Monumento al Cacique Mabodamaca	64	4.5	94%
Pozo de Jacinto	Pozo de Jacinto	59	4.5	92%
Shacks Beach	Shacks Beach	58	4.5	95%
Rompe Olas Beach	Playa Rompe Olas	49	4.5	88%

Listings in Aguadilla and Isabela with more than 45 reviews. Source: TripAdvisor.com.

⁶⁴ ViewPR Lists, Foundation for Puerto Rico, TripAdvisor, Streetsense. 2019.

Only three sites received rates of over 90% Excellent or Good: Pozo de Jacinto, Shacks Beach, and the Monumento al Cacique Mabodamaca. The lowest ratings were reserved for the Guajataca Tunnel and the Paseo Lineal in Isabela.

The relatively high number of reviews and high ratings for the Monumento al Cacique was a surprise, in part because the descriptive signage for the carving is available only in Spanish. However, the location, highly visible and easily accessible off Highway #2, as well as amenities such as the kiosk for Puerto Rican crafts (closed during our visit) and local empanada vendor with quaint tables and chairs in a shallow cave, help round out a rich, authentic local experience.

Visibility

While the network of regional and local roads is generally in good condition, many attractions are not visible from major roadways and lack directional wayfinding signage for visitors. Although assets may appear when searched via mapping tools such as Google Maps or Waze, many assets do not have typical addresses that include a building number and street name, making it difficult to successfully use other GPS mapping tools that visitors from abroad may be using to find assets. It is frequently necessary to input precise Longitudinal and Latitudinal coordinates to get proper directions. In this environment, directional signage becomes even more critical to visitors who are driving –and often getting lost– as they try to find even the most popular visitor assets in the region.



Cara Del Indio. Source: Streetsense

Amenities

Visitor amenities typically include bathrooms, places to change (i.e. at the beach), and opportunities to purchase provisions and goods necessary to fully enjoy an experience (i.e. water, food, and recreational equipment).

Many assets lack these basic visitor amenities. Reviews of the **Bosque Estatal de Guajataca** prominently mention the lack of water, snacks and ability to rent or purchase a flashlight to be able to see the bat caves. There is limited visible information on the difficulty of the trails, and older visitors or those with families have indicated the experience is a challenging one.

Jobs Beach in Isabela has seen new investment, including a new parking lot and restroom facilities that have recently been constructed. However, during our visit they remained closed to the public.

At this same location, the walking paths to **Pozo de Jacinto**, a uniquely picturesque pit cave located off Jobs Beach, has a poorly marked walking path (which also serves as a connection to the termination of Paseo Lineal) and furthermore is difficult to climb, sharp rocks that deter both younger and older visitors.

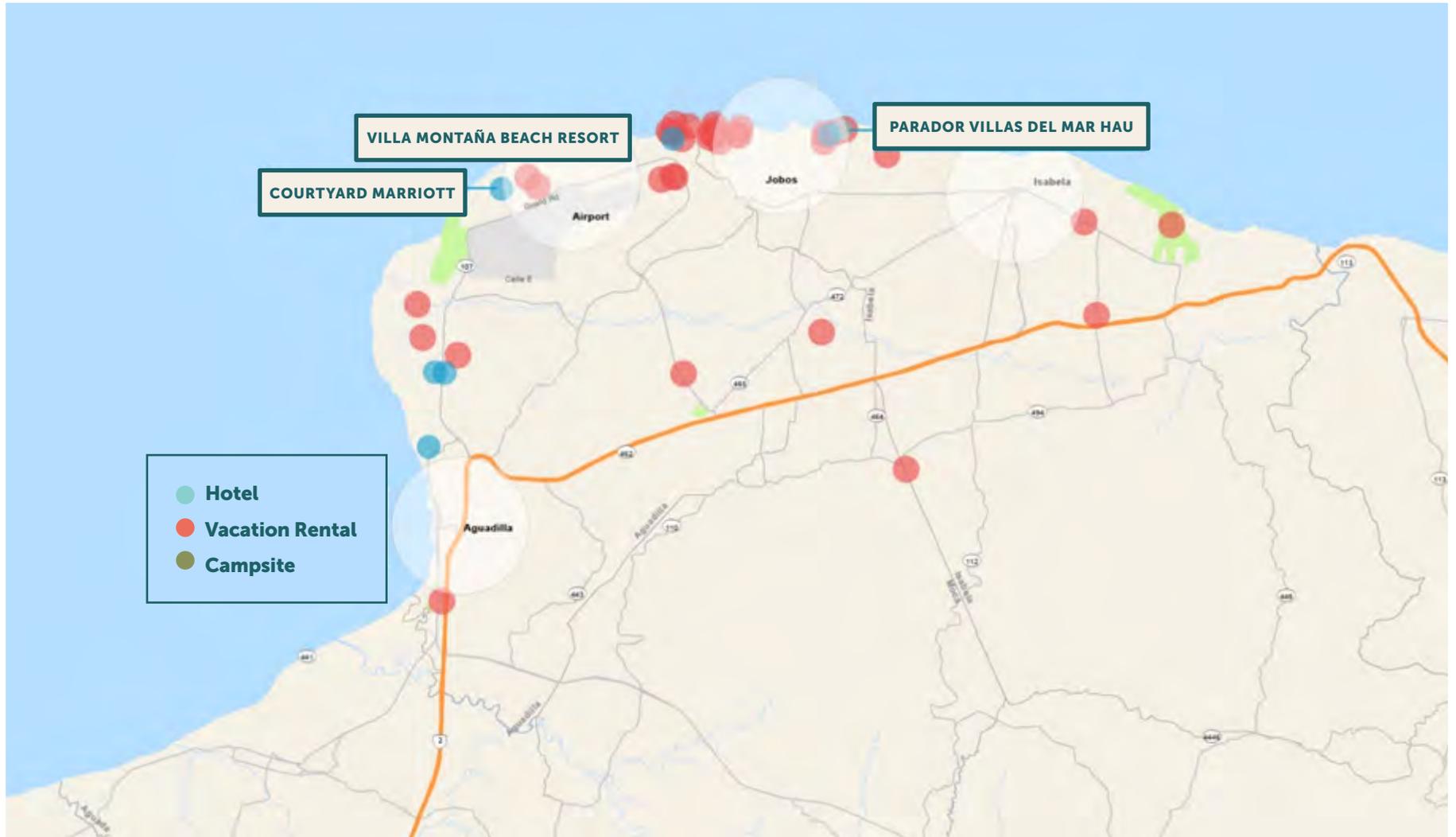
Crash Boat Beach, another popular destination that was affected by Hurricane Maria, lost many of its food vendors.

Many **natural attractions**, such as beaches, lack appropriate parking facilities. Other natural attractions, namely, Bosque Estatal de Guajataca, are anchor attractions that have historically offered hours of activity to visitors. Currently, eroded trails and disrepair are key concerns, calling for trail improvements, management, and maintenance.



The only signage at Cara Del Indio is in Spanish. Additionally, it is only visible at the pedestrian scale. Source: Streetsense

Formal Lodging in Aguadilla and Isabela



Source: Streetsense, Foundation for Puerto Rico. 2019.

Lodging

One of the fundamental pieces of decision-making and of expectations is lodging. Today, the landscape of accommodations includes formal lodging, which consists of traditional hotel operators (both branded and unbranded), and informal lodging, which includes Airbnb, HomeAway, VRBO.com (Vacation Rental by Owner), and campsites.

Formal Lodging

Formal lodging in the region serves a wide spectrum of visitors. Despite increases in growth of popularity of platforms like Airbnb, formal lodging and hotel accommodations are still the preferred lodging type for every customer segment.

The following sections assess the region’s formal lodging clusters and the market challenges that these establishments are facing.

Most formal lodging establishments are Bed and Breakfasts (B&Bs), and motels. A few hotels, hostels, and paradores exist. Additionally, a campsite and a trailer park are listed.

Hotels play an important role, specially in a region that provides a variety of lodging options for a diversity of traveler types. There are approximately 483 rooms available in Aguadilla and 286 in Isabela (including motels, paradores, and guest houses paying occupancy taxes to the Hotel Tax Division), where approximately 59% are endorsed.⁶⁵ Major clusters and development patterns indicate and reflect existing conditions, to the extent that hotel can cater to the visitor economy. Only two hotels in the region -both in Aguadilla- are endorsed by the PRTC.

Amenities + Customer Ratings

INDICATORS	AGUADILLA	ISABELA	COMBINED
Total View PR Lodgings	26	23	49
Total Hotels	12	7	19
Total Air-Conditioned Lodgings	24	19	43
Total Hotels with Front Desk	8	5	13
Average Hotel Star Rating	3	3	3
Average Number of Hotel Ratings	184	87	138
Average Hotel Customer Rating	8	8	8
Total Number of Hotel Ratings	734	87	821

Source: Streetsense, Foundation for Puerto Rico.

However, new hotels may be on the horizon for Aguadilla’s downtown. The developer Morgan Reed is exploring the development of a 150-room hotel in a historic school. The site is of interest to them owing to proximity to the airport and its location in the downtown core. The developer noted that there is limited development opportunity in Rincón owing to land scarcity and that Aguadilla is well situated to benefit from additional hotel rooms.

Hotels and other formal lodging real estate that cater to the visitor economy, such as campsites identified by the community, are limited. This is likely reflective of the low non-local resident demand. The PRTC Tax Division identifies and monitors lodging demand by

guest origin, Average Daily Rates, and Room Nights Sold. A 2019 JLL report, commissioned by the PRTC, identifies that most room nights in the submarket are generated by residents, at 63%.⁶⁶ This indicates that few visitor nights are generated, and that most of the hotels and resorts are not ready to cater to the off-island customer segment. Visitation, however, peaks during the winter months, likely the result of the end of hurricane season. Throughout January and April, 42% of hotel registrations in endorsed lodgings across the Porta del Sol region were from US Mainland visitors, while 54% were from residents.⁶⁷ Following US Mainland visitors, the next largest geographic origin was Europe, at 1.3% of visitation.

⁶⁵ "Hoteliers Registry - Room Tax Division". Puerto Rico Tourism Company. March, 2018.

⁶⁶ JLL. Hotel Destinations. 2019.

⁶⁷ "Registrations by Country of Origin Report by Regions". Puerto Rico Tourism Company. 2019.

One of the major drivers to the region is the airport, where a cluster of hotels, including the Porta Del Sol's only chain operator, Marriott, are located. Hotel proximity to the airport responds to non-visitor economy demand, primarily to a customer segment that is composed of business and crew. Additionally, a few hotels are found adjacent to the beaches, particularly in Isabela. These hotels are mostly small, independently operated hotels that leverage private access to beaches; which is on-par for the competitive expectations of customers visiting or considering other regions.

Only 15% of facilities assessed in the region's formal lodging offerings are listed online,⁶⁸ likely contributing to a lower occupancy rate.⁶⁹ The following assessment examines online listings and customer ratings on hotels.com.

Lodging in Aguadilla and Isabela is predominantly made up of three-star hotels, which have fewer amenities and lower price points. While many customer groups are willing, or even prefer, to stay in boutique hotels, independent operators are challenged by aging infrastructure and outdated finishes. Amenities are limited at these establishments.

Language Barriers

Local operators bear more burden when it comes to hiring and training. However, the ability to provide information and services in the visitors' dominant language is essential. Without resources for language training, local operators run the risk of not meeting certain customer expectations.

Performance

The occupancy rate for formal lodging falls below 60% in the Porta Del Sol submarket,⁷⁰ where Aguadilla and Isabela are located. The Island-wide occupancy rates have historically been above 70%, including the period following Hurricane Maria in 2017. Although there are historic differences in the Average Daily Rates (ADR in the region is estimated at \$25 less than the Island-wide average),⁷¹ other submarkets, such as the metropolitan area, have gains on daily Revenue per Available Rooms (RevPAR) in excess of approximately \$50. At over ten percent below the Island-wide rate, and with a lower historic Average Daily Rate than the rest of the Island, it is likely that many local operators (the predominant use for hotels) are struggling to maintain a RevPAR that allows them to invest in their businesses.

An additional 100 rooms are currently under construction in Aguadilla, at Hotel Las Cascadas.⁷² This may further contribute to a hyper-local occupancy rate change. Without a significant increase in visitor demand, additional lodging development may amplify the challenges for the region's local operators and business owners to maintain and invest in businesses. An occupancy rate that generally indicates a hotel market can withstand additional supply is above 65%; while occupancy rates are increasing year over year, additional lodging is not recommended without a growth in visitor demand.

Within the Porta del Sol submarket, competitive lodging nodes, such as Rincón, may have a sustained impact on Aguadilla and Isabela's formal lodging supply performance, based on supply volumes, Hotel Class that closely

aligns with customer preferences, and historic marketing campaigns. Although it may be tempting to respond to investor or brokerage interest in the region to leverage Opportunity Zone property exemptions or PRTC Tax Credits on hospitality and visitor economy development, it is recommended that the market stabilize before significant hotel development is pursued. In the meantime, it is possible that a visitor's trip to the region does not include hotel stays in the municipality; customers do not necessarily make decisions based on municipal or geographic barriers. Leveraging adjacencies to competitive submarkets, such as Rincón, can allow for the continued pursuit of increases in visitorship to the region without oversupplying the market.

Informal Lodging

Online services that enable homeowners to list their properties for short term rental are growing in popularity. The market is dominated by Airbnb, but also includes VRBO (formerly Vacation Rentals by Owner), HomeAway, and small local rental agencies. These offerings seem to fill gaps in downtown-adjacent demand that formal lodging does not offer. The assessment of informal lodging focused on Airbnb demand owing to the availability of data through AirDNA, an online open data source that includes metrics for every Airbnb and VRBO rental worldwide.

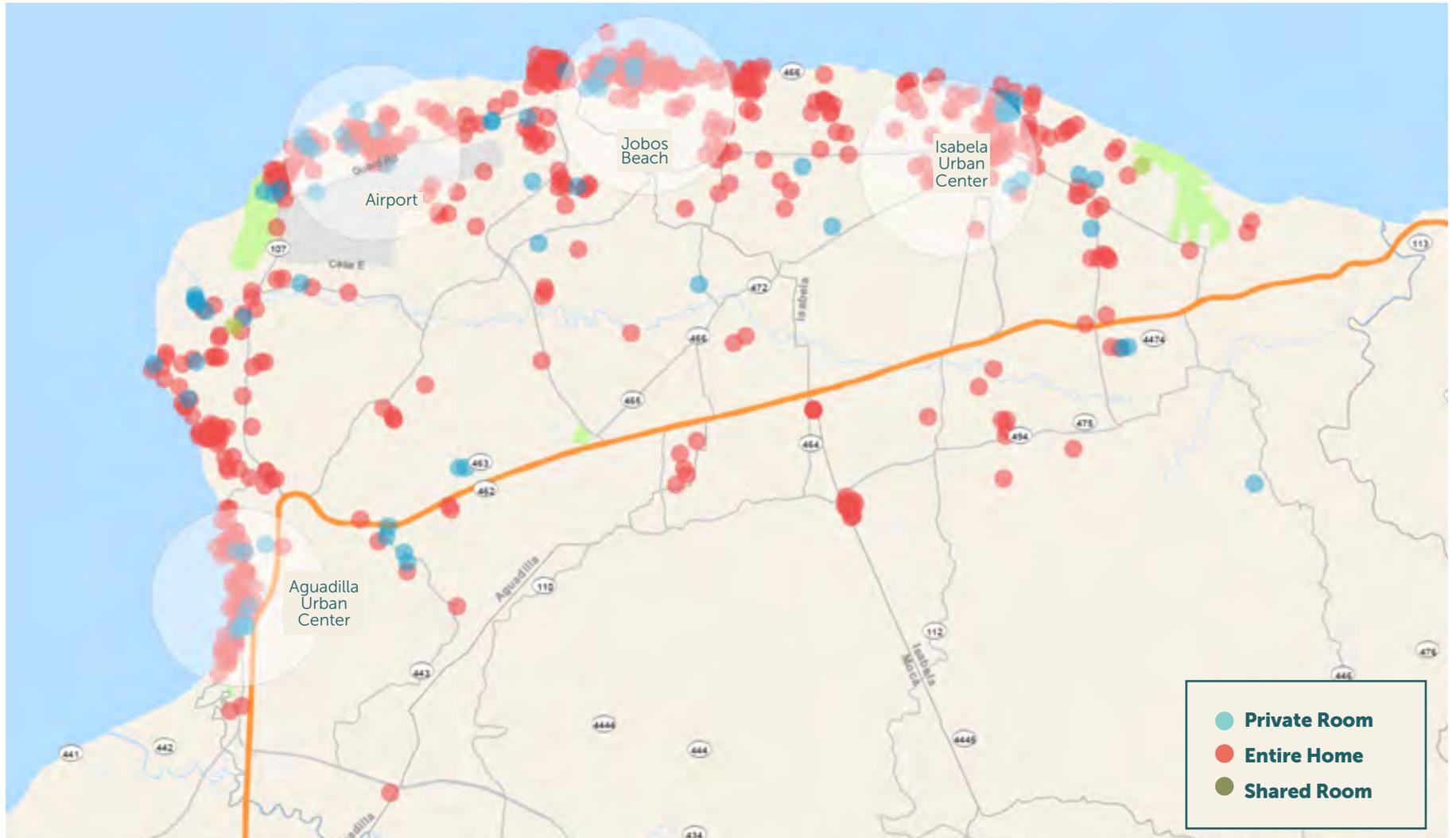
While both formal and informal lodging in the region offer ocean-adjacent options, there are a few clusters of downtown-adjacent Airbnb listings in the urban centers of Aguadilla and Isabela, which may indicate the growing interest and demand in lodging in proximity to cultural attractions and density.

⁶⁸ Streetsense, Foundation for Puerto Rico, Hotels.com and TripAdvisor.com.

^{69,70,71} JLL. Hotel Destinations. 2019.

⁷² Planning Pipeline. Planning and Development. Puerto Rico Tourism Company. 2019.

Informal Lodging in Aguadilla and Isabela



Source: Streetsense, Foundation for Puerto Rico.

Short Term Rental Performance (by market)

AREA	ADR	OCCUPANCY	REVENUE	BOOKINGS
Aguadilla	\$170	37%	\$4,209,443	5,292
Aguada	\$156	35%	\$1,885,853	2,753
Rincón	\$215	35%	\$14,780,931	18,982
Isabela	\$187	36%	\$5,154,244	7,904

Processed data from AirDNA. Source: Streetsense, Foundation for Puerto Rico. 2019.

Composition

Short term rental listings mostly consist of entire houses or apartments, followed by private rooms and shared rooms. Aguadilla currently hosts 904 rooms and 385 listings while Isabela hosts 1,331 bedrooms and 477 listings.

Performance

In Aguadilla, the Average Daily Rate (ADR) for an entire home is \$200, with an occupancy rate of 39% - a trend similarly seen in Isabela, where a 37% occupancy rate and Average Daily Rate of \$187 indicate higher demand for full homes than other listings, where demand and average daily rates are almost half.

While formal lodging Occupancy Rates are slightly below 60%, these figures reflect a customer segment that has yet to fully embrace informal lodging accommodations. Although short term rental demand is accelerating around the world and new concepts such as Airbnb Plus are improving the experience with higher end offerings, concerns about safety, lack of

amenities offered by hotels, and overall service have yet to be overcome by the short-term rental market. As there is yet to be an established baseline occupancy to indicate “high-performing” submarkets, short term rentals can be understood as a reflection of the limitations of the formal hotel market and the customer profile to the region.

Competitive Markets

The region’s proximity to other formal hotel lodging markets and destinations with limited potential should be considered. Price competitiveness in Aguadilla may allow the market to capture some additional demand; however, at a significantly lower Average Daily Rate, there are negligible differences in occupancy rates between Aguadilla and Rincón. The average number of bedrooms in an entire home rented on Airbnb in Aguadilla is 2.3; while Rincón’s is 3.3. The differential may indicate a division of customer segment target markets, as three or more bedrooms may be more than necessary for some customer segments or visitor groups.

Food & Beverage

Culinary tourism is a growing segment of the visitor economy. Food is increasingly ranked alongside climate, lodging, and scenery as important considerations for visitors when they make decisions about where to travel.⁷³

The following sections identify existing Food and Beverage hubs and speak to challenges that operators face as changes occur in the visitor economy.

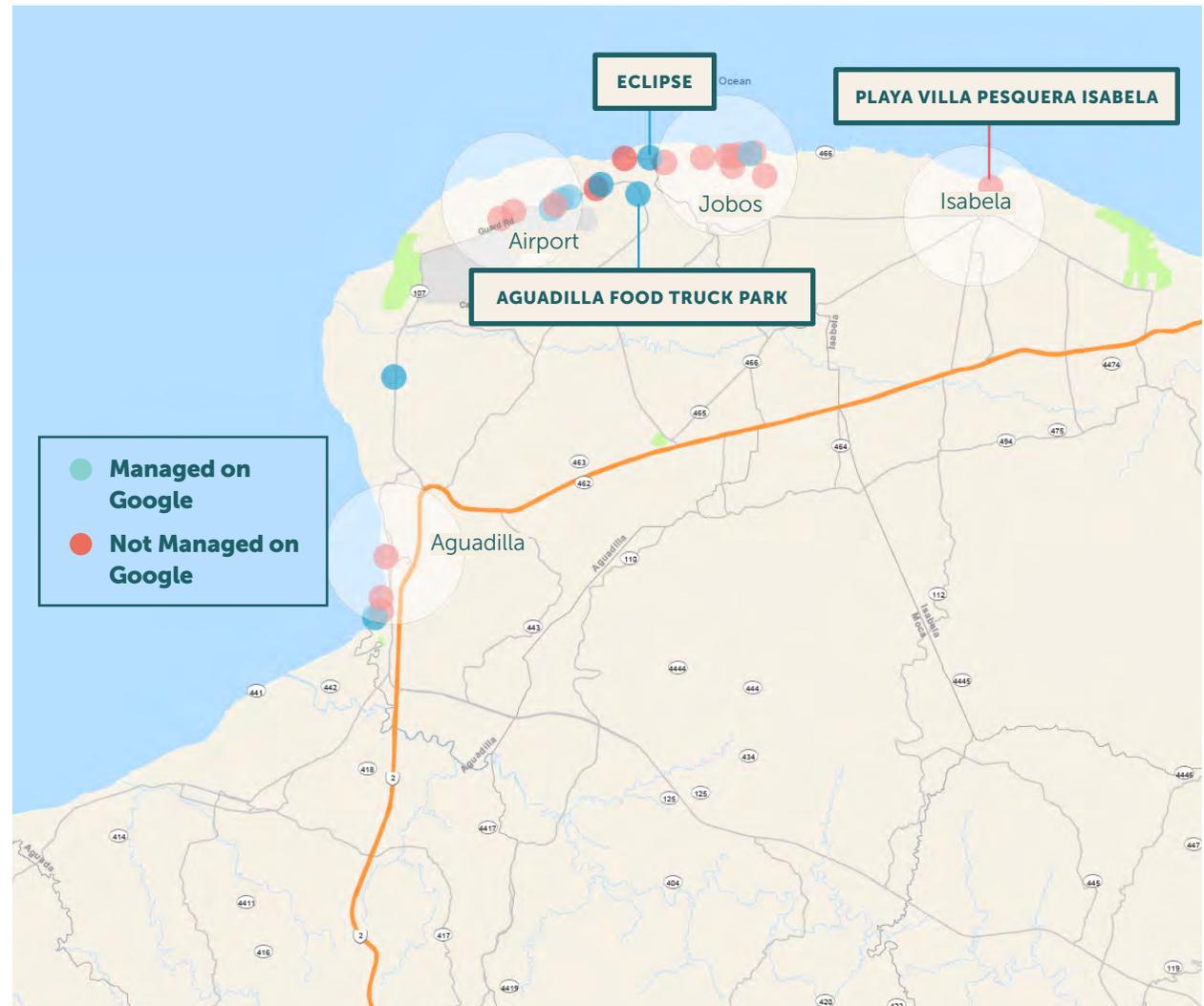
Additionally, as the goal of this assessment is to understand the ways to leverage Food and Beverage to help enhance the visitor economy, a review of the positioning - whether by unique cuisine offerings, geographical clustering, or customer expectations - was undertaken to identify the current performance and key opportunities for investment.

Clustering

Food and Beverage retailers offer the benefit of engaging local operators with the visitor economy, offering experiential opportunities for the visitor, and reflecting the cuisine of the geography's culture. To ensure that Food and Beverage establishments are positioned within each region to capture the demand from a visitor, the clustering of these retailers is examined.

Most Food and Beverage are clustered in auto-centric areas (Jobos Beach, Route 110); while walkable downtown Isabela, for example, has only Villa Pesquera (which is challenged by visibility). While this is useful to visitors arriving by car, it poses a problem for leveraging adjacencies to historic urban centers and

Food and Beverage Establishments in Aguadilla and Isabela



Source: Streetsense, Foundation for Puerto Rico.

⁷³ Planning Pipeline. Planning and Development. Puerto Rico Tourism Company. 2019.

magnet attractions, as well as for providing walkable shopping experiences. Presently, a dearth of functional retail and commercial corridors adjacent to visitor economy clusters hinders the long-term potential of restaurants. Without the significant volume of restaurants that leverages high-visibility areas operating with critical mass, opportunities to leverage experiential Food and Beverage as a cultural reflection of the region are missed.

Clustered restaurants typically perform better when operating adjacent to complementary restaurants by creating an economy of scale. Co-location is a common strategy that can result in high visitor traffic and sales volumes. Adjacencies to other Food and Beverage establishments, walkable characteristics, and attractions, benefit restaurants in several ways. The first, exposure, is a significant factor worth weighing alongside daily traffic counts, by helping customers associate a restaurant site with an attraction or lessening the distance between either. The second, focusing on walkability characteristics, can increase the ability to capture a trip from various customer segments, by increasing perceptions of safety and convenience, as well as by creating a longer itinerary during a trip.

Online Listings

At this time, a little more than one-third of businesses, or 35%, claimed their business listing, according to an assessment of restaurants identified by FPR Field Teams and the community.⁷⁴ Listing management allows restaurants to share basic information, including business hours, curate media, capture audiences, manage perceptions, and respond to reviews, which helps customers plan trips and manage

expectations. Strategic data management is an underutilized tool in Aguadilla and Isabela, which is critical to develop a scalable business model that helps local businesses capture the spending of new residents as the emerging visitor economy grows.

Customer Perceptions

Though establishments may not be managed, they may still have an online presence. Customers interact with a “page” or a “listing” for a geo-tagged restaurant, including uploading photos and leaving reviews. The average Google rating of the assessed dining establishments is 4.5 out of 5 stars. This may indicate that the inventory is meeting customer expectations.

Most of the Food and Beverage opportunities are budget oriented. This reflects the casual nature of the recreational visitor and the constraints of maintaining a year-round restaurant business that must also cater to a local clientele. As the region’s food-based businesses begin to employ data-driven methods, they may find that new customers expect more diversity - in price point, category (i.e. fast casual, premium casual, family and fine dining options), and emerging lifestyle choices (i.e. alternative diets, healthy food options). Although the region is known for typical Puerto Rican fare and fresh Caribbean seafood, the options do not currently reflect a range of dining expectations. Customers that are willing to pay for experiential opportunities may be able to support the expansion of curated menus and varying price points in the future.

Accommodating Customers

Language barriers can be overcome through improved technology - translator applications are becoming more popular as well as menus

with images of items for sale. At this time many restaurants either don’t have menus and if they do, many only have printed ones in Spanish. Menus with images, graphic design, and symbols do not only help businesses overcome barriers between the languages employees and visitors speak, but these tools have been proven to aid in food sales even among native speakers.



Route 110 Aerial Map: The major stretch of road is adjacent to the airport. Source: Google Maps



Route 110 Commercial Condition: The road serves commercial needs, including the shopping building with Food and Beverage establishment “Beer Box”, but is also a major cargo route to the airport. Source: Google Maps

⁷⁴ “Business Info”. Foundation for Puerto Rico. July 23, 2019.

Cultural Assessment

Culture has become an important driver of tourism due to the increasing importance of authenticity in the visitor experience. In Puerto Rico, arts, culture, and heritage represent an important asset to the Island's positioning as a destination. Despite its geographical extension, which could sometimes suggest homogeneous cultural manifestations, the natural and historical diversity and a structure of 78 municipalities allow the opposite. These factors suggest at least three levels of narratives that support tourism activity: national, regional, and local. To clearly define the phenomenon of cultural assets, three main categories are proposed: tangible, intangible, and natural heritage. These categories integrate artists, historical figures, beaches, nature reserves, traditions, legends, artistic projects, historical buildings, farms, organizations, gastronomy, events, and festivals. These manifestations are present at different levels of development and recognition, so this analysis seeks to present challenges and opportunities.

Despite the existence of a wide cultural and creative production around the Island, it is important to thoughtfully structure these offerings to strengthen and reinforce the strategic positioning of each region. It is also important to maintain a balance between the national and regional levels. For example, coastal regions share storytelling around the sea, fishing, and Afro-Puerto Rican music, among others. In the central areas, the narratives often concentrate on agriculture, local folk music, and images related to rural life. At the municipal level there is some consistency in terms of a focus on community festivities, religious

traditions, the presence of illustrious figures, commemorations, and historical events. And finally, the gastronomic richness represents a balance between national and local levels, as well as Latin musical genres such as Salsa and Urban Music.

Management of arts and culture in Puerto Rico presents very similar challenges to other countries. Financial resources for cultural activities have been reduced over the years, especially the budgets of public entities in charge of protecting and disseminating cultural heritage offerings. In terms of the private cultural sector, there is much informality in projects, which in many cases makes it difficult to access funds to address economic sustainability. Similarly, in many cases there is a lack of coordination between levels of government, third sector, and private sector, representing a great limitation for potential projects with high impact on the visitor economy. Despite these conditions, artists, collectives, and cultural organizations operate in an environment of innovation and entrepreneurship, keeping their projects afloat through self-management.

Trends in Cultural Tourism

It is relevant to highlight the growing importance of culture in the visitor's experience. For example, the United Nations World Tourism Organization (UNWTO), in its report "Tourism and Culture Synergies" establishes that four out of ten tourists choose their destination based on the cultural offering. A survey of 69 countries states that in 90% of cases cultural tourism is part of their public policy, while 84% mention that it is an important component of their marketing and promotion strategy.⁷⁵

Another important trend related to cultural tourism is the so-called **night economy**. Entities such as Sound Diplomacy have published guides for cities to design, expand, and/or regulate their offer after 6pm, strengthening entertainment and leisure alternatives for citizens and promoting safety and accessibility in environments that are normally designed only for the day. An additional trend is known as **creative tourism**.⁷⁶ According to the Creative Tourism Network, this new trend consists of a practice where the tourist co-creates the experience with a local. In this case, the visitor assumes an active role of creation, whether through gastronomy, dance, crafts, music, or visual arts, among other activities.

Finally, we highlight the importance of official designations made by international organizations such as UNESCO (United Nations Conference for Education, Science and Culture). On the one hand, there are the official designations of the list of tangible and intangible heritage. These lists include important historic sites around the world, among them Old San Juan in Puerto Rico, but also customs and traditions through the list of intangible heritage.⁷⁷ On the other hand, UNESCO also has developed a program of creative cities to highlight those areas that stand out in seven creative activities: crafts, design, film, gastronomy, literature, media arts, and music.⁷⁸ The network currently has 246 cities where the UNESCO designation contributes to the city's brand and its offering to the visitor.

Based on these trends, it is possible to explore at least three main strategic components that could channel the cultural assets in the region: (1) night economy, (2) cultural events and creative experiences, and (3) main squares. First, most of the municipalities have developed gastronomic clustering in different regions that could evolve

⁷⁵ "Tourism and Culture Synergies". World Tourism Organization. 2018.

⁷⁶ "Una guía para gestionar su economía nocturna". Sound Diplomacy. 2018.

⁷⁷ "Intangible Heritage List". UNESCO. 2019

⁷⁸ "Creative Cities Network". UNESCO. 2019

to include live experiences such as music. In terms of cultural events and experiences, it could be important to expand the impact of actual events and festivals to address the visitor's demand for authenticity. Also, new events could be developed in order to diversify the attractions available for tourists. Beyond events, the offering of experiences, some related to creative tourism, could be developed and promoted on platforms such as Airbnb Experiences. Finally, all the main squares represent the traditional plazas of the Island. These sites provide opportunities for new attractions that could impact different tourist segments due to their history, architecture, gastronomy, and live entertainment elements.

Island-Wide Cultural Challenges

At the Island-wide level, cultural organizations are hobbled by several challenges, including:

- Limited budgets to sustain operational costs, and limited ability to charge entrance fees. In many cases organizations avoid charging entry fees owing to concerns that they will need to pay taxes and that it will complicate accounting for what are largely volunteer organizations.
- Lack of coordination between different levels of government (state and municipal)
- Lack of on-going financial support from the Instituto de Cultura Puertorriqueña (ICP) to Cultural Centers
- Limited entrepreneurial mentality among cultural organizations
- Most cultural organizations do not track visitation. They may collect monthly number of visitors, but typically in sign-in books, making it difficult to accurately estimate

attendance and glean any information about the primary customer.

- Centralization of cultural activity in the metropolitan area
- ICP has indicated that they have not explored National Endowment for the Arts "Our Town" Funding, for which many local cultural projects might be eligible.

Region-Specific Challenges & Opportunities

The conversations with multiple stakeholders in the region of Aguadilla and Isabela shed light on a diversity of cultural assets that can contribute to the destination development, especially based on the visitor's experience.

In general terms, downtown areas in both municipalities represent zones that, due to historical architecture, main square, and diverse commercial activity, could represent an area of interest for visitors and diversify the sun and beach approach of the region. One example is the Museum of Art of Aguadilla and the Caribbean (MAAC) that could become a hub for cultural experiences in the area. Another important strategic activity is the promotion of experiences through the fishing culture present in the zone. This component combines traditional religious celebrations of sea workers, fishing activities as creative tourism experiences, and gastronomy. Finally, Aguadilla and Isabela have developed local branding as a live music hub, especially for rock, reggae, and other genres that could be expanded with promotional strategies.

The following list presents a summary of opportunities, strategies, and projects related to

cultural tourism for the region.

Plazas as Cultural Event Spaces. There is an increasing interest on the part of ICP to explore the use of historic plazas as cultural spaces. However, our interviewee at ICP noted that these spaces are controlled by the local municipalities, and events and music in the plaza are expensive to produce. In many cases, resources are not sufficient for the municipality to hold regular events. ICP has recently explored sponsoring different kinds of events (including at Guajataca Tunnel) and has expressed a growing interest in moving away from "supporting museums" and towards supporting living artists and cultural events.

Food and gastronomy are an important component of the Puerto Rican cultural heritage, and the region is home to food clusters along Highway 110 and in and around Jobos Beach.

Untapped cultural offerings include the Train Museum in Isabela and the Museum of Art of Aguadilla and the Caribbean (MAAC), a potential hub of cultural activity, and the opportunity to highlight local historical figures such as José De Diego and Rafael Hernández.

Infrastructure and support of living artists. ICP has a list of over 2,000 active living artists in their system. This list could form the basis of regional outreach to artists. There is also a need for space for artists and cultural projects.

Specific Cultural Tourism Strategies

During the Destination Planning Team's interviews with stakeholders, several nascent cultural strategies and projects were identified, but many lacked details or a clear champion, which prevented them from being included in the final recommendations. These strategies are included here for reference should further exploration be warranted in the future.

Isabela

- Tourism and information booth in the main square.
- Additional events that celebrate the surfing culture including competitions and entertainment.
- Logistics and activities coordination for the enjoyment of natural heritage (tunnel, paths, forests, etc.).
- Coordination of collective cultural programming and promotion for Food and Beverage businesses in the Jobos area (Inversión Cultural).
- A map of adventure attractions in Isabela (various).
- Isabela Square as a possible meeting point for tours and tourist information (Wine Boutique).
- Places for camping in Isabela (Conservación Costera Inc. Puerto Rico).
- Visual arts and mural activities in the center of Isabela (Arte pa'Isabela).

Aguadilla

- Cultural activity around the fishing economy (food, experiences, etc.).
- Gastronomic and entertainment cluster on Highway 110.
- Main square as a hub for events, tours, and gastronomy.
- Project in hangars near Aguadilla Airport for art spaces (Entrepreneur that participated in Centro para Emprendedores workshops).
- Festival around the figure of Rafael Hernández (Beer Box).
- Historic tour of the Círculo Histórico y Cultural de Aguadilla (CHCA).
- To expand the Farmer's Market in Aguadilla with cultural activity (Farmer's Market).
- Christmas surfing competitions with awards activity in the main square area. Combine surfing narrative with Christmas (Centro Cultural Isabelino).

Gap Assessment

Gap Assessment

The gap analysis conducted by the Destination Planning Team evaluates the condition of each of the customer segments identified. This enables communities and stakeholders in each region to conceptualize visitor economy projects to the extent that they address two main issues:

Meet the needs and expectations of targeted customer segments

- Which segments are we most or least likely to attract? What investments should be prioritized to attract a specific segment?

Maximize the benefits of resource allocation and capital investments

- Which assets are underperforming across most or all customer segments? What investments should be prioritized to improve the visitor experience for as many customer segments as possible?

The gap assessment considers each customer type and each identifiable class of tourism-attraction (transportation and mobility, lodging, attractions, shopping, and dining) and helps provide a framework for thinking about what elements of the visitor economy must be addressed to better meet the needs of the most likely off-island visitors to Puerto Rico.

Existing Asset Assessment

Attractions and assets were rated on multiple dimensions, and the observations and findings are reflected in a performance rating system that ranks them as follows:

- A “high” rating level is assigned if a site or asset offers a high level of visitor satisfaction and/or consistently meets customer expectations.
 - ◐ A “medium” rating level is assigned if the site or asset offers a moderate level of visitor satisfaction and/or frequently, though not always, meets customer expectations.
 - A “low” rating level is assigned if the asset or offering does not meet the baseline expectations of visitors.
- No circle means the item is not applicable or available.

Aguadilla and Isabela perform well in the availability of car rentals; moderately well regarding in-flight availability and lodging options, as well as natural attractions and shopping/entertainment, but low in other transportation metrics and cultural and recreational offerings.



Existing Performance Rating

Aguadilla/Isabela

Type	Rating
Mobility	
Flights	◐
Car Rentals	●
Rideshare	
Taxi	○
Walkability	
Transit	
Lodging	
Availability	◐
Price + Variety	◐
Amenities	◐
Attractions	
Natural	◐
Cultural	○
Recreational	○
Shopping/Entertainment/Dining	◐

Values By Customer Segment

The value and importance that each customer segment places on the offerings and characteristics associated with mobility, lodging and attractions offers a framework for prioritizing improvements and projects that improve the visitor experience.

- 
 A “high” value level is assigned if customer segments make choices based on the line item. For example, if lodging price points or variety do not match the customers’ expectations or preferences, the customer will likely choose a different location to visit.
- 
 A “medium” value level is assigned if customer segments are more likely to require or desire certain kinds of offerings during their visit. For example, the lack of higher end or branded lodging options may not deter Gen Z or Millennials from a visit, but it may play into their decision making and/or affect their overall satisfaction with their visit.
- 
 A “low” value level is assigned if customer segments do not traditionally make choices based on the line item. For example, it is unlikely that the lack of public transit will impact visitor satisfaction for some customer segments like Families and Boomers that would have been highly unlikely to use it in the first place.

Unlike the supply-based assessments, the rating for customers does not change based on the region. The following chart identifies the rating assigned to each segment.

Customer Value Levels By Segment

Type	Families (with children)	Gen Z (aged 18-25)	Millennials (aged 26-40)	Gen X (aged 41-55)	Boomers (aged 56+)
Mobility					
Flights	●	●	●	●	●
Car Rental	◐	○	◐	●	○
Rideshare	◐	●	●	●	○
Taxi	●	●	●	●	●
Walkability	●	●	●	●	●
Transit	●	●	●	◐	◐
Lodging					
Availability	●	◐	◐	◐	●
Price + Variety	◐	○	○	●	●
Amenities	●	◐	◐	●	●
Attractions					
Natural	●	●	●	◐	◐
Cultural	○	●	●	◐	●
Recreational	●	●	●	◐	○
Shopping/ Entertainment/Dining	●	●	●	●	●

Regional Gap Assessment

The gap assessment analyzes how significant improvements or investments are meeting the needs and expectations of each individual customer segment. When looking at the region’s potential for upgrades, the assessment offers an evaluation based on priorities. **Which improvements are critical to building and sustaining visitation from each customer segment?**

Most notably, improvements to transportation and mobility emerged as critical to customer needs and expectations, including the ease and convenience of arrival and departure to the region as well as improved mobility and linkages between assets that are not solely reliant on rental car vehicles.

- 
 A “high” priority level is assigned if addressing the issue is critical to improving the experience for the customer segment. Some large or fundamental gaps may require long-term strategies outside of the scope of this effort.
- 
 A “medium” priority level is assigned if improvements would be beneficial, not necessarily critical to attracting more visitors from that customer segment.
- 
 A “small” priority level is assigned if improvements are not critical to attracting more visitors from the identified customer segment.

Gap By Priority Level For Aguadilla/Isabela

Type	Families (with children)	Gen Z (aged 18-25)	Millennials (aged 26-40)	Gen X (aged 41-55)	Boomers (aged 56+)
Mobility					
Flights	High	High	High	High	High
Car Rental	Small	Small	Small	Small	Small
Rideshare	Medium	High	High	High	Medium
Taxi	High	High	High	High	High
Walkability	High	High	High	High	High
Transit	High	High	High	Medium	Medium
Lodging					
Availability	Medium	Small	Small	Small	Medium
Price + Variety	High	Small	Small	Medium	Medium
Amenities	Medium	Small	Small	Medium	Medium
Attractions					
Natural	Medium	Medium	Medium	Medium	Medium
Cultural	Medium	Medium	Medium	Small	Small
Recreational	Medium	Medium	Medium	Medium	Small
Shopping/ Entertainment/Dining	High	Medium	Medium	Medium	High

Transit & Mobility

Transit is the asset class that needs the most investment and improvement to attract visitors to Aguadilla and Isabela. Taxis, important to all customer segments, are unreliable and expensive. Rideshare, popular with younger travelers, is currently unavailable. Walkability and public transit are significantly more important to younger generations, travelers between the ages of 18-38, and the lack of such areas in Aguadilla and Isabela makes it difficult for budget-conscious travelers to get around. For older generations, walkability and transit are not as highly valued, so current conditions more closely align with their transit expectations.

On account of the current conditions and potential to make real improvements to air service, a further discussion about the role of Aguadilla Airport is important. The airport's limited flight availability and late-night flight arrival and departure times make it inconvenient for the average traveler to fly directly into the region, meaning most visitors require a 1.5-hour trip (likely via car) from Luis Muñoz Marín International Airport (SJU) near San Juan. The Porta del Sol Regional Tourism Plan developed by the PRTC has emphasized the importance of short-haul flights between these airports to overcome this deficiency. Since flights are the most prevalent method of travel for all customer segments, flight schedules need improvement to meet the standards of customers across the board. Rental car availability is high at both Aguadilla and San Juan airports, and the personal/

rental car remains the most reliable way to get around the Island as a tourist. Rental car offerings for the region meet the expectations of customers of all generations.

Within this dialogue of transit and mobility is also the multi-modal accessibility of getting customers to and around the region. Transit needs cut across all customer segments. Focusing on walkable places can increase the number of hours that a "place" is active (night time economy). This involves giving visitors options that do not require reliance on the automobile, including dense walkable environments where lodging, dining, and activities occur in close proximity. Moreover, these walkable environments further reinforce night time economy activities and prevent unsafe situations that occur from driving after drinking.

Lodging

The second highest priority is the lodging price point and variety. Though lodging can generally accommodate the needs of many customer segments, others are willing to pay more. Where a customer segment's lodging needs are centered on hotels, there is room to improve existing and independent hotel conditions. Hotels in Aguadilla and Isabela generally meet the needs for Gen Z and Millennials, who generally have higher expectations of service and modern facilities but could be diversified for families and older generations. Access to resources and amenities in case of emergencies is key for families, so while the price points in Aguadilla

and Isabela match their spending expectations, the availability and amenities of the existing hotels can be diversified to better draw family tourism. Gen X-ers and Boomers have high expectations for their hotel stays and are also less budget-constrained. For these older travelers, the range in quality and infrastructure in Aguadilla and Isabela hotels should be improved and enhanced to match older generations' quality standards.

Attractions

Upgrading safety, visibility, and amenities of attractions to better meet expectations of customers for this region is another area where investments are important.

The attractions of Aguadilla and Isabela are abundant, but often the accessibility to these activities is lacking, preventing tourists from experiencing the full range of attractions that the region has to offer. Cultural and active recreation attractions in Aguadilla and Isabela are few, and those that exist often don't meet tourists' expectations. While Aguadilla and Isabela's strengths may lie in other assets, its cultural and active recreation activities do not meet the standards of almost all customers.

A combination of projects that support improvements in these areas are discussed, evaluated, and recommended in the 'Recommendations' chapter of this report.

Administrative Capacity Assessment

Admin Capacity Assessment

The ability to execute the projects outlined in this plan is directly related to the capacity of existing organizations and partners on the ground that have the staff, expertise, and resources to advance towards implementation.

However, despite the wide potential for arts and cultural production with a focus on the visitor economy, some administrative challenges have been identified that require immediate attention.

Current and On-Going State of Emergency

The natural disasters that have continued to hobble the Island in the form of both hurricanes and earthquakes have significantly impacted the capacity of both governmental and quasi-governmental entities. Resources for non-essential needs must be weighed against the pressing needs associated with broader recovery efforts. In addition, several political issues at state level have further complicated the ability of the government to address needs and challenges.

Lack Of Coordination Between Different Levels Of Government

On several instances during the process of interviewing local stakeholders, problems related to lack of communication between levels of government (municipal, local, and federal) were discussed. For example, there are natural and cultural assets under the jurisdiction of federal agencies that some local projects are interested in using to develop visitor experiences. However, in the process, these initiatives encounter a lot of administrative and bureaucratic hurdles. In other instances, the lack of cleaning or maintenance of natural, historical, or cultural assets is also related to the absence of coordination between municipal and state government.

Access To Local And Federal Proposals

Several cultural initiatives and projects commented on the lack of access to funds to support their work. On many occasions, access to funds from local and state-side foundations requires a non-profit organization structure with a state and federal tax exemption 501(c)(3), designations that very few entities in Puerto Rico have.

Lack Of Access To Operational Funds

Nonprofits and cultural organizations have very little money to operate, which in turn affects their ability to provide regular hours,

staffing, and marketing. Time and again the issue of on-going financial sustainability was raised. The Destination Planning Team was told that there is historic resistance to charging artists for their participation, which means that cultural organizations that host events with artisan vendors, for instance, are unable to cover the basic costs of managing the events.

Many organizations do not charge for entrance, owing to lack of staff and because doing so would require them to pay taxes. The Instituto de Cultura Puertorriqueña (ICP) indicated that the Treasury Department sees these fees as profit and indicated there was an open question as to whether non-profit tax law was being interpreted correctly.

Regulations And Permits

There are multiple regulations that affect the performance of cultural projects and ventures. One of those regulations include having a production license for events, required for any event with admission's rights. Also, the regulations for the certification of tourist guides limits the development of ventures that seek to integrate cultural experiences as part of their offering.

Comparable Benchmarks

Comparable Benchmarks

Today's travelers have many choices when planning vacations, be it a long weekend or a multi-week stay. In order to ensure that Puerto Rico is the destination of choice for those seeking a warm-weather experience, we identified and compared two competitive destinations to the offerings and assets in Aguadilla and Isabela, based on visitors with similar interests.

To select the most relevant and comparable locations, we again viewed travel through the eyes of the visitor. The goal of the case studies is to identify best practices in attracting each of the specific customer groups. Factors considered in the selection process of comparable destinations include the geographical location, types of attractions, and the target tourist demographic.

Mexico and the Dominican Republic were selected in consultation with FPR due to similarities in attractions, access, and visitor profile between these countries and Puerto Rico. Travel time between major tourist nodes in these comparable destinations is like that between San Juan and the west coast of Puerto Rico. Once tourists arrive, the activities are also similarly focused on natural assets with many additional activities and existing infrastructure geared toward tourists. Recent studies completed by the PRTC⁷⁹ identify

Florida, the Bahamas, Mexico, and Costa Rica among the top destinations considered by visitors to Puerto Rico. Discover Puerto Rico also identified the same regions, adding to that list the Caribbean-at-large, Hawaii, Mexico, the Dominican Republic, and Colombia.

To inform both the gap analysis for each region and to develop potential project ideas, the team analyzed two competitive destinations whose stakeholders have succeeded in closing their own asset gaps, the Riviera Maya along Mexico's Caribbean coast and the Samaná Peninsula in northeast Dominican Republic.

The selected competitive destinations are popular coastal regions with a 1 to 2-hour drive away from a major international airport. Both are located in Spanish-speaking countries. Moreover, Samaná and Riviera Maya have seen recent and noteworthy investment in tourism, which is a significant economic generator for both destinations.

It is important to note that while the Riviera Maya and the Samaná Peninsula may provide Aguadilla and Isabela with tourism best practices to emulate, we do not mean to suggest that this region's tourism economy could or should cater to tourists in the same way as those destinations, whose economies were shaped by their own local stakeholders with particular goals and interests. Aguadilla and Isabela's project ideas, articulated later in this document, reflect the communities' considerations, rather than a desire to emulate these competitive destinations.

⁷⁹ "Perfil de los Visitantes". Gobierno de Puerto Rico. Junta de Planificación. November 14, 2019.

Comparable Benchmark

Riviera Maya, Mexico

The Riviera Maya is a large and established visitor destination for travelers looking for history, beaches, and outdoor activities throughout. This destination is an important competitive market. A 2018 study commissioned by Discover Puerto Rico found that prospective visitors to Puerto Rico are 4% more likely to visit Mexico (19%) than Puerto Rico (15%).⁸⁰

Tulum, particularly in relation to other cities and nodes within the region, is similar in location to Aguadilla and Isabela as the major international airport, Cancún International Airport, is 15 miles from Cancun or 73 miles from Tulum. For tourists, car rentals are almost necessary, but unlike Aguadilla and Isabela, public transit and taxis are also available.

The lodging options in the Riviera Maya are more varied and range in quality, price, and location. Tourist attractions in Aguadilla and Isabela are centered around natural and recreational activities. However, there is a robust historical and cultural component for tourists.

⁸⁰ "Puerto Rico DMO Brand Health Research". Insights Strategic Marketing and Research. 2018.



Comparable Benchmark

Samaná, Dominican Republic

The Samaná Peninsula is a collection of quaint beach-side neighborhoods and natural assets. The Peninsula's location relative to the nearest major city, Santo Domingo, resembles that between the region and San Juan, and a car is typically required to get to this tourist node.

The assets of the Samaná Peninsula are similar to Aguadilla and Isabela, with high quality natural attractions, a limited selection of cultural activities, and a strong presence of dynamic recreational and nature-based tourism activities.



Source: Shutterstock

Comparative Existing Performance

The following chart illustrates the assessed existing conditions of each area’s ability to meet customer needs in comparison to each respective benchmark.

Mobility and Transit

The location of Aguadilla and Isabela and the comparable destinations in relation to major tourist hubs make mobility challenges similar across all locations. Both Aguadilla and Isabela are located a few hours away from the main airport by car, and while they require an automobile to get to the tourist node, there are enough car rental options to get to all locations. Walkability and local public transit don’t exist in Aguadilla and Isabela, whereas in Riviera Maya and the Samaná Peninsula, public buses are available and enable tourists to access zones wherein pedestrians can explore the local culture. Rideshare has no presence in Aguadilla and Isabela, neither in the Riviera Maya, but an Uber can be called from Santo Domingo’s main international airport, making the Samaná Peninsula more accessible for tourists who rely on or prefer that mode.

Comparative Benchmark Performance

Type	Aguadilla/ Isabela	Riviera Maya	Samaná
Mobility			
Flights	●	●	●
Car Rental	●	●	●
Rideshare			●
Taxi	○	●	●
Walkability		●	●
Transit		●	●
Lodging			
Availability	●	●	○
Price + Variety	●	●	●
Amenities	●	●	●
Attractions			
Natural	●	●	●
Cultural	○	●	○
Recreational	○	●	●
Shopping/Entertainment/Dining	●	●	○

Note: An empty circle indicates low performance, a half circle indicates average performance, and a filled circle indicates high performance. No circle means the item is not applicable or available.

Lodging

Lodging in Aguadilla and Isabela falls in the middle of the spectrum across all criteria, but hotels in Riviera Maya and Samaná rate much higher. The availability of hotels in Riviera Maya, ranging from budget to luxury, surpasses that of Aguadilla and Isabela. While the Samaná Peninsula has fewer options available to tourists, there are increasingly more Airbnb options for visitors.

Attractions

Natural attractions, such as beaches, nature reserves, and caves, are prevalent and outstanding in both Aguadilla and Isabela as well as the Riviera Maya and the Samaná Peninsula. However, the attractions in the comparable destinations are more accessible and have greater capacity to accommodate tourists. While Aguadilla and Isabela have existing cultural attractions, such as museums or town squares, and local gastronomy, there is not enough supporting activity to make them major tourist nodes at present, unlike in the comparable destinations. Tulum in the Riviera Maya is primarily known for ancient Mayan ruins that draw tourists from around the globe. While Aguadilla and Isabela have ample opportunities to create more recreational activities, such as water activities, zip-lining, and hiking for visiting tourists. These areas do not have the infrastructure in place to provide the high-quality recreational activities that tourists seek.



Section of Macromural in Aguadilla. Source: FPR



Vision + Strategic Positioning

Vision + Strategic Positioning

The community vision statement for this effort reflects the community's values and intentions. In Aguadilla and Isabela, the community vision was generated through discussion at a series of community meetings that included local merchants, organizations, and residents. It helps ensure consensus among partners and helps direct investment into community assets.

A strategic positioning statement reflects the guiding principles and unique competitive advantages of each region as determined by both the community and the assessment process. The strategic positioning statement reflects the community's vision by rooting it in data-driven market realities. It communicates a region's brand essence and orients strategies towards the point of market distinction.

Together, the community vision and strategic positioning generate a coupled approach to drive economic development through the visitor economy (while maintaining a collaborative setting) and invite investment within the community vision.

Community Vision Statement

Spanish: La región de Aguadilla e Isabela se convertirá en un destino ecoturístico que integra la naturaleza, historia y cultura basado en el desarrollo sostenible, la conservación del medio ambiente y las colaboraciones entre los proveedores de servicios locales.

English (translation): The Aguadilla and Isabela region will become an ecotourist destination that integrates nature, history, and culture based on the sustainable development and conservation of the environment through collaboration between local stakeholders.

Strategic Position & Brand

The northwest Porta Del Sol region offers a robust "laid-back" culture known for its surfing, scuba diving, and fishing.

The Region offers visitors a chance to get away from the city to the beaches, while also offering a historic, walkable living "Puerto Rican" experience found in the historic downtowns of Aguadilla and Isabela. Activities in the region include unique and authentic cultural events, like the Festival de la Virgen del Carmen, that combines fishing, culture, and beaches - three important regional assets.

At this time, lodging is primarily known for independent, small-scale oceanfront hotels and Airbnbs at affordable price points. It is a great place to stay for people visiting nearby locations, such as Rincón. The region is also home to the Porta Del Sol's premier recreational facilities, such as the luxury Isabela Royal oceanside golf course.

The gastronomic offering includes food truck plazas, convenience-based local restaurants offering traditional Puerto Rican food, and an upscale ocean-view restaurant.



Second Destination Planning meeting at Creativos Co. in Aguadilla. Source: FPR



Third Destination Planning meeting at Mercedita Restaurant in Isabela. Source: FPR



Recommendations Framework

Recommendations Framework

The projects outlined in the following chapter fall into two main categories, those **specific to the region and rooted in much needed improvements to local assets** and those that address **widespread challenges that are shared across the Island** as a whole.

Region-Specific Recommendations

These recommendations are rooted in a set of essential and comprehensive improvements that aim to improve the overall visitor experience while also reinforcing the qualities and places for which the region is already well known.

This section is further divided into two key components.

Strategies for Growing Demand from Off-Island Visitors. This includes raising awareness of existing assets through marketing, promotion, and branding, as well as strategies that improve the accessibility and visibility of the region's offerings.

Strategies to Improve the Supply of Offerings, including the quality and quantity of offerings that are unique to the region, with an emphasis on strategic destination drivers that reinforce brand and further differentiate the region from other destinations. Improvements to supply focus on the assets that were analyzed and assessed through this process, including cultural and visitor assets, lodging and accommodations, retail, and Food and Beverage operators.

Projects were further classified into six designations as follows: 



Marketing + Promotion

These efforts aim to raise the profile and awareness of existing regional offerings and improve overall visitation to the region's unique assets.



Place-Based Asset Enhancement

The projects here focus on capital investments to places and strategic destination drivers that improve key cultural, natural, or business assets and result in measurable improvement to the visitor experience.



Infrastructure

These projects are, by their nature, island-wide and while outside of the scope of the Bottom Up Destination Planning effort, must continue to be highlighted as critical to stabilizing and supporting any form of economic growth on the Island.



Access and Mobility

These projects address challenges that visitors may have getting to/from the Island, their preferences for moving around the Island and between assets or experiences once they arrive.



Business Support

These projects focus on the needs of existing businesses and outline strategies to help them raise their profile and better meet the needs and expectations of off-island visitors.



Organizational Capacity

These projects address some of the challenges associated with meaningful implementation of the plan by local partners and their resources and capacity to implement, manage, and maintain the assets in question.

Visitor Economy Recommendations

Throughout this planning process, it became exceedingly clear that there are several issues that were not unique to any region, but instead reflected **systematic island-wide challenges**. Addressing these challenges at the highest levels of government is critical to ensuring the sustainability of the economic development and visitor economy efforts writ-large on the Island. These needs require a mix of advocacy, direct intervention and a clear road map for action at the highest levels of government. We envision building and improving upon these recommendations in each subsequent regional plan. As such they will likely evolve over time as new information and a deeper understanding of subsequent regions further inform their development.

We propose that this section of recommendations can be led by State and local government agencies and communities, with the support of FPR and other non-profit partners on the Island.

How Were Projects Selected?

Project ideas were generated using a variety of mechanisms, including community workshops and a call for proposals led by Inversión Cultural as well as by the Destination Planning Team.

Over the course of the Destination Planning effort dozens of ideas for projects were generated through community outreach led by the FPR Field Teams and staff, as well as through stakeholder interviews and working sessions with the Destination Planning Team. **The projects outlined here form an interrelated set of improvements that together create the conditions necessary to support growth in the visitor economy.**

Each project was filtered and pre-qualified against a set of criteria as follows:

- Projects that would result in **tangible physical improvements to unique assets** that differentiate the region from others and help to further reinforce the region's strategic position and brand.
- Projects that address fundamental **organizational, operational, and financial obstacles** that create the conditions necessary to support improvements and long-term maintenance of key visitor assets.
- Projects that raise **awareness of offerings and drive visitation** to the region's unique set of natural, cultural, and business offerings.

- Projects with **reasonable complexity and risk**. Typically, these are "shovel ready" projects with a readily identifiable "champion", i.e. a clearly defined partner with the know-how and access to the resources necessary for implementation.

Tracking Impact

Key Performance Indicators (KPIs) are measurements that express impact through numbers or ratios. Recommendations for project-specific KPIs were included, but we note that significant outstanding questions regarding who will be responsible for measuring and tracking the impact of these improvements overtime remain. Statistically robust methods of performance tracking are not accessible for most organizations. As such we have focused on "fit for use" measurements that can be tracked easily by the implementing entity or by an island-wide organization with resources for evaluation. We have also avoided KPIs that seek to measure business impacts owing to the difficulty of collecting accurate sales data and the widely understood challenges associated with determining causality between projects and business impacts. As such, the KPIs outlined here seek to measure direct outcomes for each individual project and utilize more readily available metrics.⁸¹

⁸¹ The metrics outlined here are informed by the "Handbook on Key Performance Indicators for Tourism Marketing Evaluation" published by the United Nations World Tourism Organization, 2017.

Recommendations Strategy Matrix

Region-Specific Recommendations



Grow Off-Island Demand: Promotion & Marketing

Project	Timeframe	Location
1 Festival de la Virgen Del Carmen	Short	Aguadilla
2 Regional Branding Strategies	Short	Aguadilla + Isabela
3 Tourism Itineraries	Short	Aguadilla + Isabela



Address Challenges of Mobility Within the Region & Accessibility to the Region

Projects	Timeframe	Location
8 Aguadilla Airport	Medium	Aguadilla
9 Rideshare + "Transporte Colectivo"	Medium	Aguadilla + Isabela



Place-Based Asset Enhancement

Projects	Timeframe	Location
4 Guajataca Tunnel	Long	Isabela
5 Crash Boat Beach	Long	Aguadilla
6 Bosque Guajataca	Medium	Isabela
7 Route 466 Lighting	Medium	Aguadilla + Isabela



Address Capacity Gap

Projects	Timeframe	Location
10 Create a Tourism Association	Short	Aguadilla + Isabela
11 Public Order Code	Long	Aguadilla + Isabela

Visitor Economy Recommendations



Asset Enhancement

Project	Timeframe	Location
1 Small Lodging Financing Fund	Long	Island-Wide



Mobility & Accessibility

Project	Timeframe	Location
2 Regional Mobility - Highway Signage, Pedestrian Signage	Short	Island-Wide



Support Business Retention & Growth

Project	Timeframe	Location
3 Amplify the Region's Assets on Online Review Sites	Short	Island-Wide
4 Grants for Business Operations and Improvements	Medium	Island-Wide
5 Customer Service Training	Medium	Island-Wide



Build Capacity of Inter-Organizational Asset & Resource Managers

Project	Timeframe	Location
6 Entrance Fees for Sustainable Asset Management, Employment, and Improvements	Medium	Island-Wide
7 Shared Services	Long	Island-Wide
8 Fiscal-Sponsorship for 501(c)(3) Status	Long	Island-Wide
9 Technological Tools to Facilitate Services and Experiences	Long	Island-Wide



Systems & Infrastructure

Project	Timeframe	Location
10 Electrical Service	Long	Island-Wide
11 Waste Management	Long	Island-Wide
12 Water Quality	Long	Island-Wide



Region- Specific Recommendations

Region-Specific Recommendations

The anchor attractions of the region are the world class surfing beaches, rugged coastline, and fishing culture. In addition to beaches and excellent surfing, it is also home to authentic and historic downtown environments with great potential. Aguadilla is among the few municipalities in Puerto Rico that have embraced the waterfront with a highly amenitized boardwalk and public art in the form of the Macromural, an entire village hillside that has become a large-scale art installation. Isabela’s downtown, located uphill from the waterfront, is also a highly attractive, walkable area surrounding an active historic plaza where locals come to socialize and play dominoes, a Puerto Rican tradition.

The unique and colorful fishing boats at Crash Boat beach fill countless Instagram feeds and help drive thousands of visitors annually to the region. For years local fishermen have maintained their boats here and sold their fish at a fish market, which was destroyed during Hurricane Maria. Cultivating and restoring these popular and brand differentiating visitor assets is a priority. To this end, the following recommendations are suggested for project, policy, and design intervention solutions.

Grow Off-Island Demand

Promotion + Marketing

1. Reinvigorate & Grow the Festival de la Virgen del Carmen
2. Develop a Regional Branding Strategy
3. Develop Tourism Itineraries

Improve Supply

Place-Based Asset Enhancement

4. Improvements to Guajataca Tunnel
5. Improvements at Crash Boat Beach
6. Restore Trails at Bosque Guajataca
7. Enhance Lighting Along Route 466

Address Challenges of Mobility Within the Region & Accessibility to the Region

8. Expand Service at Aguadilla Airport
9. Explore Rideshare and “Transporte Colectivo”

Address Capacity Gap

10. Create a Tourism Association
11. Revisit Public Order Code



Boats in Aguadilla. Source: Flickr



Guajataca Tunnel. Source: Flickr

Grow Off-Island Demand:

Promotion & Marketing

1 Reinvalidate & Grow the Festival de la Virgen del Carmen

Origin	Community
Budget	Depending on the extent of the effort, this item can be Low Budget (Under \$50k) to Medium Budget (\$50k - 200k)
Timeframe	Short Term (Less than 1 year) / Ongoing
Risk	Medium - Festivals require multiple partners to be executed. Climate always becomes a risk for these events.

Action Items

Marketing & Branding: Support enhanced marketing and branding efforts for the Festival de la Virgen del Carmen. This might include creating tourist packages, developing robust sponsorship proposals, identifying additional collaborators from the cultural sector, and providing support for next edition planning.

Festival Enhancements: Technical assistance and funding to improve the production value of the event and build out components that highlight seafood, local restaurants, art, and culture in a way that further activates the waterfront promenade (Paseo Real Marina) and drives sales to local businesses.

Metrics & Measurement: Funding for a third-party impact analysis. This might include, at a minimum, estimates of total attendance (methodologies and costs vary) and intercept surveys of attendees to determine spending per person. More sophisticated Economic Impact Analysis could also be collected but would likely require a third-party research firm with topical expertise.

Diagnostic (Why?)

Every July, for over forty years, the Festival de la Virgen del Carmen has begun at Aguadilla Cathedral, where a statue of the Virgen del Carmen is escorted to a small fishing boat and a flotilla of hundreds of boaters delivers the statue to Crash Boat Beach. This annual celebration is an excellent example of a highly localized cultural event that combines key elements of the region's cultural identity, i.e. the culture of small fishermen and the brightly painted fishing boats for which the region is well known. Currently, the event primarily attracts local

residents and Puerto Rican nationals. There is very little to no broader knowledge of the event among off-island visitors. The Facebook page associated with the Festival currently has 612 followers. By contrast, Sanse 2020 (the well-known San Sebastian Street Festival held in San Juan every January) has over 12,000 followers. This event has untapped potential to grow by linking it to a more robust set of food-related and cultural events that will enable greater economic impact.

Off-island visitors seeking unique, authentic cultural events that combine a historic downtown (Aguadilla), seafood, and beaches - three important regional assets - will further reinforce the region's brand and strategic positioning. Festivals can be a powerful and catalytic tool to raise awareness of place, help brand, and promote a region, while resulting in a lingering effect long after the event has passed.

Partners & Resources

There is an existing organization that leads this effort, presumably with the capacity and interest in growing it. The Fishermen Association and local Merchants Association are local partners. National level partners might include the Instituto de Cultura Puertorriqueña (it should be noted that our interviews with leaders at the ICP uncovered a growing interest in supporting living culture initiatives). This type of event plays very well into that effort.

Event funding can come from a variety of sources, including crowdfunding campaigns (i.e. Kickstarter, GoFundMe); philanthropy including wealthy individuals or groups; organizations and businesses with internal marketing budgets; sponsors; and ticket sales.

Process

- Reach out to the Festival organizers to determine their interest in enhancing the festival as part of the Destination Planning effort. This outreach will be necessary to further understand the needs of festival organizers, their budget, and current partners.
- Develop a planning committee comprised of local Festival organizers and key partners, including the regional representative from the Instituto de Cultura Puertorriqueña.
- Make immediate plans to collect baseline attendance data for the next scheduled Festival.
- Following that, work with the recently established planning committee to develop a long-term strategy for marketing/promotion, festival enhancements, and benchmarking over a period of three years, with clear budget requests for the next 1-3 years.
- Develop a grant proposal for funding and distribute widely.

Key Performance Indicators

- Attendance
- Number of tickets and packages sold
- Amount of sponsorship and funding raised
- Net proceeds from event

Case Study or Best Practice

The Festival of San Sebastián in San Juan annually draws visitors to the metropolitan



Source: Facebook Page for the Festival de la Virgen del Carmen.

Grow Off-Island Demand:

Promotion & Marketing

2 Develop a Regional Branding Strategy

Origin	Destination Planning Team
Budget	Medium Budget (\$50k - \$200k)
Timeframe	Short Term (Less than 1 year) - The duration and cost for this project will be determined in part by the ability to leverage existing web assets such as the Discover Puerto Rico (DMO) website. A brand and tagline can be established within a relatively short time utilizing the findings from this assessment. Building and maintaining itineraries will require on-going cultivation of local partners and guides.
Risk	Low - Particularly if the effort is tied to the existing marketing efforts of Discover Puerto Rico. However, this effort could also be designed as an engagement strategy that helps bring together local community partners, businesses, and tourism assets in the region. More detailed planning and a champion would have to be identified.

Action Items

Develop and refine a branded tagline for the Northwest region (including Rincón, PR).

Include a set of branded, regional itineraries (as outlined in Project #3) rooted in the area's strong surfing and fishing cultures. Build these itineraries into Discover Puerto Rico's online web portal. Align these brand strategies with the national strategies being developed by Discover Puerto Rico. Create co-op marketing initiatives with this organization to gain exposure and brand awareness of the Northwest region.

Diagnostic (Why?)

Recent research completed by Puerto Rico Planning Board found that Aguadilla and Isabela see just over 2% of primary visitors to the Island. This despite the fact that area's off-the-beaten-path offerings and opportunities for direct, low-cost flights (some intrepid visitors might be open to middle-of-the-night arrivals and departures) offer potential. There is clearly a need, desire and opportunity to exploit and share information about regional assets more broadly.

A regional branding strategy for Aguadilla and Isabela must be rooted in the key assets that set apart the Northwest region from others, notably world class surfing beaches, unique opportunities for walking/biking/hiking along the waterfront and inland, a fishing culture recognizable throughout the island for small colorful fishing boats, and a highly amenitized boardwalk (in Aguadilla) with public art in the form of the Macromural that has become popular on Instagram.

Aguadilla and Isabela

are easily accessible, laid-back surfing, beach, and hiking destination that offers authentic Puerto Rican charm.



Partners & Resources

- Discover Puerto Rico
- PRTC (state, municipal and Porta del Sol offices)
- Municipalities

Process

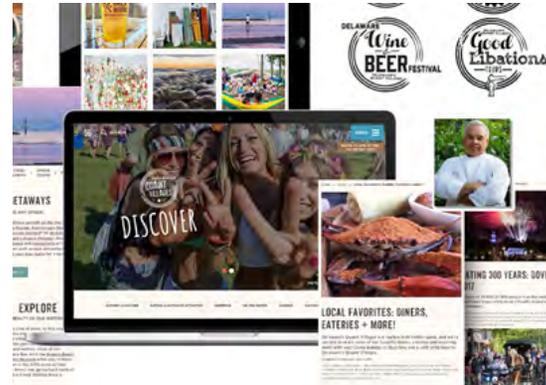
- Convene a group of stakeholders who manage and control some of the region's key assets - including local area operators, business owners, hospitality front line staff, and key community leaders.

Key Performance Indicators

- Increase in accommodation tax collection.
- Website traffic increase over previous base.
- Build a base on opt-in subscribers for ongoing email communications.

Case Study or Best Practice

Kent County Tourism Corporation is a Destination Marketing Organization for Kent County Delaware and its incorporated cities and towns. Working with local stakeholders to develop a strategic positioning assessment of the region's key assets, the community adopted the brand "Delaware's Quaint Villages" and a tagline "At Your Own Pace". The brand was launched via a new website that offers online tools to build visitors itineraries.



Source: Discover Delaware's Marketing Campaign



Grow Off-Island Demand:

Promotion & Marketing

3 Develop Tourism Itineraries

Origin	Community
Budget	Low Budget (Under \$50k) to Medium Budget (\$50k - \$200k)
Timeframe	Short Term (Less than 1 year) to Medium Term (1-3 years)
Risk	Low - A limited number of stakeholders with a clear shared interest and a well-identified strategy.

Action Items

Develop a set of itineraries rooted in the customer profiles



Source: Streetsense

Diagnostic (Why?)

The region has several attractions separated by considerable commute types and perceptual differences. As customers do not see municipal boundaries, the ability to connect the region to other attractions or to visitors lodging in other places by developing routes that focus on ecology, history, or culture, can present customers with information on the diversity of assets in the area.

Partners & Resources

Local Operators, newly formed Tourism Association (as outlined in Project #10), Discover Puerto Rico

Process

- Reach out to the businesses and key asset drivers to determine their interest in participating in itinerary building efforts in the region.
- Working in collaboration with interested partners (ideally under the auspices of a newly formed Tourism Association) and coordinate meetings to begin generating plans for itinerary development.
- Advance and develop itineraries for visitors that can be highlighted on the Discover Puerto Rico website, in partnership with this organization and FPR.

Key Performance Indicators

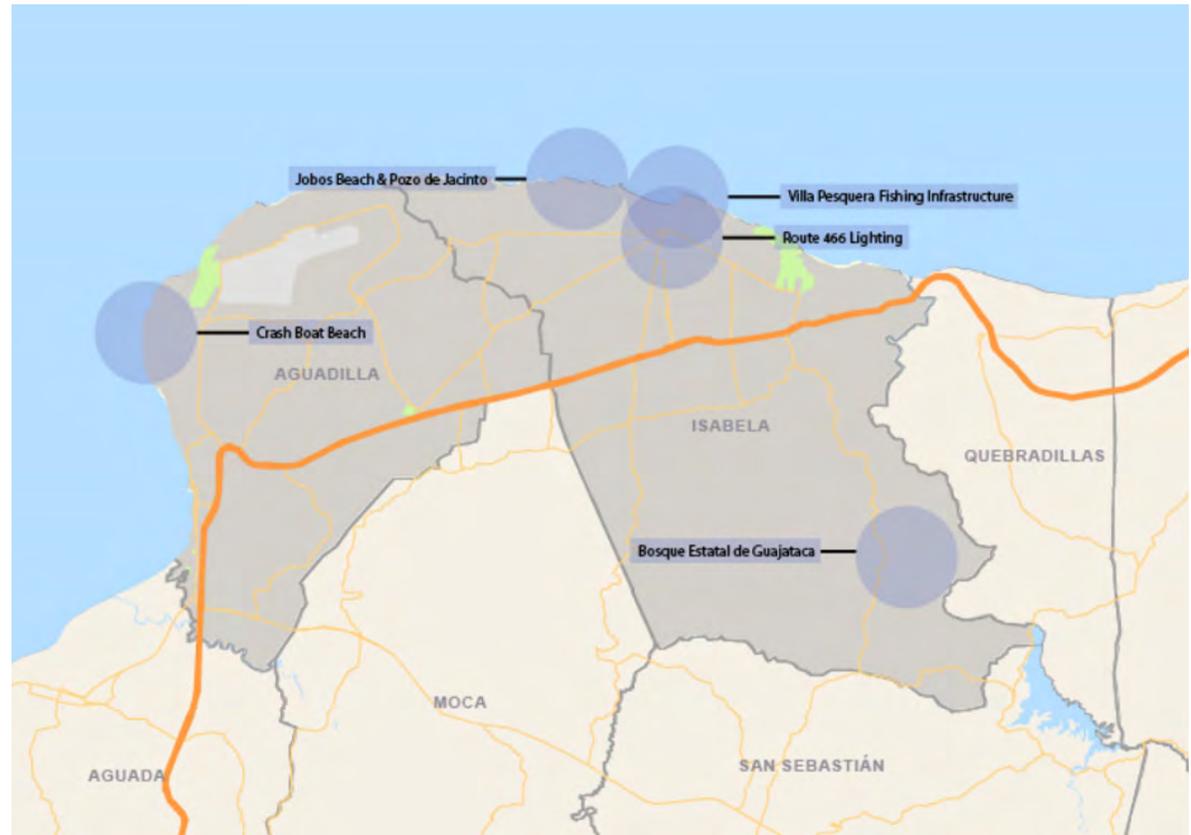
- Number of participating businesses and visitor guides.
- Sentiment analysis utilizing web analytics, i.e. customer satisfaction as reflected in the ratio of 4- and 5-star reviews to 1,2,3-star reviews.
- Net visitor revenue.

Location of Place-Based Enhancements Within the Region

The most popular existing assets in the region need strategic investments. Many have not fully recovered from Hurricane Maria. The locations selected reflect a place-based approach to asset improvements. The clustering of improvements at the region's most popular assets is recognition of the continued need to address a variety of conditions, including but not limited to ease of access, comfort, and expected amenities such as places to eat, shop, and stay overnight.

The first two sites, Guajataca Tunnel and Crash Boat Beach are among the most popular destinations in the region. Together they reflect a unique set of assets that differentiate the Aguadilla/Isabela region from other destinations in Puerto Rico.

In the case of **Guajataca Tunnel**, the views and unique scenery afforded at the site are in and of themselves spectacular, but what is also unique is that the site also connects visitors to Puerto Rico's sugar cane manufacturing history, when trains delivered sugarcane throughout the Island. Unfortunately, the Guajataca Tunnel is among the highest profile community identified assets with the lowest percentage of Excellent/Good ratings (68%). It's convenient location and the ability to identify and quantify some meaningful capital investments make it particularly ripe for improvements and private sector engagement necessary for the redevelopment of the abandoned buildings on the site.



Crash Boat Beach is one of the most popular beaches in the region - a place where calm waters, a pier that is popular for jumping, and vendors, make it a destination for Puerto Ricans and visitors alike. These two sites were chosen in part because of the impact that improvements would have on the overall perception of the region, as well the set of highly targeted and identifiable opportunities to make significant impact with a combined series of small, medium, and large place-based interventions.

The following two sites, **Guajataca Forest Reserve and Jobos Beach** also require mindful interventions. Though smaller in scale, their popularity and ability to round out the customer experience with a solid and well-crafted itinerary made up of a collection of high-quality experiences make a compelling case for a 2+ day trip to the region from San Juan.

Improve Supply:

Place-Based Asset Enhancement

4 Improvements to Guajataca Tunnel

Origin	Community
Budget	<p>Individual Project Budgets Differ:</p> <p>Low Budget (Under \$50k): clean-up of tunnel (power washing), placemaking and activation: lighting installation, murals.</p> <p>Medium Budget (\$50k - \$200k): Installation of stairway/ ramp to the beach, design and feasibility study of wayfinding/ signage, feasibility study for the restoration of safe pathway.</p> <p>Large Budget (\$200k +): Redevelopment of commercial building, parking solutions.</p>
Timeframe	<p>The implementation of the above projects should be phased, as such:</p> <p>Short Term (Less than 1 year): Clean-up of tunnel (power washing), placemaking, and activation: lighting installation, murals</p> <p>Medium Term (1-3 years): Wayfinding signage, parking solutions</p> <p>Long Term (3+ years): Installation of stairway/ramp to the beach, restoration of safe pathway, redevelopment of commercial building</p>
Risk	Waterfront building permits are not quickly issued and may pose a risk to the timelines of all capital projects requiring construction, including the redevelopment of the commercial building, restoration of a safe pathway (west end of tunnel), and installation of a stairway/ramp to the beach.

Action Items

Tourist Journey at Guajataca Tunnel / Points for Improvement:



Source: Streetsense.



Source: Streetsense.

1. Coordinate with municipal administration, local developers, and conservation leaders to determine a vision for the reconstruction and utilization of existing site and buildings. Parking Solutions:
 - a. Formally designate a parking lot for the tunnel by installing permeable asphalt pavement. Asphalt paving is typically a more cost-effective option compared to permeable concrete and permeable pavers. Porous pavement is a paved surface with a higher than normal percentage of air voids that enables water to pass through and reach the subsoil. Depending on the overall design, paving material, soil type and rainfall, porous paving can infiltrate as much as 70 to 80 percent of annual rainfall and is an effective storm water management practice.
 - b. Once paved over, the parking lot should include designated drop off/pick up zones, time-limited spaces (e.g. 1-hour limit), and priority parking spaces for tour buses to enhance the flow of vehicles on days with higher visitor traffic.
 - c. In addition, parking spaces should be clearly outlined with paint and traffic lanes within the parking lot should also be demarcated to allow easy navigation.
 - d. The design of the parking lot should also incorporate green infrastructure as an approach to storm water management, including vegetated swales, increasing landscape to paved area, planter boxes, etc.

2. Redevelopment of the abandoned building for commercial use (dining, souvenir kiosks, water sport equipment rental kiosk), and tourist comfort (bathroom, information counter)
 - a. The reconstructed beach-facing building at the entrance to the tunnel should house key tourist comfort amenities including accessible bathrooms and an information counter/kiosk. In addition, the property should support micro-retail and dining units for local vendors to sell food and drinks, as well as souvenirs, to visitors.
 - b. The design of the building should
 - a) pay homage to the history of the railway tunnel that was formerly used to transport sugarcane from nearby farms, b) leverage its beachfront location with an outdoor promenade/plaza with ample seating and movable furniture for visitors, and c) include iconic architectural elements that create a shareable picture moment for visitors arriving at the tunnel.
 - c. Funding for this project may be enabled through a public-private partnership, with a revenue-sharing model for concession spaces.
 - i. Concessions should be structured as up-front payments and the municipality should then leverage shared concession revenue to directly support or provide maintenance, operations, and site security.



Rodeo Beach, San Francisco, CA. Source: Wikimedia Commons



Source: Unsplash



Boca Paila - Tulum Beach. Source: Blonde Voyage Nashville.

3. Wayfinding signage to the tunnel, clean-up of tunnel (power washing), placemaking, and activation: lighting installation, murals

a. Fundamental to the appeal of any tourist attraction is basic maintenance of the attraction itself and its environs. In this case, the cleanliness of the tunnel and its entrance areas is lacking and will need to be enhanced prior to any other significant investment in placemaking and activation. This should include regularly-scheduled power washing of the tunnel during late evening/ early morning hours when visitation is low. Although power washing is suggested, municipal personnel should be consulted beforehand to determine the appropriate protocols in order to preserve the historic structures. In addition, an iconic entrance sign and other directional signage should be installed in and around the tunnel to guide visitors across the site, including along Route 2. The iconic entrance sign should again offer a shareable picture moment for visitors, be contextual to the architecture of the tunnel, and reflect the natural materials used across the site.

b. To further drive visitation to the tunnel, additional low-cost and temporary placemaking interventions should be incorporated, in partnership with local artist groups. Art installations that enhance lighting in the tunnel and that mask any graffiti/vandalism on surface areas should be prioritized to provide a safe and enjoyable experience for visitors.



Source: Studio Eduardo Aires (Behance); Flickr



Montreal Memory Collector - first collector sewer of Montreal - 110-meter-long tunnel. Light installation projected on to stone walls with a specially designed sound environment. Source: Stephane Brugger.

4. Restoration of safe pathway damaged by erosion
 - a. In the restoration, pathways should be elevated and the design should consider shoreline bank erosion measures (including riprap) and environmentally-engineered embankments. Toward this, a team of ecological design experts, landscape architects, and engineers will need to be commissioned to redesign a resilient pathway leading to the beachfront from the west tunnel exit.



Current condition at the Guajataca Tunnel. Source: Flickr.

5. Wayfinding signage toward beachfront
 - a. Directional signage, consistent in design with those used at the entrance/ eastern end of the tunnel, should be implemented on the western exit to direct visitors to the beachfront. These signs should be contextually designed to fit the natural environment and should be extremely visible to visitors. At this time, the pathway to the beach from the western tunnel exit has overgrown vegetation and may not appear inviting to tourists who are unfamiliar with the site. Simple signage acknowledging the beachfront up ahead will point visitors further along to the next attraction.



Current condition of pathway leading from the tunnel to the beach. Source: Streetsense

6. Install safe stairway/ramp down to the beach
 - a. Given the leveled pathway along the tunnel, the attraction is currently easily accessible to a wide range of audiences, including seniors and visitors with strollers and wheelchairs. To expand the accessibility of the site to the beachfront, a safe stairway and ramp, including a beach access route (a continuous, unobstructed path that crosses the surface of the beach and provides pedestrian access to the water), should be installed near the west tunnel exit, alongside clear directional signage to the beach. These newly constructed features should comply with the Americans with Disabilities Act (ADA).
 - b. By providing accessible pathways to and on the beach, visitors with disabilities may have greater independence and opportunities to participate in beach or water-related activities, extending their stay at the tunnel.

Diagnostic (Why?)

Many of the most prominent attractions in the region have not yet fully recovered from the impacts of Hurricane Maria. This includes the Guajataca Tunnel, a popular regional attraction which ranks #52 of 624 Puerto Rican Sights & Landmarks on TripAdvisor, and the #1 of 19 things to do in the immediate region. The tunnel itself is easily accessible from Route 2, with an exit located ½ mile from the site. However, there is no highway marker or signage for the site.

For those with mobility issues, the site offers the unique opportunity and ability to park and walk on a flat surface for the duration of the experience, making it particularly attractive to intergenerational families.

The site has an average 4-star review, and 70% rate the destination as “Very Good” or “Excellent”. However, the hurricane resulted in significant erosion along the trail. Reviews recommend visitors be careful, owing to a “slippery short dirt hill” at the end of the path, lack of washrooms, lack of vendors, and limited accessibility. While the tunnel itself is wheelchair accessible, the narrow dirt path is not very wide, and the missing ledges are dangerous for children and the elderly. Most reviews with 3 stars or less complained about significant trash left outside the tunnel and the “run down building with graffiti”. Others report not knowing about the beach located at the end of the path until after visiting the location, suggesting improvements in marketing and signage could help visitors navigate the offering.



(Above) Existing conditions of structures and pathways at Guajataca Tunnel. Source: Streetsense

The site requires immediate capital investments to ensure safety and high-quality experiences for visitors. Unfortunately, our assessment found that reconstruction has been significantly delayed owing to challenges obtaining permits.

Partners & Resources

CoCoPR, Corporación Mabodamaca, Mi Playa Limpia, public partners (municipality and state government).

Process

Early steps:

- Convene property owners and stakeholders.
- Share vision and approach and getting buy-in from property owners.
- Explore public-private partnership for redevelopment of commercial building.
- Finding resources for feasibility and plan.
- Issue vendor license for ownership/management of commercial building.

Key Performance Indicators

- Growth in volume of online reviews.
- Visitor satisfaction as reflected in the ratio of 4- and 5-star reviews to 1,2,3-star reviews.

Case Study or Best Practice

Parking solutions: Rodeo Beach (San Francisco, CA). Managed by the Golden Gate National Parks Conservancy, Rodeo Beach is a key pebble beach attraction that offers picnic sites and historic forts. The parking lot at the beach offers over 100 clearly demarcated/painted parking spaces (not including ADA-accessible spaces) and has a dedicated bus zone that enables public buses run by the San Francisco Municipal Railway (MUNI) to pick up and drop off passengers efficiently and navigate in and out of the lot easily.



Source: Flickr

Redevelopment of abandoned building for commercial use:

Boca Paila in Tulum (Mexico). Boca Paila is a small fishing village located south of the coast of Tulum. Within a block of the beachfront, visitors can pursue a variety of commercial offerings in a range of huts and small retail/restaurant establishments. Within small footprints with indoor/outdoor layouts, vendors along Carr. Tulum-Boca Paila offer a mix of general merchandise, beach equipment, and apparel, as well as a range of

dining options including quick service food, snacks, and full-service restaurants.

Tunnel improvements and placemaking activation:

William Collector Sewer (Montreal, Canada). There are numerous case studies and examples reflecting the revitalization of public tunnels and passageways for recreation and transportation use across the country. Many include power washing practices, basic lighting, and creative murals designed by local artists. However, the unique revitalization of the William Collector Sewer in Montreal serves as best practice given its similarity to the Guajataca Tunnel as a historic archaeological site and the enhanced approach taken to include lighting and sound treatments. Extending 110 meters long, the William Collector Sewer was reopened and activated in 2017 by a lighting and sound installation designed by Montreal-headquartered multimedia arts studio, Moment Factory. The installation was projected onto the stone walls to preserve the integrity of the structure and included historic scenes, enabling visitors to experience the tunnel's past through an immersive experience.

Wayfinding signage:

Herdade do Esporão (Portugal). The consistent branding of wayfinding signage across the site at Herdade do Esporão, a winery tourism site in Porto, Portugal provides clear direction and markers to visitors without disturbing the natural landscape. From the entrance sign to directional markers throughout the site, the outdoor signage designed by Eduardo Aires White Studio is placed on or carved onto existing rocks found in the area and carefully maintains the context of the environment.

Safe stairway/ramp down to the beach:

UNICO 20°N 87°W (Riviera Maya). Although located on a private hotel site, the beach pathway at UNICO 20°N 87°W serves as a compatible case study given similar environmental conditions (heavy beachfront vegetation). At UNICO 20°N 87°W, the wooden boardwalk is elevated above beach vegetation and provides visitors with an accessible pathway to the coast extending about 100 meters from the nearest beachfront building. At high tide, the boardwalk escapes inundation and allows beach users to enter and exit the beachfront easily.



Golden Isles Georgia. Source: Flickr



Riviera Maya Yal Ku Lagoon. Source: Flickr

Improve Supply:

Place-Based Asset Enhancement

5 Improvements At Crash Boat Beach

Origin	Destination Planning Team
Budget	<p>Individual Project Budgets Differ:</p> <p>Low Budget (Under \$50k): Beach clean-up, commission design of vending units, beach vendor permitting program.</p> <p>Medium Budget (\$50k - \$200k): Implement parking management practices, rental of temporary portable sanitation trailer units, construction of vending units, feasibility and design study for pier rehabilitation, feasibility and design study for permanent bathroom structure.</p> <p>Large Budget (\$200k+): Construction of permanent bathrooms, pier rehabilitation.</p>
Timeframe	<p>The implementation of the above projects should be phased, as such:</p> <p>Short Term (Less than 1 year): Beach clean-up, rental of portable sanitation trailer units, commission design of vending units, beach vendor permitting program.</p> <p>Medium Term (1-3 years): Parking management.</p> <p>Long Term (3+ years): Construction of permanent bathrooms, pier rehabilitation.</p>
Risk	Waterfront building permits are not quickly issued and may pose a risk to the timelines of all capital projects requiring construction, including the rehabilitation of the pier and construction of permanent bathroom structures. Furthermore, given the mix of ownership in property at the beach, there may be conflict of vision between property owners that may stall the planning and design of any of the above strategies.



Source: Streetsense

Actions Item

1. Parking Management

- a. In order to be able to manage parking facilities at Crash Boat Beach, the municipality will need to either 1) acquire and run the beachfront property that currently serves as a parking lot for beach users, or 2) require the transparent operation and management of beachfront parking lots. Many of these properties will need some re-paving work following destruction from the Hurricane Maria and lack of maintenance. Also, continued transparent management is needed to ensure safety and accessibility for users. Additional studies and analysis will also be required to make sure these recommendations are in accordance with the Island's evolving conservation principles.

- i. New parking management practices may include simple, automated payment systems (or staffed payment stations), clear signage, and appropriate pricing and marketing of facility.
- ii. Once a new parking system has been established, location of available spaces should be integrated with other existing navigation/parking applications in the region such as Google Maps and MyPark.
- iii. Parking signage should accompany the installation of new gates and payment systems so as to allow parkers/visitors to easily identify available parking spaces, pay for parking, and be directed on how to exit the facility. Combined, parking signage should enable visitors and cars to easily navigate through the facility without having to wait in line and to actively promote the availability of parking facilities.
- iv. Providers such as MyPark and SP+Parking should be considered given their existing operations in Puerto Rico at beachfront properties and at shopping malls such as Laguna Gardens in Carolina and PR Premium Outlets in Barceloneta.
- v. Revenue from parking fees collected through a more efficient system should then be used to enhance and maintain facilities regularly as well as to enforce parking regulations on-site. This may include hiring security and cleaning staff for the parking facility.



Ashford 1019 Lot, Condado, PR (SP+Parking). Source: Google Maps



Premium Outlets, Barceloneta, PR (MyPark). Source:Streetsense

2. Pier Rehabilitation/Reconstruction

- a. Although the pier at Crash Boat Beach is regularly used by swimmers and visitors to the area, many have reported the disrepair of the pier as being hazardous and inaccessible to those with disabilities. To enhance this beach attraction, the municipality will need to restore/rebuild the infrastructure.
- b. The rehabilitation of the pier should include elevation at or above the sea

level rise Design Flood Elevation (DFE), otherwise known as the height of the lowest occupiable floor (for wet floodproofing), and should be designed to structurally resist site-specific design flood loads, be geotechnically stable, and protected from scour and erosion. In addition, the new pier should be designed to be ADA-accessible to ensure visitors of all ages and abilities are able to enjoy the attraction and should include safety design measures such as handrails, ramps, and designated diving sections.

- c. The rehabilitation of the dock will also enable expansion of the Festival de la Virgen del Carmen to Crash Boat Beach, allowing it to serve as a pitstop on the festival route.

3. Beach Clean-Up Efforts

- a. In partnership with Surfrider Foundation, regular (monthly/bimonthly) volunteer beach clean-up efforts should be organized for Crash Boat Beach. Other local institutions such as Ramey School in Aguadilla and recreational scuba diving, boating, and sailing groups that have vested interests in the cleanliness, safety, and preservation of marine life of the beach should also be key partners in efforts to clean and maintain sanitation at the site. These volunteer cleanup efforts will not only help raise awareness about litter and plastic pollution but also cultivate support from local communities around the rehabilitation of the beach.

- b. Volunteers should be provided with basic tools for cleaning at each monthly session including trash bags, gloves, and trash pickers/stick grabbers. Metrics including total weight of litter collected, miles covered by volunteers, and the total number of participant volunteers should be compiled for reporting and used in future funding applications.
- c. To sustain cleanliness of the beach, a suite of new trash and recycling cans should also be placed throughout the site for use by visitors. Receptacles should be designed to be user-friendly to encourage proper use by visitors and to avoid contamination of recyclables, especially in metals, glass, and plastic bins. In addition, cigarette recycling receptacles should also be attached to new trash cans.
- d. To fund the purchase and maintenance of these new trash and recycling cans, the municipality should consider establishing a partner-sponsored program that enables private individuals, businesses, local organizations, and neighborhood groups to financially support the ongoing maintenance and service of receptacles. This model has been used in various towns across the country and is sometimes referred to as an 'Adopt-a-basket' program. To incentivize participation of various stakeholders, sponsors should be recognized on decals printed on their sponsored trash/recycling cans.

4. Public Bathrooms

- a. The inadequate bathroom facilities at the beach currently limit dwell time for visitors. Many have reported that the lack of well-maintained facilities often dissuades visitors from engaging in outdoor recreation at Crash Boat Beach. Today, public parks providers across the country are increasingly acknowledging outdoor public comfort stations as important park/beach elements that can extend visitor dwell time and increase participation in outdoor recreation and overall visitation.
- b. As such, prefabricated restroom structures that meet ADA requirements should be built at the beach to better serve visitors to the site. Given that the cost to build these structures may be in excess of \$1 million, temporary portable sanitation units should first be piloted. This will enable the municipality to monitor bathroom use and accurately determine demand for permanent bathroom facilities. Among energy, water and cost saving features, new bathroom facilities should include waterless composting toilets, natural lighting during the day, occupancy-sensor-triggered nighttime lighting, timer-controlled shower heads, and low-flow plumbing fixtures.



Portable Sanitation Trailer Units. Source: Flickr.

5. Organized Vendors

- a. Crash Boat Beach is popular for its informal vending culture. Existing vendors provide visitors with a range of goods and services including snacks, beverages, and beach equipment. These vendors, however, do not have an organized location with amenities such as shelters, proper paving, commercial trash cans, or signage to effectively market and sell their offerings, often resulting in cluttering on beaches and an unpleasant retail experience for customers.
- b. To enable vendors to more effectively display and sell merchandise, retail carts and kiosks should be provided along the rehabilitated pier and along the perimeter of the beach by the municipality. These carts and kiosks should be made available to vendors at a nominal rate that may be charged monthly or daily (depending on frequency of use by vendors) and by size of cart or kiosk. Each retail cart or kiosk should be equipped with

merchandise display shelves or food preparation surfaces, basic lighting, trash receptacles, and customizable signage, such as A-frame chalkboards. To encourage the use of these retail carts and kiosks, the municipality should provide additional support to vendors in the application process and ensure transparency of permitting procedures.

- c. In addition, the municipality should establish a beach vending permitting program that qualifies vendors to sell products on or near the beach. Permits may be limited in quantity to avoid overcrowding of the beach, and applications should be accepted on a rolling basis.
- d. Permit fees collected by the municipality should fund ongoing maintenance and security of the vending areas.

Diagnostic (Why?)

Crash Boat Beach is among the most popular beaches on the Island, ranked by TripAdvisor as the #1 Attraction in Aguadilla. Renowned for its crystal-clear waters, snorkeling and scuba diving, and an old pier which enables recreational jumping -a unique offering among Puerto Rico's beaches. The beach is also home to colorful local fishing boats, distinctive of this region. With over 1,000 reviews, 89% with either "Excellent" or "Very Good" ratings, this beach plays a role in defining the region's waterfront recreational assets. For many visitors, it will be one of the only beaches that they go to in the region.

The impacts of Hurricane Maria resulted in a greatly diminished shoreline and significant destruction - including the Fisherman's Association Building that had once sat along the water's edge.

Concerns raised by 3-star reviewers include a "broken and narrow pier", one reviewer indicated that a member of their party "jammed his toe on a broken piece of metal", lack of changing rooms and bathrooms, and lower quality concessions. Others mentioned the beach has suffered from erosion, which has made it smaller and has resulted in overcrowding and competing loud music. Trash, broken glass on the beach, and water contamination were also raised as concerns. Others summed it up, saying "We chose not to stay at the beach because it was not very big and a little dirty."

Parking also remains a challenge. The small parking lot by the beach is controlled by independent individuals. Parking prices, rules, and regulations are not clearly marked.

Partners & Resources

Municipality, PRTC, Surfrider Foundation, Ramey School, private property owners.

Process

Early Steps:

- Convene property owners of lands near the attraction being used as parking facilities and other key stakeholders.
- Share vision and approach and get buy-in from property owners.
- Identify resources for feasibility and design studies.

- Issue beach vendor permits.

Key Performance Indicators

- Visitor satisfaction as reflected in the ratio of 4- and 5-star reviews to 1,2,3-star reviews.
- Parking revenue.
- Vendor permit fees.



Crash Boat Beach. Source: Google Maps.

Case Study or Best Practice

Parking Solutions: The Ashford 1019 Lot is currently managed by SP+ Parking, a company that provides professional parking management for government clients across the country. It provides trained staff for payment stations and provides signage for the parking lot to post rates. Lots managed by SP+ Parking are also easily navigable via Parking.com and on Google.

Beach Vendor Solutions: Riis Park Beach - National Park (New York, NY): With its unique roster of makers, designers, and artisans, the team managing the beach carefully vets each vendor application based on their ability to represent the Riis Park Beach Bazaar and meet its competitive quality standards. The application process ensures that an appropriate number of vendors on any given day is selling wares at the beach to avoid overcrowding and to ensure the safety of visitors. Vendors are required to fill in a quick and simple application form and are charged between \$65-\$300 for permits, depending on number of days of occupancy and space/ location requested.



Riis Park Beach (New York, NY) permitted mobile vendors. Source: Flickr

Improve Supply:

Place-Based Asset Enhancement

6 Restore Trails At The Bosque Estatal De Guajataca

Origin	Community
Budget	Medium Budget (\$50k - \$200k)
Timeframe	Medium Term (1-3 years)
Risk	Low

Action Item

Pursue a regular “clean up” team to coordinate with municipal and institutional partners on trail restoration. This may include ensuring that proper tools for trail identification and removal of trees/brush are available, as well that safety measures or new guards are implemented.

Diagnostic (Why?)

The state forest’s trails were severely damaged following the two hurricanes at the end of 2017. Few major trails have been restored. This magnet attraction is a significant component of the region’s land and has historically been an important attraction for hikers, preservationists, and outdoorsy customer segments. Despite its size, the Bosque Estatal de Guajataca contains more trails than any forest in Puerto Rico, including El Yunque National Forest. In other efforts that utilize existing assets to develop networks and routes, the Bosque Estatal de Guajataca should be a key asset to consider, and needs improvement.

Partners & Resources

Puerto Rico Department of Natural and Environmental Resources (DNER), The Nature Conservancy, Fundación Puertorriqueña de Conservación, Conservation Trust of Puerto Rico. Boxlab, CocoPR



Process

- Convene existing stewards and volunteers who previously worked on trail restoration.
- Identify a project champion among stakeholders.
- Develop a plan for trail restoration based on best practices, reflective of the unique constraints of the site.

Key Performance Indicators

- Number of trails renovated or improved.
- Volume of mentions on social media.
- Visitor satisfaction as reflected in the ratio of 4- and 5-star reviews to 1,2,3-star reviews.

Case Study & Best Practice

The Appalachian Trail Conservancy organizes “trail crews” in partnership with the National Park Service and the U.S Forest Service. The program features volunteer opportunities that can last a week or more. Projects range in scale and include everything from trail restoration and relocation to bridge and shelter construction. The Conservancy organizes these from May to October every year. Donations help support the program, which provides shelter, food, tools, and safety and camp gear for participants.

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Volunteer

Volunteers are the heart and soul of the Appalachian Trail, and there are many opportunities for you to give back to the Trail you love so much.

Volunteer Opportunities

The Appalachian Trail (A.T.) would not exist without volunteers. As the heart and soul of the Trail, volunteers contribute more than 240,000 hours to preserve and protect the Trail.

These volunteers are active in all aspects of Trail-related work, from maintenance of the footpath and its facilities to greeting guests at the Appalachian Trail Conservancy’s (ATC) various visitor centers.

FIND OPPORTUNITIES

Source: [AppalachianTrail.org](https://www.appalachiantrail.org)

Improve Supply:

Place-Based Asset Enhancement

7 Enhance Lighting Along Route 466

Origin	Community
Budget	Medium Budget (\$50k - \$200k)
Timeframe	Medium Term (1-3 years)
Risk	Low

Action Item

Lobby and advocate for lighting along Route 466 between Jobos Beach and Villa Pesquera in Isabela.

Diagnostic (Why?)

Residents and community members highlighted the safety concerns owing to lack of lighting along Route 466 - an important thoroughfare between Isabela and Aguadilla that provides access to some of the region's most popular beaches and destinations, including Jobos Beach, Pozo de Jacinto, Shack's Beach and Villa Pesquera. Route 466 also runs parallel to Paseo Lineal, a scenic bike and walking route along the coast.

Partners & Resources

Municipal government, Puerto Rico Electric Power Authority (PREPA), Universidad de Puerto Rico - Mayagüez Campus, Casa Pueblo.

Process

Continue conversations with the Puerto Rico Electrical Power Authority (PREPA). Some community members indicated that PREPA does not have the necessary capacity to illuminate the entire #466 road. While further investigation is necessary, conversations with the PREPA should clarify the feasibility of this request. Data and input from community members regarding the safety concerns associated with the lack of lighting should be gathered. Public agencies are often sensitive to safety issues and may be more open to investment if a clear connection to public safety and risk reduction (i.e. crashes and life

safety concerns) is established.

Lobby local elected officials. Set up meetings with local elected officials to discuss this request and lobby for their advocacy on behalf of this solution.

Other option mentioned by local stakeholders is the establishment of a micro-grid for the area. Similarly, this will require data gathering, community meetings and building collaborations with key partners. Whichever system is established, special consideration should be taken to protect the biodiversity in the area, such as turtle-friendly lighting (red lights).

Key Performance Indicators

- Number of new lights between Jobos Beach and Villa Pesquera.
- Reduction in number of accidents.

Improve Supply:

Address Challenges of Mobility Within the Region + Accessibility to the Region

8

Expand Service at Aguadilla Airport

Origin	Destination Planning Team
Budget	Unknown
Timeframe	Medium Term (1-3 years) to Long Term (3+ years)
Risk	High - a project of this magnitude is complex and requires expertise in the airport and airline industry, as well as in the incentives and tools necessary to expand service to regional airports.

Action Item

More frequent, daytime passenger service would help the region overcome one of its most significant obstacles, distance to Luis Muñoz Marín International Airport near San Juan.

Explore Airport Improvement Program (AIP) grants from the Federal Aviation Administration. A contractor that can analyze passenger data, fare data, revenue data, gross metropolitan product, population sizes, business travelers, and diversion analysis should be hired to build a new Air Service Development strategy in Minimum Revenue Guarantee agreements. This contractor should also assist with grant applications for the Airport Improvement Program (AIP).

Diagnostic (Why?)

Aguadilla Airport is a former military base that currently supports both cargo and passenger service. It is the primary airport serving the Porta del Sol region. Passenger service is mostly limited to what is known in the tourism industry as Visiting Friends and Relatives (VFR). Currently, passenger flights arrive between the hours of 11 p.m. and 4 a.m., making this airport extremely inconvenient for most casual visitors, especially single travelers, families with young children, and seniors. Visitors unfamiliar with Puerto Rico may have reservations landing in a foreign place, renting a car and driving through dark unfamiliar roads in the middle of the night. Moreover, check-in times for branded, unbranded, and Airbnb lodging is typically mid-day, leaving those who arrive between 11 p.m. and 4 a.m. stranded until check-in.

While it is set up to operate as a cargo airport, the increasing demand for air service (and affordable air service) could generate direct activity to the region. This may play a role in the development and demand for nearby hotel facilities. The AIP grants should be strongly considered should the airport master plan be re-envisioned. AIP funding is usually limited to construction of improvements related to aircraft operations, such as runways and taxiways, but can also be used for ensuring airport safety and security, increasing airport capacity, reducing congestion, helping fund noise and environmental mitigation costs, and financing small state and community airports.

Partners & Resources

Puerto Rico Ports Authority (PRPA), PRTC, InvestPR, Discover Puerto Rico, Municipal Government and leaders.

Additionally, it should be noted that InvestPR's ongoing efforts to attract business primarily focuses on cargo efforts. That said, a partnership that explores the potential to work in tandem to manage incentives and recommendation packages should also be pursued.

Process

- Establish a working group among partners with stated interest in expanding service at the Aguadilla Airport.

Key Performance Indicators

- Increase in the number of daytime flights with major airline carriers.
- Increase share of off-island, non-family and friend visitors.
- Increase in Average Daily Rate (ADR).
- Increase in Occupancy rates.
- Visitor satisfaction to airport as reflected in customer intercept surveys.



Rafael Hernández International Airport (BQN), also known as Aguadilla Airport. Source: Wikimedia Commons

Improve Supply:

Address Challenges of Mobility Within the Region + Accessibility to the Region

9

Explore Rideshare & “Transporte Colectivo”

Origin	Community
Budget	Low Budget (Under \$50k) Creating some sort of entrepreneurial development incentive targeted to Rideshare and transportation providers - Medium (\$50k - \$200k)
Timeframe	Medium Term (1-3 years)
Risk	Medium - Lobbyists have shown support for local taxi companies in many regions of the Island and may continue to pose barriers to the expansion of rideshare companies.



Uber coverage in Puerto Rico. Source: Uber

Action Item

Shuttle buses in their traditional format are expensive and often do not meet on-demand needs of visitors. On-demand rideshare, and shuttle services are a way to fill the gap between individual rideshare and public transit, offering flexible rather than fixed routes.

Diagnostic (Why?)

Connections to the Aguadilla Airport create difficulties for passengers who may otherwise choose to navigate late-night (or early morning) flights. Additionally, there's a gap in transit options that cultivate a nighttime economy and in the ability to curate a market for rideshare. While rideshare is legal and a popular method of transportation within the metropolitan area, the underutilization of the service is due to supply-side issues and a lack of drivers signing up with rideshare companies. Currently, Uber only operates in part of the island, mainly around San Juan.

As most visitors must commute to the region using a rental vehicle, once they have arrived, they typically plan their trip assuming the use of a vehicle.

Partners & Resources

Explore partnerships with Rideshare companies that offer shuttle bus options. Rideshare companies Via, Uber, Lyft, Circuit, and Economic & Small business development agencies.

Process

- Encourage the expansion of transportation network companies across the Island through a marketing campaign to invite existing providers such as Uber and other interested entrepreneurs to a meeting to discuss their market needs, provide resources and technical assistance, etc.
- Local stakeholders and business owners need to advocate for expansion of rideshare companies with local elected officials given recent political legislation that has risen cost and reporting requirements for Uber and other transportation network companies (TNCs).
- Rideshare Incentive Program - Survey the local transportation/rideshare community to identify their main needs. Identify which one(s) of these needs could be addressed through a financial incentive, perhaps. Needs will likely fall under the startup, maintenance, or expansion categories. The incentive program could be tailored to address each of these.

- Establish requirements to secure the funds awarded (participation in ongoing training and support, minimum maintenance requirements for vehicles, etc.).

Key Performance Indicators

- The arrival of a service provider who offers rideshare within the region
- Number of new drivers in the region

Case Study & Best Practice

Via is one example of a private-sector company that has partnered with more than two dozen cities, transit agencies, and universities across North America to provide riders with flat fee transportation with a prescribed service area. Another is Circuit, which started as a free transportation solution in the beach town of the Hamptons, entirely funded by advertising.

Circuit is a free, electric, micro-transit fleet of minibuses that serve to fulfill first mile/last-mile gaps, typically in markets measuring about 2-3 square miles. Circuit shares revenues with its municipality client through advertising on the fleet of vehicles, and typically deducts this from the vehicle costs charged to the client. Circuit requires a 10-vehicle minimum to enter any market, under a one-year contract (suitable for a pilot program). It provides licensed drivers and can be flexible with service hours, although at this time it typically services its markets between the hours of 7am-10pm. The average full cost to client per vehicle per month is approximately \$7,000 or \$840,000 annually (that may be offset by advertising/sponsorship).



Circuit minibus. Source: Wikimedia Commons.

Improve Supply:

Address Capacity Gap

10 Create A Tourism Association

Origin	Community
Budget	Low Budget (Under \$50k). Seed money would be necessary for a part time organizer and to support meetings/gatherings until enough dues are collected to support a small budget operation run by part-time volunteers.
Timeframe	Short Term (Less than 1 year)
Risk	Low

Action Item

A Tourism Association should help promote local assets, businesses, and leverage connections with local institutions to create and manage branding and communications.

Diagnostic (Why?)

Many of the strategies outlined in this document are dependent on the participation of local anchors and businesses. Supporting businesses in the formation of a visitor-oriented business promotion organization is one of the most important steps in ensuring the viability of several elements presented in this plan. A local management association can help organize and manage major events and lead promotion and marketing campaigns that highlight businesses in the west area.

Partners & Resources

Identify Potential Existing Champions. Reach out to the Merchants Association, municipal and regional PRTC offices, and host local business owner forums to determine the level of interest.

Establish an Exploratory Committee. Identify a core group of like-minded business owners upon which to build the organization. The Merchants Association or the Porta Del Sol PRTC Tourism Office could lead an exploratory committee to establish a mission, support regular meetings of the committee, and set agenda, working with the group to adopt some of the initiatives outlined in this document.

Invite Professionals from other groups who have gone through similar processes to build credibility and serve as resources.

Process

- Outreach to those who have started similar organizations, notably Rincón Tourism Association.

Key Performance Indicators

- Number of annual meetings and attendance.
- Number of participating businesses.

Case Study & Best Practice

The Tourism Association of Rincón was formed in 1994 by a group of citizens, vacation rental owners, and business people in an effort to promote tourism and member businesses in Rincón. Members are vetted and include only “established, trusted” business owners. The Association maintains a website, a Facebook page, and an events page. The Association charges \$100 in annual dues to members.



Source: Rincón.org

Improve Supply:

Address Capacity Gap

11

Revisit Public Order Code

Origin	Destination Planning Team
Budget	Low Budget (Under \$50k)
Timeframe	Long Term (3+ years)
Risk	Medium

Action Item

A public order code prevents better economic development in tourist areas, such as Crash Boat Beach. Currently businesses must close before 12p.m. from Sunday to Thursday and at 2a.m. from Friday to Saturday.

At Crash Boat Beach vendors are required to close at 6p.m.

Diagnostic (Why?)

Not all municipal policies are aligned with the long-term maintenance, care, preservation, and enhancement of important cultural and visitor economy assets. It is important to recognize the potential of the "night economy" through gastronomic and cultural activity in certain zones attractive to tourists. Coordination with businesses could promote security and a healthy coexistence with residents in those areas.

Partners & Resources

Responsible Hospitality Institute is a leading policy think tank and advisor around issues related to the late-night economy. They have gone through similar processes to build credibility and to serve as a resource.

Process

- Identify areas of potential tourist activity where public code should be amended.
- Coordinate community meeting in order to share recommendations and guidelines to expand the economic impact of those areas in a sustainable way.
- Develop a preliminary proposal to be presented to the local government.
- Call for public hearing and start the formal amendment process.

Key Performance Indicators

- Increase in the number of hours open daily.
- Number of new businesses.
- Number of new jobs.



Visitor Economy Recommendations

Asset Enhancement

1

Small Lodging Financial Fund

Provide additional funding to existing small hotel operators

Origin	Community
Budget	Large Budget (\$200k+)
Timeframe	Medium Term (1-3 years) to Long Term (3+ years) / Ongoing
Risk	High - This will require many willing partners working across many layers of complexity. Thorough inspections of facilities from a structural perspective (buildings, infrastructure) should be completed. Selecting one or two operators as a pilot program to work out details and logistics prior to a full campaign is recommended.

Action Item

Establish a pilot program to provide capital to existing small hotel operators in order to improve/upgrade their facilities. Funds may be used to purchase/enhance existing structures and basic amenities expected by visitors, including installation of water heating systems, air conditioning systems, and Wi-Fi.

Diagnostic (Why?)

Lodging facilities require ongoing capital improvements in order to stay relevant. In many cases deferred maintenance results in lower occupancies, poor customer experiences, closure, or obsolescence. Many years, and sometimes decades, of unattended issues have resulted in sub-par conditions for some existing hotel facilities in the area. Economic circumstances make it infeasible for many operators to address these items as they have plenty to take care of with the present needs of the facility.

Assisting these operators in developing comprehensive, sustainable capital improvement plans to meet the needs of their facility, alongside providing low cost funding options for the implementation of these plans, are the goals of this initiative. Lodging operators with limited capital for improvements, including local paradores and B&Bs in the region, would be the primary beneficiaries of this program.

Partners & Resources

- PRTC
- Puerto Rico Hotels and Tourism Association
- Local Financial Institutions
- Instituto de Cultura Puertorriqueña (ICP)

(Many of these opportunities exist in the historic parts of the municipalities and in certain cases will require historic preservation considerations in the design of renovations/improvements; the ICP is the resource to ensure those considerations are made)

- Municipal & State government
- Philanthropic Foundations
- Small Business Administration
- Grupo Guayacán



Source: Unsplash

Process

- FPR should identify partners that can provide capital and strategic planning for this effort.
- Create a Hotel Operator Assistance Committee comprised of individuals with the various expertise needed (financing, construction, hotel operations, marketing, potential funders, etc.). The Committee would work with vetted operators. Parallel track will be designing criteria for selecting operators to assist under this program, whether is grants or loans, for example, underwriting criteria and leverage requirements (such as job creation, establishing a capital reserve account, money invested, etc.).
- A revolving loan fund could be created to ensure the program can continue. Interest rates can be very low and the loans could be combined with SBA loans for commercial real estate.
- Local and/or state agencies support can occur through existing (or newly created) economic development programs. These programs typically have some leverage requirements, such as job creation, for example.
- Establishing metrics/requirements for performance after improvements are made is essential. Metrics/requirements should include: keeping an up-to-date capital needs plan for the facility and establishing a capital reserve fund (which could be seeded under this program as well), among other items deemed essential by the Committee.

Key Performance Indicators

Project-Specific Key Performance Indicators:

- Establishing the Fund (goal should be aggressive as the needs and costs will be high).
- Successful completion of the application/underwriting process for at least 1-2 hotel operators in a 12-month period.
- Moving from application to implementation on at least one applicant in a 24-month period.
- Successful completion of one project within a 36-month period.
- Once improvements are made, KPIs will include more operational items like increase visitation (occupancy rates), customer feedback, etc.

General Key Performance Indicators:

- Increased lodging options for tourists.
- Increased annual revenue for lodging operators.
- Increased tax base.
- New opportunities to expand existing facilities (this could be a growth of the program if robust funding can be made available moving forward).

Case Study or Best Practice

Virginia Tourism Development Financing Program www.vatc.org/tdfp/

Improve Mobility + Accessibility

2

Regional Wayfinding

Establish tourism-oriented directional signs, including highway signage and pedestrian signage

Origin	Destination Planning Team
Budget	<p>Medium Budget (\$50k-200k+)</p> <p>*Costs include Program Administration Costs and Sign Fabrication Costs. In addition, Puerto Rico Department of Transportation and Public Works (also known as DTOP, for its acronym in Spanish) will also need to devote staff time and resources. The program can be designed to ensure that all administrative and sign fabrication costs are paid for by applicants. Applicants can be charged an administrative fee, sign costs, and an installation fee, estimated at \$500-1,000 per sign.</p>
Timeframe	Short Term (Less than 1 year)
Risk	Low - Tourism-oriented directional signage is common and an accepted form of directional signage for visitor destinations in many places.

Action Item

Provide tourism-oriented directional signage (TODS) to qualified tourist-related businesses, services, or activities where income is derived from visitors who do not reside in the immediate area where the business is located. TODS is a formal designation generally accepted by State Highway Agencies.

Diagnostic (Why?)

Much of the directional signage across the Island is faded, outdated, or missing, owing in part to the impacts of Hurricane Maria. Furthermore, GPS coordinates are often inaccurate, making it difficult for visitors to find destinations with ease.

Partners & Resources

- Puerto Rico Department of Transportation and Public Works (DTOP)

Process

- Outreach to stakeholders and a convening of partners will be necessary to begin to enlist the appropriate agencies and identify the appropriate resources for this effort.

Key Performance Indicators

- Total count of new signs directing visitors to local businesses and increase in sales and visitation.

Case Study or Best Practice

The State of Wisconsin Department of Transportation has established a Tourist Oriented Directional Signage (TODS) Program that offers opportunities for qualifying businesses to have standardized signage along highway rights of way. Qualifying businesses include businesses whose income is derived from visitors who do not reside in the immediate area. The businesses also cannot have direct access to a state highway and must be located within five miles of the state highway. These businesses pay an administration fee (\$100 per sign) as well as the cost associated with the sign installation. Typically, these costs come up to approximately \$550.



Sample TOD Sign in Wisconsin. Source: Wisconsin Department of Transportation

Support Business Retention & Growth

3

Amplify Region’s Assets on Online Review Sites

Help businesses claim and manage their online listings

Origin	Community
Budget	Low Budget (Under \$50k)
Timeframe	Short Term (Less than 1 year)
Risk	Low

Action Item

Provide support and one-on-one technical assistance to businesses to enable them to claim their business listings on a variety of popular review sites, including TripAdvisor, Google, Facebook, and Yelp.

Become a Google My Business Partner.

Google has developed a new program that provides customized support to agencies that can maintain client business listings on their behalf. Agency partners receive a personalized dashboard that enables them to track and update basic business listing information, including a business’ location, hours, and services.

Structured Data Websites. A well-designed website uses “structured data”, which refers to the standardized format of providing information on a page and classifying content. When data is properly structured on a website, a user who searches for a business (for example, “best dinner in Aguadilla”) will see results that include both listed and unlisted businesses.

Diagnostic (Why?)

For most visitors, the decisions they make that inform where they go, where they stay, and what they do after arrival start long before tickets are purchased. It begins with review sites that aggregate content and provide travelers with qualitative assessments that inform their decision making. A business that is not listed on review sites like Google, Yelp, and TripAdvisor effectively does not exist for most visitors. We understand that language barriers and discomfort with the internet may prevent many owners from claiming their listing, but this step is critically important to driving visitor traffic to local businesses and must be a priority for the Destination Planning effort.

We recognize that FPR and its small business technical assistance partners have had different programs and workshops to help businesses claim their online listings. However, given the increasingly critical nature of online and mobile tools in travel decision making, we must continue to invest heavily in these efforts until there is significant improvement in Key Performance Indicators

Partners & Resources

Programs like these require local partners and intermediaries who have established relationships with local businesses and have the capacity and resources to manage these efforts. For example: local merchants associations, universities, FPR, among others.

Process

- Explore partnerships between merchants associations and local educational institutions that bring together technically savvy high school or college level students to provide technical assistance in exchange for credits.

Key Performance Indicators

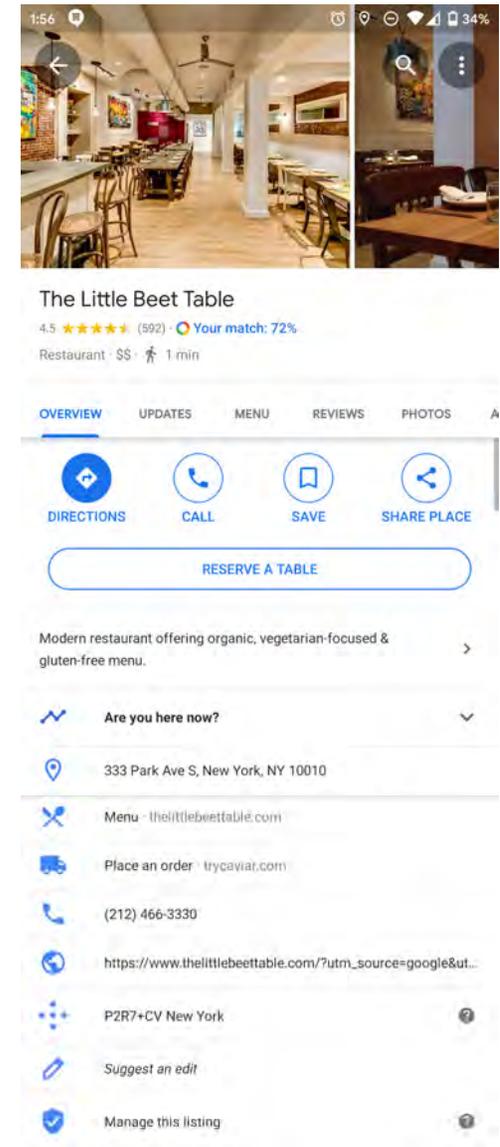
- Total count of small business participants in workshops
- Total count of assets actively managed on TripAdvisor

**36% of local assets
are not listed on
TripAdvisor**

according to a recent survey conducted by Streetsense (2019).

Case Study or Best Practice

Local small business service providers can work to develop training curriculum in partnership with merchant's associations to develop campaigns that work to get each and every business owner and asset manager to claim their online profiles on TripAdvisor, Google, and Yelp.



Example of a 'rich' local business listing based on a user query. Source: Google.

4

Grants for Business Operations and Store Improvements

Provide financial assistance to business owners to enhance business sales.

Origin	Destination Planning Team
Budget	Medium Budget (\$50k-\$200k)
Timeframe	Medium Term (1-3 years)
Risk	Medium - A permanent fund requires multiple partners to coordinate and share resources.

Action Items

Provide grants to business owners for facade improvements and procurement of point of sale technology. Local business retention, expansion, and resilience should be supported by visitor economy institutions.

Diagnostic (Why?)

Many businesses do not track customer data, sales, or have long-term business plans. This makes it difficult for them to grow, much less accommodate or respond to the needs of the visitor customer base. Basic operations, technology, and support for improvements will aid business owners in their efforts to sustain and grow their businesses.

Partners & Resources

- PRTC
- Local merchants associations
- Kiva (a crowdfunding resource platform)

Process

Work with partners to develop grant proposals that focus on the establishment of a fund or lending tools that might include a variety of financing mechanisms, such as mini-grants through crowdsourcing platforms, revolving loan funds, or matching grants. The specific uses for the funds should be defined (i.e. point of sale technology, facade

improvements, expansions, or equipment acquisitions). Partners such as Kiva could support matching grants. PRTC could be a partner in the development of the fund. A call for applications could be developed twice a year for the grants. These be attached to the impact in the visitors economy, increased sales, or job creation.

Key Performance Indicators

- Total number of participants to the program
- Total dollar amount invested/leveraged through the program (including any matching funds by participants)
- Total number of business expansions
- Reported increased sales and total jobs created through the program
- Increased sales tax base
- (Qualitative) Local business success stories and before/after visuals of facade improvements

5

Customer Service Training

Provide training to local workers employed in the tourism economy and managing tourism assets.

Origin	Key Stakeholders; Destination Planning Team
Budget	Low Budget (Under \$50k)
Timeframe	Short Term (Less than 1 year) to Medium Term (1-3 years)
Risk	Low



Source: Unsplash

Action Items

Provide continued support and expansion of existing training programs in hospitality and customer service in partnership with targeted programs led by local partners.

Diagnostic (Why?)

The lack of customer service training was consistently and repeatedly raised as a concern among business owners, hotel operators, and small business support intermediaries. A number of interviewees have developed programs in customer service training, including non-profits such as the Centro Para Emprendedores and the Boys and Girls Club. The owner of Combate Beach Hotel and the head of the Association of Hotels and Tourism further indicated that he sponsors regional hospitality training at his hotel. Continued support and expansion of these efforts is critical.

Partners & Resources

The Boys & Girls Club of Puerto Rico have begun to lead customer service training efforts from some of their regional clubs in partnership with Generation, a Global employment program. PRTC, specially the Porta del Sol Office, has also hosted hospitality trainings in the region. Other partners include the Association of Hotels and Tourism of Puerto Rico and Centro Para Emprendedores.

Educational institutions such as the Interamerican University, Ana G. Méndez University System and University of Puerto Rico (UPR) may also be additional key partners.

Process

- Identify partners that could offer training to local businesses.
- Design a program that addresses customer service for the visitors economy.
- Develop yearly programming (workshops, courses, and mentorship).
- Call for businesses to participate in the educational programming.

Key Performance Indicators

- Total number of participants in the workshops

Build Capacity of Inter-Organizational Asset Managers

Lack of coordination between different levels of government, lack of access to state/federal proposals and operational funds, and issues with permitting are some of the challenges to overcome in order to create a vibrant visitor economy. The following set of recommendations aim to support existing businesses and assets, as the visitor economy continues to evolve, by creating long-term partnerships to help build capacity or instituting policy change.

6

Entrance Fees for Sustainable Asset Management, Employment, and Improvements

Support assets by developing a fair and equitable fee model for entrance

Origin	Destination Planning Team
Budget	Low Budget (Under \$50k)
Timeframe	Medium Term (1-3 years)/ Ongoing
Risk	Medium

Action Items

Non-profit organizations need support and technical assistance in developing models that enable them to charge and easily pay taxes owed. These entrance fees are critical to long term sustainability of these assets. These include not only entrance fees, but also parking fees for access to key local assets as demand increases.

Diagnostic (Why?)

The majority of assets and attractions have no user fees due in part to lack of staffing and challenges associated with taxation policies that some have indicated does not differentiate between non-profit and for-profit revenue. As a result, many non-profits choose to avoid collecting entrance fees and many assets lack sustainable financial resources for maintenance and improvements.

Partners & Resources

Ticket Sales Companies (Tiketera, PRTicket, TicketCenter, TicketPop)

Process

- Create an inventory of events and attractions with actual or potential entrance fee.
- Coordinate orientation or mentorships with ticket sales companies to identify benchmarks and reasonable fees.
- Provide information on experiences,

events, and venues to digital platforms that provide events calendars.

- Assess the impact of new entrance fee in attractions.

Key Performance Indicators

- Number of organizations participating in orientations
- Target 'returns' per event/activity
- Total of new attractions with entrance fee
- Number of information sessions held to educate NGOs on how to address tax implications associated with entry fee models.

Case Study or Best Practice

Entry fees are common in the non-profit world to help compensate for the administrative, staffing, and maintenance costs associated with meeting their non-profit mission. That said, the Internal Revenue Service (IRS) places restrictions on income generated by non-profit organizations. For income to be tax-exempt, it must be related to the non-profit's charitable purpose. NGOs need tax guidance to ensure that the fees they collect are not categorized as "Unrelated Business Taxes", which would be subject to taxation.

One example in Puerto Rico is Para La Naturaleza, a NGO that charges for tours and entry to a number of its locations on the Island.

7

Shared Services

Support shared operational services amongst small organizations working in the visitor economy

Origin	Community
Budget	Medium Budget (\$50k-\$200k)
Timeframe	Long Term (3+ years)
Risk	Medium - This project requires coordination with multiple providers and identification sources of funds to support the participating organizations.

Action Items

Conduct a needs assessment of local organizations in the visitor economy to better understand shortcomings and gaps in services and operational resources in order to develop a medium-term program to provide services grants or packages.

Diagnostic (Why?)

Small non-profit organizations and projects have expressed the challenge of not having enough economic and human resources to address the operational aspects required to advance their visitor economy initiatives. This includes administrative issues, grant writing, accounting, and project management. This support could allow organizations to better focus their time and efforts on programmatic issues that impact local tourism.

Partners & Resources

Universities, Philanthropic Foundations, and Non-Profit Organizations

Process

- Identification of management and administrative needs for organizations and projects impacting the visitor economy.
- Identification of institutions providing management services to non-profit organizations.

- Developing a fund to offer services grants for organizations.
- Creating a call for applications of organizations interested in receiving support through services.
- Develop a membership model for the long-term sustainability of the initiative for shared services.

Key Performance Indicators

- Total funds raised to provide shared services to organizations and projects impacting the visitor economy.
- Total of organizations benefiting from the shared services.

Case Study or Best Practice

The Virginia Tourism Corporation Marketing Leverage Program run by the Virginia Tourism Corporation provides matching dollars to initiatives that are developed in partnership with other tourism service providers. Applicants are required to include a minimum of three partners to be eligible for matching dollars.

For more information, visit: <https://www.vatc.org/grants/leverageprogram/>



Fiscal Sponsorship for 501(c)(3) Status

Fiscal sponsorship to enable organizations to access 501(c)(3) status exemptions.

Origin	Community
Budget	Low Budget (Under \$50k)
Timeframe	Long Term (3+ years)
Risk	Low

Action Items

Identify organizations or create a fiscal-sponsorship organization to support local non-profits. In addition, provide training to participating organizations so they may better understand compliance requirements and processes.

Diagnostic (Why?)

Most non-profit organizations in Puerto Rico do not have formal 501(c)(3) tax exemption status. For this reason, they cannot apply for funding from foundations and government programs. They are also not eligible for tax exemptions from sales and property taxes.

501(c)(3) organizations are highly regulated entities, with strict rules of governance and ongoing compliance. Helping non-profit organizations understand these requirements and manage them is critical to enabling them to gain the benefits associated with tax exemption, which would help them with long-term financial sustainability.

Partners & Resources

Local philanthropic foundations

Process

- Identification of organizations and initiatives in need of fiscal sponsorship for new projects that could impact the visitor economy
- Identification of existing organizations that provide fiscal sponsorship.
- Assess the feasibility of creating a 501(c)(3) entity to provide fiscal sponsorship to projects in the visitor economy.

Key Performance Indicators

- Total value of funds raised through fiscal sponsorship program

9

Technological Tools to Enable Sales of Products and Entry Fees

Provide technological tools to facilitate customer services and visitor experiences

Origin	Destination Planning Team
Budget	Low Budget (Under \$50k)
Timeframe	Long Term (3+ years)
Risk	Low

Action Items

Conduct a needs assessment to better understand gaps in technological tools/ resources amongst local assets. Following that, partner with technology companies to fill gap in services and provide technical training on tech solutions.

Diagnostic (Why?)

Most cultural and social organizations with potential projects to support the visitor economy lack technological solutions that enable the sale of products and services or that enable them to collect entry fees. Reservation and ticket sales tools, payment methods, and digital marketing are important to ensure on-going sustainability of these organizations.

Partners & Resources

Tech companies providing those solutions: ticket sales, POS software, etc.

Process

This project could be aligned with the shared services initiative and the grants for business operations and improvements. Activities could include:

- Assessment of specific needs in the business community
- Coordination of orientations and mentorships with service providers
- Development of cash and/or services grants to support these activities

Key Performance Indicators

- Total number of businesses participating in the program
- Perceived benefit of improvements by participating businesses
- Increased recorded sales from related activities

Systems & Infrastructure

The projects outlined here reflect significant infrastructure issues that fall outside the scope of this program effort. However, they are critical “top down” improvements that are necessary to support the long-term sustainability of the visitor economy.

10 Electrical Service

Ensure long-term local resilience of electrical services

Origin	Destination Planning Team
Budget	Large Budget (\$200k+)
Timeframe	Long Term (3+ years)/ Ongoing

⁸² “Puerto Rico Territory Energy Profile”. U.S. Energy Information Administration. November. 21, 2019.

Action Items

Continue to lobby and advocate for the PR Electrical Power Authority (PREPA) to provide stable electrical connections. In addition, explore options for alternative electrical service, including a micro-grid.

Diagnostic (Why?)

The Island’s electrical grid is notoriously dilapidated and antiquated. The damage inflicted by the hurricane knocked out power, and repairs were frequently limited to reconstruction in a “pre-hurricane” state.

Moreover, electricity costs for commercial establishments are nearly double that of the United States. Puerto Rican businesses on average pay 21.02 cents per kilowatt hour, compared to 13.17 cents in the United States.⁸²

The secondary impact of high energy costs is manifold. Our stakeholder interviews found that businesses often elect to avoid running appliances, like dishwashers, to avoid using energy. Instead they elect to purchase disposable - often Styrofoam - plates and cutlery, finding the financial trade-off more economical. However, these decisions create additional waste management (see Waste Management below) and litter problems that further undermine the visitor experience.

Partners & Resources

- State and municipal governments
- PREPA
- InvestPR



Fallen power lines and damaged roads following the aftermath of Hurricane Maria. Source: Flickr.

11

Waste Management

Ensure sustainable waste management practices and reduction of plastics/styrofoam products and packaging

Origin

Destination Planning Team

Action Items

While restaurants do need additional education on how preferences among visitors lean towards decreasing their ecological impact and reducing their use of single-use plastics, the need to address energy and water infrastructure is an important component of what may help improve the economics of small business decision-making towards reusable serving apparatus.

Diagnostic (Why?)

In the long term, businesses are having difficulty procuring and maintaining affordable utilities. Energy costs are twice that of the United States. This is part of what makes it difficult to convince restaurants to reduce their use of single-use plastics and Styrofoam containers. The costs of running a commercial dishwasher can exceed the cost of purchasing single-use containers.



Source: Unsplash

Destination Planning Team

12

Water Quality

Improve water quality through investments in sewage treatment

Origin

Destination Planning Team

Action Items

Advocate for and support water conservation efforts and sewage infrastructure improvements.

Diagnostic (Why?)

Poor water quality is a significant threat to visitation and undermines the region's fishing economy. Addressing conservation and improving water quality is an important long-term goal if the region aims to see continued growth in visitors. The root causes of poor water quality include pollutants from urban/storm water runoff, inadequate wastewater systems, and collection system failures.

Partners & Resources

- Seaventures
- National Oceanic and Atmospheric Administration (NOAA)
- Caribbean Center for the Reduction of Aquatic Debris
- University of Puerto Rico (UPR)
- Blue Flag Beaches

Case Study or Best Practice

Watershed restoration at Playa Tamarindo in Culebra with NOAA's Office for Coastal Management; 2009 Reducing Monofilament Puerto Rico Coast Marine Debris.

A photograph of two people jumping from a concrete pier into the ocean. The image is overlaid with a green tint and decorative elements, including a light blue wavy line and several small colored dots (red, blue, pink) scattered across the right side. The word "Conclusion" is written in large, white, serif font across the center of the image.

Conclusion

Conclusion

The Destination Plan provides a set of a comprehensive and strategic starting points for investment and policies aimed at improving the assets that make each region unique. These improvements are based on an assessment of the gaps that exist between the assets themselves and the expectations of individual customer segments. The approach is comprehensive because growth in the visitor economy is a complex process that cannot be accomplished through a single project. Much like a three-legged stool – if one of the legs is broken, a project cannot succeed. For successful long-term efforts, a comprehensive approach is critical.

The projects outlined here are also incremental and focused on existing assets by design. Many of the short and medium-term projects in the plan are starting points to help communities build their ability to take on simple projects, which in turn leads them to a more sophisticated understanding of how the visitor economy works. Starting with projects that enable communities to see tangible success helps build the confidence, credibility and skill sets necessary to tackle more complex and ambitious projects over time. Every effort must begin somewhere, and we must begin where communities are, rather than where we want them to be.

What Comes Next?

The strategies outlined in this plan address a multiplicity of forces that impact the overall visitor experience. Together they are greater than the sum of their parts. That said, priorities must be set to enable the efficient allocation of limited resources, including partners with limited staff, time, existing financial commitments, and stretched budgets. Moving forward, further refinement of projects and project ideas will require initial conversations with potential partners to identify champions and begin developing strategies for resource allocation through advocacy, grant writing, and partnerships. Ultimately, local leaders must have the desire, capacity, and wherewithal to support and lead project execution. This plan provides ideas and direction, FPR provides support, resources, and training, but ultimately, long term success is predicated on the involvement and commitment of community stakeholders.

Continued community engagement that enables the prioritization and further refinement of projects outlined here is a critical next step to determining which projects are truly ready for prime time. Exploratory conversations are necessary with potential partners, resource providers, and public leaders to determine which projects align with their interests and objectives. These conversations will build community confidence in the process and enable stakeholders to see how their participation results in tangible outcomes that lead to success. Engagement in turn builds the necessary capacity to support the long-term commitments necessary to change the fundamental underlying dynamics of the visitor economy.

Concurrent with community feedback, efforts should be made to establish a network of local leaders and develop a model of governance that will support plan execution. These local advisors will create a positive feedback loop to identify champions, resources, and community support for the projects and strategies outlined in this plan.

Ultimately, local leaders must have the desire, capacity, and wherewithal to support and lead project execution.

The Destination Plan should be viewed as a living document, a blueprint that will inevitably evolve as communities provide real time feedback, as partners and resources are identified, and as shifts occur Island-wide and municipal priorities and leadership take place. These changes to the plan are to be expected and encouraged. In fact, the ability to spark dialogue and action, whether it looks exactly like the projects outlined here or reflects the push and pull of dialogue and compromise, are the hallmarks of a great plan – one that lives on in the actions and efforts of key stakeholders over time.



Technical Appendix

Glossary of Terminology

Clusters

Businesses that benefit from working together to create and market tourism experiences that meet the needs of niche markets.

Hotel Class

Hotel Class is a real estate term for commercial hospitality. There is no international classification adopted; hotels can be described based on their affiliation, their stars, or their customer offering (such as: Economy, Midscale, Upper Midscale, Upscale, or Boutique/Historic), but class describes the hotel's offerings based on price point and amenities, such as gyms, pools, and finishes. It is not used to make statements regarding the subjective qualities of hotels, customer ratings, or sentiment.

Visitor Experience

The sum of all perceptions, senses stimulated, emotions evoked, and interactions a traveler has with the people, places, and cultures they encounter in a destination.

Destination Marketing Organization vs Destination Management Organization

In recent years, the DMO acronym has been used to refer to traditional destination marketing organizations whose primary function is to promote and market the destination, tourism businesses, services, transportation, associated retail stores, restaurants, and events. Many also invest in primary research to inform decision-making. The alternate use of the term DMO (management) refers to organizations that include the promotion and research functions and also invest in broader industry development and stakeholder development activities.

Currently Puerto Rico has a Destination Marketing Organization also known as Discover Puerto Rico. The mission of this organization is to bring prosperity to Puerto Rico by collaboratively positioning our diverse and unique island as a premier destination for leisure, business and events.

Puerto Rico Tourism Company (PRTC) & Porta del Sol

Founded in 1970, PRTC is a public corporation responsible for stimulating, promoting and regulating the development of the tourism industry in the Island. Both Aguadilla and Isabela have municipal tourism offices under the PRTC scope. In addition, both municipalities are part of Porta del Sol Region, a tourism brand developed by the PRTC in 2005. Porta del Sol has its own Regional Tourism Office located in Cabo Rojo where services are provided to the 19 municipalities that are part of this brand.

Porta de Sol Region is composed of the following municipalities: Aguada, Aguadilla, Añasco, Cabo Rojo, Guánica, Hormigueros, Isabela, Lajas, Lares, Las Marías, Maricao, Mayagüez, Moca, Quebradillas, Rincón, Sabana Grande, San Germán, San Sebastián and Yauco.

Project Rubric

Project	Name
Action Item:	Description of the project
Origin	Where did the project originate from? You may select one or more options: Destination Planning Team, Community Meetings, Nido Cultural, FPR, National Agency, i.e. PRTC Porta del Sol Plan, or other.
Diagnostic (Why?)	Description we collected through the assessment that makes this a meaningful project. How did our findings lead us to this project?
Budget	<p>These budgets are our best guess right now, but these ranges may be subject to further revision based on our collective input.</p> <p>Low Budget (Under \$50k), Medium Budget (\$50k - \$200k), Large Budget (\$200k +)</p>
Timeframe	<p>How long will the project take to implement?</p> <p>Short Term (Less than 1 year), Medium Term (1-3 years), Long Term (More than 3+ years)</p>
Partners and Resources	Who are the potential partners and champions of this effort? Potential sources of funding may include Foundations, Public Funding Sources, Private Developers, Tax Haven investors, known grant opportunities, etc.
Process	What are the first and/or major steps towards the development of the project?
Key Performance Indicators	What are meaningful KPIs?
Case Study or Best Practice	Similar projects or initiatives implemented in other destinations.
Risk	<p>How challenging is this project to get off the ground?</p> <p>Low: e.g. One-time investment with an identifiable champion, limited number of stakeholders, fewer unknown elements to the project, fairly-well identified.</p> <p>Medium: e.g. These projects require 1-4 partners at the table, mostly local, more planning and funding, and may involve some capital investment where more detailed planning (i.e. construction documents) would be necessary, thereby making cost estimates difficult.</p> <p>High: e.g. These projects require multiple partners, some may be State-level organizations, major capital projects with unknown conditions where pre-development feasibility is necessary, major infrastructure investments, etc.</p>

Stakeholders interviewed

Island-Wide

INprende

Alessandra Correa

Kiva

Several Representatives

Grupo Guayacán

Several Representatives

Centro Para Emprendedores

Nerma Albertorio Barnes

Instituto de Cultura Puertorriqueña (ICP)

Jessa Vivas

Morgan Reed

Brian Tenenbaum

ENDEAVOR

Several Representatives

Ports Authority

Riollano Irizarri

Boys & Girls Club

Patricia de la Torre

Invest PR

Rodrick Miller

Isabela

Wine Boutique

María Isabel Rodríguez (Owner)

Palefruta

Rafael Matos (Owner)

Conservación Costera PR (COCOPR)

Bernice Baker (Co-Founder and Vice President)

Casa de la Cultura Isabelina

Adrián Augusto (Founder and Vice President)

Arte para el Desarrollo Económico de Isabela

Rubén Quiñones (Founder and Vice President)

Aguadilla

Aguadilla Farmers Market

Julitza Nieves

The Beer Box (Craft Beer Landmark) & BoxLab (Brewery and Tap Room)

Yaritza Rosado and René Pérez

Cesgo Group Corporation

César Santiago Lebrón (President)

Timber & Blues

Zahireh I. Soto (Owner)

Museo de Arte de Aguadilla y del Caribe (MAAC)

Ariel González (President of the Board of Directors)

Levain, & Colectivo Turístico de Aguadilla

Joy Madera (Owner, Member)

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Island-Wide

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Destination Plan Thank You

For more information, contact Foundation for Puerto Rico

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Prepared by Streetsense



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