

Tomakomai International Resort Initiative -Towards Realization of Innovation Resort-

1. Tomakomai International Resort Initiative Background

- Recognition of Social Issues in Japan/Hokkaido/Tomakomai -

[4 Social Issues]

- ① Population decline problem
- ② House vacancy problem
- ③ Technological innovation & paradigm shift
- ④ Change in lifestyle

[Challenges for Hokkaido]

- Population decline/youth outflow
- Maintenance cost of transportation network

[Challenges for Tomakomai]

- Population decline/youth outflow
- Necessity of new industry
- Hollowing out of urban area

[Strength of Hokkaido]

- Abundant nature/tourism resources
- Food storehouse of Japan

[Strength of Tomakomai]

- Gateway of Hokkaido
- Double "port": Airport/Seaport
- Manufacturing base

Necessary to have countermeasures to solve problems by utilizing the strength of Hokkaido/Tomakomai

- ① Aim for self independence by private vitality (know-how/funds of private sector) departing from dependence on public investment
- ② Tomakomai is suitable for Hokkaido IR site from the viewpoint of attracting inbound visitors/promoting travel around Hokkaido

Challenge to Tomakomai International Resort Initiative with IR as engine

2. Tomakomai International Resort Initiative

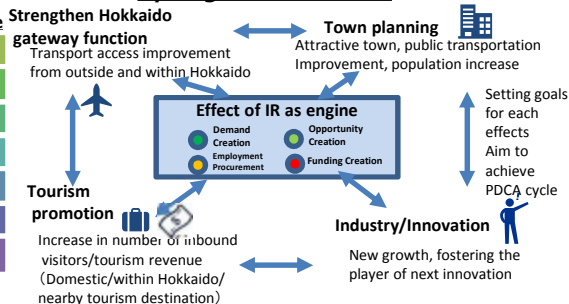
- Overcome social issues by utilizing the effect of IR -

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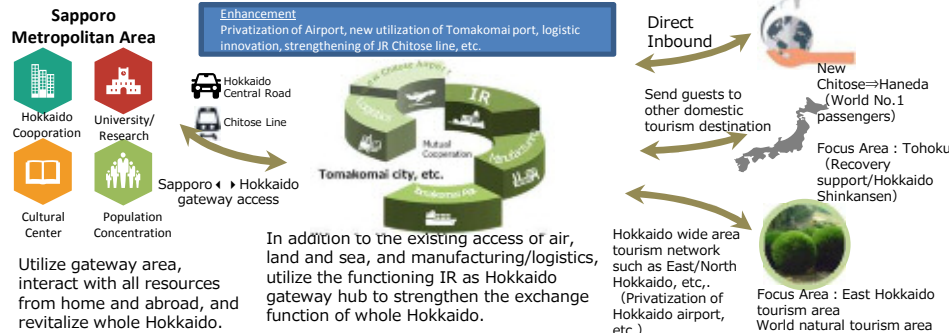
Tomakomai International Resort Initiative

- 1 Concept of regional revitalization of Hokkaido & Tomakomai
- 2 Create a world known resort facility
- 3 Not relying on public investment, by utilizing private investment & vitality
- 4 Create 21 century type resort, coexisting with environment
- 5 Value food, art, music, sports, etc.
- 6 Aim for "innovation" place rather than a simple resort
- 7 Aim to minimize social loss such as addiction

Synergetic effect of IR



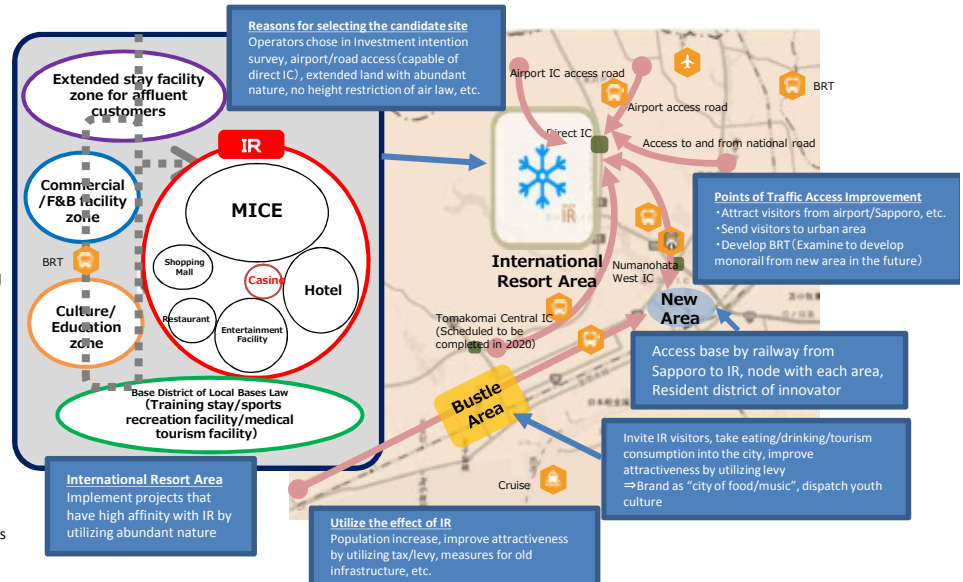
3. Contribution to Tourism Promotion by Strengthening Hokkaido Gateway Function



4. Town Planning in Line with International Resort Initiative

- Realization of Innovation Resort -

Zoning and Access Improvement (Whole City & International Resort Area)



Innovation Resort

Create opportunities and financial resources by IR, and utilize exchange function to foster player for new growth/next innovation.

Smart City

Aim to overcome urban issues by utilizing IoT/AI, etc. Improve comfort/convenience of residents and IR visitors, and secure safety & security. Try to develop models into Hokkaido/domestic cities, and centralize revenue by utilizing data.

Avoid Traffic Jam	Tourism Promotion	Commercial Promotion
Crime Prevention	Disaster Prevention	Energy
Negative Impact	Health Care	Policy Planning

Create New Industry

Based on Tomakomai's manufacturing and air, land and sea access, utilize hypothesis verification in IR/smart city, and create innovation/new industry originate Hokkaido/Tomakomai.

Farming	Environmental Technology
Health Care	Hospitality
Others	

Promotion of Education

Implement educational promotion measures to constantly create new types of human resources who will be the leaders of future innovation with creativity.

International School
Educational Facilities related to Hospitality/Cooking/Entertainment
Educational MICE Programs

5. The Core of the International Resort Initiative WHITE IR

Basic Concept and Facility Composition



The Effect of WHITE IR (Capital Available)

※ The numbers were estimated based on operators' investment intention survey.

Opportunity Creation

New business opportunities with IR
construction/operation related businesses

Inauguration Investment Amount approx. ¥220-300 billion
Estimated Sales approx. ¥120-160 billion

Employment/Procurement Creation

Employment increase, create demands by ordering to local entities

Direct Employment approx. 5,000-10,000 ppl.
Inducement amount of production (Construction) approx. ¥440-550 billion (Operation) approx. ¥160-210 billion

Demand Creation

Attract large scale customers, such as inbound visitors

Estimated Visitors 6-8.39million ppl./annual

Capital Creation

Large amount of levy/tax collection, Tourism promotion, utilization for town planning
Countermeasures against negative impact such as addiction

(Unit: billion yen)
City Levy (Total of Hokkaido/City) approx. 10.6-14.2
Entry Fee (Total of Hokkaido/City) approx. 6.5-8.7
Tax Revenue (City) : approx. 2.5-3.5
Prefecture) : approx. 1.7-2.2

Challenges Related to Employment (Human Capital)

Labor population decline of whole Hokkaido

Serious manpower shortage in tourism/accommodation industry (Treatment Problems)

Aim to improve labor productivity/treatment of whole Hokkaido tourism by implementing IR

Measures

Gather People

Good treatment/Challenging Job/Hire people from abroad and outside Hokkaido by attracting with nature-rich job/residency

Educate People

Aim for securing human resources by installing educational facilities related to hospitality/cooking/entertainment with practical education

Treatment/Challenging Job

Improve treatment/motivation by adding value and efficiency. Contribute to tourism productivity of whole Hokkaido.

Challenges Related to Development Site/Infrastructure Improvement (Resources)

Infrastructure improvement

Examine the improvement of infrastructure (transport access/water supply system, etc.) and the cost burden (Consider conditions that operators can accept)

Development regulation

Develop study under urbanization coordination area
Aim to complete corresponding until the beginning of operators selection

Land Usage/condition

Leasing or Owning, Examine transfer price/rent standard, Examine together with infrastructure burden, Reduce operators burden and promote investment

Environmental regulation

Plan thoroughly to reduce the environmental burden by environmental survey, Examine to advance in work schedule/shorten the period when law assessment is required

6. Countermeasures against negative impact such as gambling addiction, etc.

Gambling Addiction Countermeasures (as municipality)

【Points】

- Minimization of addiction loss including the existing gambling addiction, etc.
- Substantial addiction countermeasures using levy/entry fee

【Measures】

- Early consultation/intervention/treatment, Develop social recovery support system, Establish cooperation system of related organizations, Support self-help group
- Implement gambling education for students
- RFP, etc. (mandatory measures: addiction)
- Establish addiction research institution, Develop practical countermeasures base on the fact of Japan/Hokkaido

Surrounding Environmental Measures

【Points】

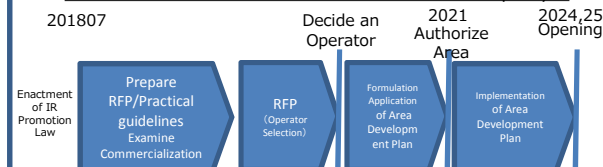
Prevent security/moral deterioration (Utilizing casino levy, etc.)

【Measures】

- Prevent unregulated surrounding/urban area development
- Thoroughly eliminate anti-social forces
- Crime prevention measures with the latest technologies
- Wholesome growth of young generation
- Correspond to Law Regulating Adult Entertainment Businesses

7. Toward an International Resort Initiative

Estimated schedule for Realization (Municipality)



【Promotion System】

- Cooperation with Hokkaido government and Tomakomai city
- Composition of professional project team
- Promotion meeting by experts
- Hearing opinions from operators

【Regional Collaboration】

- Realize a resort initiative which truly contribute to the region by collaborating with local entities/citizens