



**HĀLĀWAI PAPA ALAKA'I KŪMAU O KE KE'ENA KULEANA HO'OKIPA O HAWAII'
REGULAR BOARD MEETING OF THE HAWAII' TOURISM AUTHORITY**

**HĀLĀWAI HŌ'EA KINO A KELEKA'A'IKE
HYBRID IN-PERSON & VIRTUAL MEETING**

**PŌ'AHĀ, 29 PEPELUALI 2024, 9:30 AM
THURSDAY, FEBRUARY 29, 2024 AT 9:30 AM**

Kikowaena Hālāwai O Hawai'i
Papahale Ho'okū Ka'a | Lumi Nui A
1801 Alaākea Kalākaua
Honolulu, Hawai'i 96815

Hawai'i Convention Center
Parking Level | Executive Boardroom A
1801 Kalākaua Avenue
Honolulu, Hawai'i 96815

E ho'olele 'iwa'ia ka hālāwai ma o ka Zoom. Meeting will be live streaming via Zoom.
<https://us06web.zoom.us/j/85983647069>

*E noi 'ia 'oe e kainoa me kou inoa. E 'olu'olu, e ho'okomo i kou inoa piha akā hiki nō iā 'oe ke ho'ohana i ka inoa kapakapa e like me kou makemake. E noi 'ia 'oe e hā'awi mai i kāu helu leka uila. Hiki nō ke ho'opihapiha penei, ****@****mail.com*

You may be asked to enter your name. The Board requests that you enter your full name, but you may use a pseudonym or other identifier if you wish to remain anonymous. You may also be asked for an email address. You may fill in this field with any entry in an email format, e.g., [**@****mail.com](mailto:****@****mail.com).**

**Kelepona / Call In: (669) 444-9171
Helu Hālāwai / Webinar ID: 859 8364 7069**

Hiki i ka lehulehu ke hō'ike mana'o ma o ka palapala a i 'ole ma o ka waha. E kau palena 'ia ka hō'ike mana'o waha (ma ke kino a i 'ole ma o ka Zoom) he 'elima minuke ka lō'ihī no kēlā me kēia kumuhana. E kāinoa no ka hō'ike mana'o waha ma ke pākaukau ho'okipa ma ka lumi hālāwai. E kāinoa no ka hō'ike mana'o waha ma o ka Zoom ma o ke pihi "Q&A."

Members of the public may provide written or oral testimony on agenda items. Oral testimony (in-person or via Zoom) will be limited to five minutes for each testifier per agenda item. Signup for oral testimony in-person will be at the registration table in the meeting room. Signup for oral testimony via Zoom will be accepted through the Q&A feature on Zoom.

E ho'ohui 'ia nā palapala hō'ike mana'o i hiki ma ka pū'olo hālāwai. No nā palapala hō'ike mana'o i hō'ea mai ma hope o ka pa'a o ka pū'olo hālāwai (he 48 hola ma mua o ka hālāwai), e kaka'ahi 'ia nā kope i ka papa alaka'i a e mākaukau no ka 'ike 'ia e ke anaina ma ka hālāwai. E leka uila 'ia nā palapala iā Carole Hagihara-Loo ma carole@gohta.net, a i 'ole, e lawe kino 'ia i ke ke'ena.

Written testimony received ahead of the preparation of the board packet will be included in the board packet. Written testimony received after the issuance of the board packet (48 hours ahead of the meeting) will be distributed to the board and available for public inspection at the meeting. Email written testimony to Carole Hagihara-Loo at Carole@gohta.net or hand-deliver or mail to the Hawai'i Tourism Authority office, 1801 Kalākaua Avenue, 1st Floor, Honolulu, HI 96815.

**PAPA KUMUMANA'O
AGENDA**

1. *Ho'omaka*
Call to Order
2. *Kikolā*
Roll Call to Announce Name of Participating Board Members and to Identify Who Else is Present with Board Member if Location is Nonpublic
3. *Wehena*
Opening Protocol
4. *Hō'ike O Nā Hālāwai 'Ae 'Ia*
Report of Permitted Interactions at Informational Meetings or Presentations Not Organized by the Board Under HRS section 92-2.5(e)
5. *'Āpono Mo'olelo Hālāwai*
Approval of Meeting Minutes of the January 25, 2024 Regular Board Meeting
6. *Hō'ike A Ka Luna Ho'okele Ho'okō*
CEO Report
7. *Hō'ike A Ka Luna Ho'omalū Papa Alaka'i HTA*
Board Chair Report
8. *Hō'ike no ka Limahana 'Aelike Mālama 'Āina Ho'okipa e Kilohana*
Update on the Services for Destination Stewardship Contract by Kilohana
9. *Hō'ike'ike A Kūkā No Nā 'Ike A Kūlana Mākeke O Kēia Wā I Hawai'i A Me Nā Mākeke Ho'okipa Nui I Hawai'i*
Presentation and Discussion of Current Market Insights and Conditions in Hawai'i and Key Major Hawai'i Tourism Markets
10. *Hō'ike A Ke Kōmike Mo'ohelu Kālā, 'Oihana Kālā, a me ke Kikowaena Hālāwai*
Report and Update by the BUDGET, FINANCE, AND CONVENTION CENTER STANDING COMMITTEE of their Meeting Held on February 20, 2024
 - a. *Kūkākūkā a Ho'oholo No Ka Mo'olelo Kālā*
Discussion and/or Action on HTA's Financial Report for January 2024
 - b. *Kūkākūkā a Ho'oholo No Ka Mo'olelo Kikowaena Hālāwai O Hawai'i*
Discussion and/or Action on the Hawai'i Convention Center's January Financial Report and Update on the Hawai'i Convention Center's 6-Year Repair and Maintenance Plan

11. *Hō'ike A ASM Global no nā Au Mana'o o Ke Kikowaena Hālāwai a me ka Loa'a 'ana iā Legends*

Presentation by Dan Hoffend, ASM Global, on Convention Center Trends and Legends Acquisition

12. *Hō'ike'ike a Kūkā no ke Kuleana Pāhana Hālāwai a me ke Kikowaena Hālāwai o Hawai'i*

Presentation and Discussion Regarding an Update of the Meetings, Conventions and Incentives Market Activity and Pace Report, and Hawai'i Convention Center Activity and Local Sales

13. *Mo'olelo A Nūhou A Ke Kōmike Ho'okele & Hō'ōia*

Report and Update by the ADMINISTRATIVE & AUDIT STANDING COMMITTEE of their Meeting Held on February 21, 2024

a. *Ka Nū Hou no ke Noi Hō'ōia a ka 'Aha'ōlelo ****
Update on the Legislative Audit***

b. *Kūkā a Hana no ka Ho'ololi 'Ana o nā Palapala 'Aelike Limahana no ka Luna Ho'okō Lawelawe Hana, ka Luna Alowelo a me ka Luna 'Ikepili Lehulehu e kāpae aku i ka uku keu ho'okō 'ana ****
Discussion and Action on Amending the Employment Agreements for the Chief Administrative Officer, Chief Brand Officer, and Public Affairs Officer to Remove Performance Bonus Provisions***

14. *Kūkākūkā A Ho'oholo No Ka Luna Ho'omalua O Ke Kōmike Alowelo*

Discussion, Recommendation, and Action on the Assignment of a New Chair for the Branding Standing Committee

15. *Ho'oku'u*

Adjournment

*** *'Aha Ho'okō: Ua hiki i ka Papa Alaka'i ke mālama i kekahi hālāwai kūhelu i kū i ka Hawai'i Revised Statutes (HRS) § 92-4. E mālama 'ia kēia hālāwai kūhelu nei ma lalo o ka § 92-5 (a)(4), § 92-5 (a)(8) and §201B-4(a)(2) no ka pono o ko ka Papa Alaka'i kūkā a ho'oholo 'ana i nā nīnūnē a nīnau i pili i ko ka Papa Alaka'i kuleana me ko ka Papa Alaka'i loio. He hālāwai kūhelu kēia i 'ole paulele 'ia ka 'ikepili a i mea ho'i e mālama kūpono ai i ko Hawai'i 'ano, he wahi i kipa mau 'ia e nā malihini.*

*** Executive Session: The Board may conduct an executive session closed to the public pursuant to Hawai'i Revised Statutes (HRS) § 92-4. The executive session will be conducted pursuant to HRS § 92-5 (a) (2), § 92-5 (a)(4), § 92-5 (a)(8) and §201B-4(a)(2) for the purpose of consulting with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities; to consider hiring and evaluation of officers or employees, where consideration of matters affecting privacy will be involved; and to discuss information that must be kept confidential to protect Hawai'i's competitive advantage as a visitor destination.

Ma lalo o ka māhele 531.5 o ka Budgetary Control Accounting Manual, Moku'āina 'o Hawai'i, he māhele ka 'aina awakea o ka hālāwai. E mau ana ka hālāwai ma loko nō o ka 'ai 'ana, 'a'ole ho'i ia he wā ho'omalolo.

Pursuant to Section 531.5, of the Budgetary Control Accounting Manual, State of Hawai'i, lunch is served as an integral part of the meeting, while the meeting continues in session, and not during a break.

Inā he lawelawe a mea like paha e pono ai ke kīnānā, e ho'oka'a'ike aku me Carole Hagihara-Loo ma (808)-973-2289 a ma ka leka uila e like me ka wikiwiki i hiki, 'a'ole ho'i a ma 'ō aku o ka 'ekolu lā ma mua o ka hālāwai. Inā 'ike 'ia he noi i ka lā ma mua o ka hālāwai, e ho'ā'o mākou e 'imi i ka lawelawe a mea like paha, 'a'ole na'e ho'i e hiki ke ho'ohiki 'ia ke kō o ua noi lā. Ua noa pū kēia ho'olaha ma nā kino 'oko'a e like me ka mea pono.

If you need an auxiliary aid/service or other accommodation due to a disability, contact Carole Hagihara-Loo at (808) 973-2289 or carole@gohta.net as soon as possible, preferably no later than 3 days prior to the meeting. **Requests made as early as possible have a greater likelihood of being fulfilled.** Upon request, this notice is available in **alternative/accessible** formats.

E like nō me ka 'ōlelo o ke Kānāwai Hawai'i i ho'oholo 'ia māhele 92-32.7, 'a'ole e mālama ana ke Ke'ena Kuleana Ho'okipa o Hawai'i i kekahi wahi ka'awale no ka lehulehu a lālā papa alaka'i e nānā a e komo ai i ka hālāwai ma ka ho'ohana i ka 'enehana komo hālāwai, no ka mea, hiki nō i ka po'e o ka lehulehu a lālā papa alaka'i ke nānā a komo pū ma ka hālāwai hō'ea kino.

In accordance with HRS section 92-3.7, the Hawai'i Tourism Authority will not establish a remote viewing area for members of the public and board members to view and participate in meetings held using interactive conference technology (ICT) because there will be an in-person option for members of the public and board member to view and participate in the meeting.

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**Approval of Meeting Minutes of the
January 25, 2024 Regular Board Meeting**



Ke'ena Kuleana Ho'opipa O Hawai'i
1801 Kalākaua Avenue
Honolulu, Hawai'i 96815
kelepona tel 808 973 2255
kelepa'i fax 808 973 2253
hawaii tourismauthority.org

**REGULAR BOARD MEETING
HAWAII TOURISM AUTHORITY
Thursday, January 25, 2024, 9:00 a.m.**

Hybrid In-Person & Virtual Meeting

Hawai'i Convention Center
Parking Level | Executive Boardroom A
1801 Kalākaua Avenue
Honolulu, Hawai'i 96815

MINUTES OF THE REGULAR BOARD MEETING

MEMBERS PRESENT:

Mufi Hannemann (Chair), Mahina Paishon-Duarte (Vice Chair), Kimberly Agas (Zoom), David Arakawa (Zoom), Dylan Ching (Zoom), Stephanie Iona (Zoom), James McCully, Sherry Menor-McNamara (Zoom), James Tokioka (Ex Officio, DBEDT Director), Mike White, Sig Zane

MEMBER NOT PRESENT:

Blaine Miyasato

HTA STAFF PRESENT:

Daniel Nāho'opi'i, Kalani Ka'anā'anā, Ilihia Gionson, Caroline Anderson, Jadie Goo, Iwalani Kaho'ohanohano, Maka Casson-Fisher, Carole Hagihara-Loo, Takon Kishi, Maile Carvalho

GUESTS:

David Baronfeld, Kekoa Carvalho, Jennifer Chun, Jeffrey Eslinger, Laci Goshi, Sean Hao, John Hassler, Jesse Jones, Erin Khan, Les Kondo, Noelle Liew, Lawrence Liu, Daria Loy-Goto, Guillaume Maman, Tom Mullen, Elizabeth Nakamura, Rachel Ray, Teri Orton, Kainalu Severson, Mari Tait, Alexander Wong

LEGAL COUNSEL:

John Cole

1. Call to Order

Chair Hannemann called the meeting to order at 9:01 a.m.

2. Roll Call to Announce Name of Participating Board Members and to Identify Who Else is Present with Board Member if Location is Nonpublic

Mr. Gionson conducted the roll call, and members were in attendance except for Mr. Miyasato, who was excused. Members who attended via Zoom were by themselves.

3. Opening Protocol

Mr. Casson-Fisher did the opening protocol.

4. Report of Permitted Interactions at Informational Meetings or Presentations Not Organized by the Board Under HRS section 92-2.5(e)

There was no input on Permitted Interaction Groups.

5. Approval of Meeting Minutes

a. December 13, 2023 Special Board Meeting

Mr. McCully made a motion to approve the minutes. Ms. Paishon-Duarte seconded, and the motion passed unanimously.

b. December 21, 2023 Regular Board Meeting

Mr. White made a motion to approve the minutes. Ms. Paishon-Duarte seconded, and the motion passed unanimously.

6. CEO Report

Mr. Nāho'opi'i reminded members that his detailed report was included in their binder of documents.

Mr. Nāho'opi'i thanked the staff and Board members for their commitment and hard work during 2023. This had been an eventful year for the HTA since it included the natural disaster of the Maui wildfires and changes in the agency aimed at making it more efficient and better organized. December had been a busy month in which the management had worked with contractors to meet their year-end goals and benchmarks. The management had also worked on the transition towards two separate teams focusing on destination stewardship or brand management.

The destination stewardship team had dedicated itself to ensuring that community funding awards were reviewed, evaluated, and scored on time to notify community organizations about their funding. All the awardees had been contacted, and a public notice would shortly be issued.

A quality assurance program was underway for regenerative tourism involving Kilohana and other contractors. There was to be an investment program for businesses hoping to expand in the visitor industry, and various training programs were planned. The team had worked on enhancing visitor education at airports and hotels, and they were securing a contract to expand this program to deal with specific Maui issues.

The branding team was doing its best to ensure the implementation of the Maui recovery plans approved by the Board. This included Aloha Canada travel missions to Toronto, Calgary, and Vancouver. The Japan Hawai'i program was fully implemented. A new service run by Air Premier was to run from December to March and had been very successful so far, with a 95% load factor. The staff were working with the Department of Transport airports to develop a new route that is of interest to Hainan Airlines.

The Maui recovery plan had been finalized, and all the action items and funding were implemented. The staff were working to organize programs and identify community groups or businesses that could implement the planned actions, including the Kaua'i Office of Economic Development, Kilohana, and the HVCB. A technical needs assessment survey had been sent to many businesses, and Mr. Nāho'opi'i encouraged Board members to explain to their colleagues

that this survey aimed to discover the needs of businesses and community groups hoping to expand their roles in the visitor industry.

Meetings were held with stakeholders during the quality assurance program. Board members were invited to encourage colleagues to contact the HTA with their questions so that the agency could support travel-related businesses to ensure a high-quality visitor experience. Mr. Nāho'opi'i thanked the fiscal department of the HTA for their diligent work. The requirements of the just-completed financial audit meant much overtime and weekend work to provide the deliverables requested by the audit team.

Mr. Gionson informed the Board that as part of the DBEDT Ohana, he had participated in informational meetings before the Senate Ways and Means Committee on January 3 and the House Finance Committee on January 12. Both these committees had sent follow-up questions to which the HTA had responded before the deadline. The House Finance Committee had sent additional questions on which the HTA staff were currently working, and their responses would be submitted before the deadline.

Members of the HTA staff and Board attended the opening day of the legislative session on Wednesday, January 17, during which Mr. Nāho'opi'i had been recognized on the floor of the House. Chair Hannemann, Vice-Chair Paishon-Duarte, the Acting CEO, Mr. Nāho'opi'i, and Mr. Gionson visited several legislators in their offices. On Friday, January 19, they participated in the first of a series of meetings with key stakeholders to share the legislative priorities of the HTA, and to hear the priorities of the stakeholders.

Mr. Gionson reported that at the time of speaking, the HTA was tracking 86 measures slated for the present session. The deadline for filing had been the previous day, and additional bills might still appear. The topics ranged from travel and visitor experience, transparency, accountability, environmental protections, Hawai'i Made Products, etc. After a review by the HTA staff, the Legislative PIG was to flag the top priority bills for active attention. The early flags concerned green fees, naming rights for the HCC, bond funding opportunities, coupling the management and marketing of the HCC, and the transfer of the management of the HCC from the HTA to the Department of Accounting and General Services.

Legislative measures that directly concerned the HTA included clarifying the appointment of Board members, reducing the number of Board members, and a bill concerning a smart destination platform concept that had been previously discussed internally but had no budget. These matters were likely to entail vigorous discussions through regular engagement with the chairs of the tourism committees and other key legislators. Mr. Gionson was grateful for the work of the DBEDT legislative team under the leadership of Dir. Tokioka and Deputy Director

Dave Wicker. He thanked Chair Hannemann, Vice Chair Paishon-Duarte, and Mr. White, the chair of the Legislative PIG, for their work before the present legislative session.

On behalf of the HTA staff, Mr. Nāho'opi'i congratulated Ms. Kanaho, now promoted to Managing Director of Island Chapters of the HVCB. The staff had created a certificate for her in respect of her diligent work for almost three decades, during which she had provided a high standard of training for other island chapters and had earned the local community's trust.

She also gained significant experience working with all levels of government on tourism, economic development, resource management, emergency response, and recovery. Ms. Kanaho was an important asset to the people of Hawai'i, and before joining the HVCB, she was the executive director of the Kaua'i Economic Development Board. She had also been heavily involved in the Kaua'i community, including the Chamber of Commerce, the Royal Coconut Coast Association, the Kaua'i Economic Development Board, the Visitor Aloha Society of Kaua'i, the Kaua'i Native Hawaiian Chamber of Commerce and the Zonta Club of Kaua'i.

Mr. Nāho'opi'i thanked Ms. Kanaho for her dedication and presented her with a certificate on behalf of the HTA staff and himself. He was convinced that an overall manager for all the island chapters would strengthen them and aid the shift towards regenerative tourism, emphasizing appropriate development for each island.

Ms. Kanaho responded by thanking Mr. Nāho'opi'i and said she looked forward to a closer working relationship with the HTA.

7. Board Chair Report

Chair Hannemann congratulated Ms. Kanaho on her promotion and expressed his hope that they would continue to serve Hawai'i together.

Chair Hannemann recalled that on his election as Chair of the HTA Board, he had promised to do his utmost to make the authority transparent, open, and accessible. He had been gratified to be joined by the HTA staff members on the legislative session's opening day. He and Ms. Paishon-Duarte had visited as many offices as possible, and the unity of the HTA team had been a refreshing experience. The legislators had been more receptive to the aims and requests of the HTA than he had expected. Chair Hanneman was doing his best to interact regularly with legislators at the State and County levels, including Mayors and Council members. He believed that the change in the narrative was driving a change in response. The goal was to achieve lump sum funding in the budget, and the Chair reported increasingly positive reactions to this aim. It was clear that there were questions to be asked and answered and some issues to be rectified.

His hope was to address the challenges of today to make the State a better place for its residents.

Chair Hannemann called the Board's attention to the Spotlight interview with Speaker Saiki, in which the speaker emphasized the importance of the State having a central agency to coordinate tourism activity, as was the case in almost every other jurisdiction. The HTA had taken a couple of years to embrace destination management, and it was important for the agency to focus on this aspect. Speaker Saiki felt that for the HTA to fulfill its role, it needed to be able to operate independently and flexibly.

Chair Hannemann stated that independent operation continued to be the goal of the HTA, and he looked forward to the report from Chair White of the Administrative and Audit Standing Committee. The Chair stated that shoring up the staffing situation was another goal, noting that the Brand Marketing Chief, Mr. Ka'anā'anā, had been working two positions while receiving a salary for just one. Chair Hannemann also aimed to begin the process of seeking a permanent presidency of the HTA. He appreciated the work done by the legislative committee under its chair, Mr. McCully, in particular its meeting with stakeholders to encourage them to support the agency's agenda so that the agency would, in turn, support their aims.

Chair Hanneman informed the Board that he was endeavoring to make himself as accessible as possible and had attended a meeting of the Waikīkī Improvement Association Board at which he explained the agenda of the HTA while pointing out many areas of mutual interest which they would support. During the following two days, the Chair was due to attend the general membership meeting of the Kaua'i Lodging and Tourism Association, at which Acting CEO Nāho'opi'i was to give presentations on the marketing campaign and destination stewardship, focusing on the Japanese market.

The Chair, Mr. Zane, and Mr. Gionson had recently attended a small gathering of wedding planners, whose services were particularly important to the Japanese market. The appreciation of the HTA was extended to all who provided services to this section of the tourism industry. Chair Hannemann mentioned many organizations collaborating with the HTA to achieve its goals. He reminded the Board that everyone would never be satisfied, but he encouraged partners to remain patient, hoping that an increased budget would enable the HTA to fund more groups. He noted that the HTA was grateful for the Transient Accommodations Tax (TAT) that the agency received from the State.

Chair Hanneman mentioned three significant events. The Trans-Pacific Volleyball Championship had been held in the HCC, involving 172 teams from the State of Hawai'i and 100 who flew in from other parts of the world. Sports formed an important foundation for many of the activities. The Sony Open Golf Tournament had brought in travelers who stayed longer and

spent more, as well as broadcasting the appeal of Hawai'i as a destination on TV throughout the world. The Polynesian Football Game and Dinner had been broadcast throughout the U.S. and was affiliated with the National Football League. Chair Hannemann encouraged the HTA Board and staff to ensure that the local community was made aware of these important events. Chair Hannemann was grateful for the opportunity to work with the HTA Board and staff and encouraged everyone to work together for a common cause.

8. Presentation and Discussion of Current Market Insights and Conditions in Hawai'i and Key Major Hawai'i Tourism Markets

Ms. Andersen began by pointing out that the visitor statistics for December would be available only the following week, as a result of which she would present a somewhat abbreviated package this month.

The TSA's report showed an increase in overall volume at all airports during December. However, the number of visitors to Kapalua was down by 24% compared with the previous year, while there had been an increase in visitors to Hilo. 72% occupancy for December was higher than that for 2022 but still lower than that of 2019. The State's average daily rate (ADR) was \$428, which was higher than prior years but still lower than 2019. Occupancy and ADR for vacation rentals had been much lower. The detailed report submitted to the Board showed that demand for hotel rooms was higher than that for vacation rentals.

The transient Accommodations Tax (TAT) collected by the State Department of Taxation in December amounted to \$60.3 million regarding November activities. This gave a total to date for Fiscal Year 2024 of \$402.9 million, slightly down by 1.2%, a reduction of \$19 million compared with \$421.8 million for the same period in FY2023. Although tax collection had been higher in some prior months, the decrease was not concerning.

Overall unemployment for the State was the same as for November, and the unemployment rate for Maui County had now decreased to 5.3%.

More nonstop seats had been scheduled for January 2024, an increase over 2019 but not 2023. There had been a decrease in domestic seats but an increase in international seats during January, and the trend was likely to be similar for February. The number of international seats was higher than in 2019 but lower than that of 2023.

Regarding market trends and insights, the SKIFT travel health index now stood at 105 for the whole world, but for all Hawaiian markets, including Europe, only the index for Germany was less than 100%, and all the other indices were higher.

There had been an increase in travel spending for the U.S. during November, compared with the same period in 2019, with more air passengers, but overseas arrivals and hotel demand were lower while short-term rentals were higher. Details were given in the documentation supplied to Board members.

Air ticket bookings were not up to the corresponding period in 2019 and were different in various markets. The spring appeared to be better for the U.S. market, with Japan still far behind. The Canadian market was not far behind and seemed likely to improve by May. For Korea, May and June were ahead of the pre-pandemic levels.

The DBEDT travel forecast had been released after the previous Board meeting and showed that 2019 expenditure levels had already been surpassed. It was expected that visitor arrivals would reach pre-pandemic levels as of 2026. Figures for the U.S. West were trending downwards, while the U.S. East was also decreasing, but less steeply than the U.S. West. DBEDT forecast growth in the Japan market, and numbers are expected to reach the pre-pandemic level by 2026. The Canadian market was slowly increasing, while Europe was expected to reach pre-pandemic levels in 2026, with similar increases in other markets.

Chair Hannemann commented that Gov. Green had noted in his State of the State message that the Council of Revenues had readjusted the State's economic projection of 1.3% growth to 4% growth. Tourism was the major driver of this growth, and it was important for this message to resonate with the government and the community.

9. Report and Update by the BUDGET, FINANCE, AND CONVENTION CENTER STANDING COMMITTEE of their Meeting Held on January 24, 2024

The Chair of the Budget, Finance, and Convention Center Standing Committee, Mr. Arakawa, stated that he submitted two items for Board approval, which had been fully discussed at the previous meeting.

a. Discussion and/or Action on HTA's Financial Report for December 2023

Mr. Arakawa proposed a motion to approve the HTA's Financial Report for December 2023, and Ms. Paishon-Duarte seconded this motion.

Mr. Kishi gave an outline of detailed financial statements submitted to Board members in their binder. During December, the HTA had spent \$7.2 million on tourism programs, \$2.1 million on branding, and \$1.2 million on destination management, which included \$300,000 on natural resources and \$330,000 on perpetuating the Hawaiian culture.

There had been no expenditure for the HCC during December because the center had been operating on a positive net income basis for the past few months and did not need to be reimbursed for its losses.

During December the HTA collected \$11 million from the State in Transient Accommodations Tax (TAT), and this was deposited in the HCCESF. Regarding the HCC roof repairs, general obligation bonds had been appropriated for temporary roof repairs and other roof-related issues, but no expenditure had yet been executed.

\$2.4 million from the Tourism Emergency Special Fund had been spent for USA branding during December, and Maui marketing had been started. The account realized \$13,000 in income, including \$6,000 in fair value appreciation and another \$6,000 in interest earned on the bonds held in the HTA fund at the Bank of Hawai'i.

No expenditure was executed from the Federal fund account for the EDA tourism grant during December.

Details of the balance sheet showed that at present, the tourism fund included \$36 million in general funds awarded to HTA for FY2024, along with another \$14 million in the TSF, which had been sunsetted in 2022, so that only money which had been encumbered in FY2021 was allowed to be spent. \$25 million from general funds and \$7 million from the TSF had been encumbered. This meant that the HTA had about \$7 million unencumbered in the TSF, but this could not be spent because of the budget freeze,

For the HCC fund, there were \$8.5 million in general funds and \$47 million in the HCCESF. However, the funds in the HCCESF were also frozen because the legislature had not provided a ceiling on expenditure. This had to be requested from the legislature. Encumbered funds amounted to \$2 million in general funds and \$3.5 million in the Convention Center special fund. For the Convention Center roof repair funds, \$14.8 million was available in general obligation bonds, and \$670,000 was encumbered for the current PMCM contract for the full roof repair.

In reply to a question from Mr. McCully about how the ceiling on expenditure could be obtained, Mr. Kish replied that a bill would be required.

The Tourism Emergency Special Fund stood at \$7.6 million in cash and U.S. treasury notes. There was \$13.5 million available in the Federal EDA grant, of which \$6 million was encumbered for outdoor recreation and tourism hotspots.

Mr. McCully expanded his previous question to ask whether it would be possible to amend a current bill to obtain a ceiling on expenditure. Mr. Arakawa replied that this was part of the budget package that had been submitted to the legislature every year. He pointed out that

every year for the past three years the authority had asked for the ceiling to be lifted, but because the legislature had not approved the budget, no ceiling was fixed. He hoped the budget would be approved this year with the ceiling as part of it. Mr. Arakawa stated that, if necessary, he could give more details and explain where the ceiling was specified in the budget.

Acting CEO Nāho'opi'i explained that a ceiling of \$14 million had been submitted as part of the departmental budget for the current year. This had been approved both by the Governor and by the Department of Budget and Finance, and for the current year, it had been raised to \$25 million to comprise \$14 million for FY2025 plus \$11 million to reimburse the \$11 million, which had previously been given for the current fiscal year. Mr. Arakawa thanked the CEO and his staff for inserting the ceiling into the HTA budget proposal.

Mr. Gionson conducted the roll call vote, and the motion was carried unanimously.

b. **Discussion and/or Action on the Hawai'i Convention Center's December Financial Report and Update on the Hawai'i Convention Center's 6-Year Repair and Maintenance Plan**

Mr. Arakawa explained that this item had been discussed in detail during the BFCC meeting held the previous day. A summary of the information formed part of the binder supplied to Board members.

Mr. Arakawa proposed a motion to approve the HCC December 2023 Financial Report and Update on the HCC 6-Year Repair and Maintenance Plan. Ms. Agas seconded the motion.

Mr. Arakawa pointed out that Item 11 contained some of the same material on the Meetings, Conventions, and Incentives (MCI) market activity and PACE report, and he apologized for the delay in the presentation.

Ms. Tait went over the highlights of the Repair and Maintenance Report and 6-Year Plan. One of the major projects was exterior painting and exterior planter repair. The contract for this work had already been awarded, and meetings had been held with the contractors to ensure that the scheduling of events would not be affected. This project was expected to be completed by the end of the year. The ongoing project to replace the chiller had entered the construction phase, beginning by cutting a hole in the wall of the building to allow the removal of the old unit and the installation of the new chiller and continuing with further construction. The management had received presentations from two bidders to replace and/or upgrade the house audio and LED lighting systems. They expected to award the contract to the successful bidder in the following few weeks. The existing escalator was original to the building and was now outdated to the extent that there was difficulty in locating replacement parts, and repairs

were costly. An RFP had been issued during the previous week, and a site walk had been conducted earlier this week. The center management hoped to receive good proposals for this work.

Projects that had already been completed included the replacement of the wallpaper of the ballroom, which was completed in January. Transformers had been replaced, and it was hoped that this would improve the utility economy. Installation of exterior security cameras had been completed, and it was hoped that this would prevent incursions into the property, resulting in damage to windows and the grass lawns.

The repair of the rooftop terrace was on schedule. The HTA had selected an architect and design company for the work. This company had acted as a design and waterproofing consultant since the beginning of the project and was familiar with the issues involved. They were moving forward with productive meetings.

Mr. Arakawa asked which of the major projects involved original infrastructure and was informed that all the major repair projects concerned the replacement of original equipment. The center had been constructed 25 years previously and apart from minor repairs, no major repairs or system upgrades have occurred since then.

Ms. Agas appreciated Mr. Arakawa's comment and asked whether there was an integrated preventative facility plan for when other replacements would be needed. Mr. Arakawa asked Ms. Orton to be prepared to present this plan to the legislature. She stated she was working with ASM Global on a 25-year repair and maintenance plan for ongoing extensive equipment repair and replacement. They had obtained useful ideas from other Convention Centers. She was working closely with Mr. Choy and Mr. Kishi to ensure that available funding would support such projects.

Ms. Orton re-emphasized the importance of lifting the expenditure ceiling since the projected capital improvement projects (CIP) would lead to a negative cash flow over the next three to four years. Some of the projects had to be split between separate years, such as the project to replace the third-floor planters, which were a source of leaks into the Kalakawa kitchen, even though the whole project would more efficiently be executed all at once.

Ms. Paishon-Duarte asked whether the HCC would be ready to host the delegates attending the FESPAC in June. Ms. Orton responded positively but hoped that the weather would be dry. However, in severe rain, backup rooms had been allocated in case of problems. For most events, alternate rooms were allocated in case of leaks. The management of the Conference Center was working closely with HVCB to source alternate accommodation for offshore events.

Ms. Orton was asked about the capacity constraint if the center management relied on redundancy to support an event. She replied that it was between 3,500 and 4,000 at the moment, but they had had situations where a full booking involved making concessions and shrinking office space. There was a possibility of offering space in a neighboring hotel as a backup, but so far, this has not been necessary. The center could usually accommodate up to 5,000 guests, but when the numbers were greater than 7,000, it would be required to accommodate the overflow in other properties, which might involve using exhibit space for accommodation. This would be a more significant issue when the roof replacement started. There were some bookings during the period of the roof repair that would need to be arranged for alternative venues to hold their rooftop reception or other events planned for the rooftop terrace.

Mr. Arakawa thanked Ms. Orton and her team for their flexibility in using alternate spaces. He noted that the organizers had sometimes preferred the alternate venue to the original one.

Ms. Orton reviewed the financial information of the HCC, a paper printout of which had been supplied to the Board members. During December, the HCC hosted twenty events, four more than planned. These were all local repeat clients, such as the Honolulu Marathon and the Honolulu Board of Realtors. The total facility revenue for December exceeded one million dollars, \$160,000 more than had been projected, and the center posted a net loss of \$640,000, \$86,000 less than expected. Other income came from interest payments received when money was transferred from the savings account into mutual fund general obligation bonds, yielding a higher interest rate of 4.96%, and this interest accounted for the majority of the revenue identified as "Other Income."

Ms. Orton drew the Board's attention to the FY2024 Reforecast column, which projected finances up to June 30, 2024. The gross revenue had reached a record high of \$24.3 million, including \$1.5 million in interest and a net loss of \$788,400 versus budgeted gross revenues of \$18.5 million and a net loss of \$5.3 million. The current fiscal year was on track to be the highest-grossing revenue year since the HCC opened. If this trend continues, the center will save the State \$4.5 million by the end of FY2024.

During December, there had been substantial numbers in citywide and local bookings, and it was anticipated that by the end of the fiscal year, twenty citywide events would have been hosted, generating \$370.3 million in economic impact and \$43.3 million in tax revenue. The HCC management forecast hosting 233 local events during the course of the fiscal year, and this was also a record number. If this trend continued, the center was likely to break even on its operating budget.

Ms. Orton drew the attention of Board members to the return on investment (ROI) for the Convention Center. When revenue was compared with expenses, including HCVB sales and marketing expenses, an ROI of \$18.52 was returned to the State for every dollar invested. Board members were referred to their printed material highlighting recent and upcoming Citywide and local events.

The Convention Center had received favorable press about the record revenue and reviews of the its newly recruited chef. The press and other media had also highlighted the sustainability initiatives of the Convention Center in terms of its participation in reforestation projects, which had so far planted a total of more than nine thousand legacy trees, a number expected to reach ten thousand before the end of FY2024. Convention Center staff and guests had also participated in a campaign to clean up the Ala Wai, and several local events had used the Genki Balls Ala Wai cleanup campaign as a teambuilding exercise, improving the cleanliness of this stretch of water.

Mr. Arakawa reminded Board members that Meetings, Conventions and Incentives marketing would be discussed during Agenda Item 11. Mr. Gionson conducted a roll call vote, and the motion was carried unanimously.

10. Presentation, Discussion and/or Action on Exploring Naming Rights for the Hawai'i Convention Center

Ms. Orton led the presentation on exploring the naming rights for the HCC. She pointed out that this had been considered several years previously but had not been possible. She introduced Ms. Meg Little, Vice President of Marketing Solutions for ASM Global.

Ms. Little thanked Ms. Orton and Chair Hanneman for allowing her to explore this possibility. The Convention Center had an incredible story to tell, and there was an opportunity to bring along a brand partner to increase revenue. Ms. Little's presentation, which was part of the meeting packet supplied to the Board members, first exposed the advantages of the Convention Center and then discussed the financial evaluation of the project. The Superlative Group had been asked to evaluate the results of conferring naming rights, pricing recommendations, and projections of possible revenue.

Ms. Little stated that the center was a beautiful facility in a fantastic location, a unique destination that could be described as "where Aloha and business meet." The center's purpose was to generate economic benefits for the community, enhance the quality of life for all residents, and enable guests to participate in the Hawai'i experience. The facility was an attractive and vibrant asset, capable of hosting many people.

Ms. Little explained the benefits of conferring naming rights for the Conference Center, firstly considering the awareness as the benefit to brands for allowing their name to be attached to a physical facility. This drove consideration and loyalty in the marketplace. Naming rights brands were usually national brands, but they often had a significant presence in the local market. Naming returned community goodwill and engagement, which was why the brand selected often had a local connection.

Ms. Little listed the three factors brands considered when conferring their brand on a physical structure: brand awareness, consideration, and loyalty, community goodwill and engagement due to a local connection, and competitive advantage and differentiation from competing firms. This explained why many naming rights brands were in categories with heavy competition.

The naming rights platform allowed a brand to engage across an entire experience, utilizing the physical name of the building and having opportunities for contact with guests before and after events.

The value proposition to a brand consisted of the prestige of the property and the fact that there was a physical entity that helped to keep competition out of the market and differentiated the brand from its competition while providing a geographic reach across the State.

Superlative Group had more experience than other naming rights firms. They had a valuation process and would conduct a site visit to collect data then scientifically generate a range of price points. Ms. Little presented detailed parameters along with the economic benefits and weighting of each one. Naming rights could generate 44 million impressions per year, with a value of between \$400,000 and \$500,000 annually. In addition, naming rights partnerships tended to be long-term commitments, often over ten or more years.

The consultants had modeled 10-, 15- or 20-year naming rights contracts, and each option contained a 3% annual escalator. The outline stated the floor and ceiling values, the term, and the overall value for each contract term. Two options were outlined:

Option 1: \$15,000 per month for 18 months with a 17.5% commission on all sales, with all pre-approved travel reimbursed at cost.

Option 2: \$10,000 monthly for 18 months with a 22.5% commission on all sales, with all pre-approved travel reimbursed at cost.

Ms. Little suggested that the minimum net revenue over the contract duration might be \$2.5 million, with a maximum of \$8 million or more. She ended her presentation by suggesting names of a few brands that might be appropriate for initial consideration.

Responding to a question by Chair Hannemann, Ms. Little replied that Superlative Group was involved in naming rights of various venues such as arenas, stadiums, and some theaters and amphitheatres. In 2023, they took part in the rebranding of the former Gila River Arena, now known as Desert Diamond Arena. A new facility built on the port of San Antonio had been rebranded as Boeing Center. The group had taken part in similar discussions with other Convention Centers. For instance, the Cleveland Convention Center had been rebranded as the Huntington Convention Center.

Dir. Tokioka asked whether Ms. Little had any ideas of enterprises that would align with the values of the facility and the people of Hawai'i, as would be necessary. She responded that the first step towards generating a prospect list was to identify categories everyone would be comfortable pursuing, which would be done in collaboration with the Board. Brands or brand categories would not be pursued where there would be discomfort or misalignment. She suggested that two prime categories would be airlines or financial institutions.

Asked by Ms. Agas if this would be an RFP process, Chair Hannemann replied that the question would be addressed during the discussion of a bill to be introduced by Sen. Dela Cruz, the Chair of the Senate Ways and Means Committee. He pointed out that there were no details of possible timing since it was necessary to address more details first. He thanked Dir. Tokioka and Mr. McCully for their useful questions. Chair Hannemann thanked Ms. Little and noted that there was a need to consider whether it would be a good decision for the State to authorize the HTA to take this step.

Ms. Orton thanked the Board for the opportunity to present this option. She promised that ASM Global would include the HTA Board and staff in selecting the proper organization to brand the Convention Center if approved by the legislature. It was clear that the best option would be a local organization. Chair Hannemann appreciated the fact that some local candidates were already being considered.

Mr. Gionson transmitted a question from the audience about how the list of entities to approach would be developed. Ms. Little responded that considerations would be the organization's annual income and its ties to the community, thus explaining the intention to begin with local organizations.

Chair Hanneman moved Agenda Item 13 to the next position.

13. Update on the Japan 2024 Marketing Recovery Plan

Mr. Nāho'opi'i reminded Board members that during the previous Board meeting, additional marketing recovery funding had been voted for in Japan. The Japanese market was building

back up, with additional airlifts due to begin shortly, so it was necessary to increase demand for airlines to respond by providing more service. The Managing Director of HTJ, Mr. Takahata, will present the State of the base market and the incremental increase appropriated to stimulate the market to increase international arrivals.

Mr. Takahata pointed out that recovery had been slower than expected due to uncontrollable factors in the market, such as the unfavorable exchange rate, which now stood at 148 Yen per dollar. It was hoped that a reduction in U.S. inflation would ameliorate this. Airlines continued to impose fuel surcharges, which were more severe for Japan than other markets and contributed to the slower recovery.

Competing destinations were still mounting aggressive marketing campaigns to attract Japanese travelers. Hawai'i had to fight to maintain its presence in the market and was focusing across the board, not only on direct consumers but also on the travel industry. Many destinations were offering incentives to attract the Japanese travel industry. The Japanese market was pivoting from the Mālama messaging into a more aggressive and urgent message. Air seats for direct and charter flights into Hawai'i were at 60% recovery compared with 2019. The fuel surcharges imposed by the airlines were based on algorithms, and the surcharges for Hawai'i were about \$400 per person for a round trip. This placed Hawai'i on the same level as Indonesia as a long-haul destination. Looking at the pricing of packages and monitoring what other destinations were offering, during January and February Hawai'i was the most expensive 4-night package from Japan. The cost of a 4-night trip to Paris in a 3-star hotel was much less. The team was looking at the possibility of 3-night packages. The February market seemed to be more competitive, and comparing other long-haul competitors like Paris,

The team looked at the best practices of five other destination marketing companies or bureaus and found that most were considering a three-to-five-year investment to recover the Japanese market. These destinations were in the business for a long-term investment.

Considering the base initiatives, the base budget had been \$6.5 million, which was \$2.5 million less than the 2019 budget. The plan was to focus on the high-value market with a campaign entitled Beautiful Hawai'i, powered by travel trade initiatives because the travel wholesalers, online travel agencies, and airlines had been strong partners for the Japanese market. The team also used direct consumer events to affect the consumer's mentality. The new campaign was a more aggressive form of marketing tied to the incremental \$2.5 million, with the theme, "It's got to be Hawai'i."

The basic distribution strategy continued, but the message was amplified. Media tie-ups involving several big-name celebrities had been used to generate increased requests for media to come to cover Hawai'i. It was important to get back to 2019 levels, and the involvement of these celebrities was a form of free advertising.

The team also focused on airline and other travel cooperatives and collaborated with the Japan Association of Travel Agencies. Mr. Takahata reminded the Board that JATA was a quasi-governmental agency with direct ties to the Ministry of Tourism.

Japan Tourism also sponsored a three-day pop-up initiative at Haneda airport to highlight products made in Hawai'i. The airport authorities said this was their most successful pop-up, with outstanding sales. Statistics show that 22% of people who go to Haneda Airport do so to shop. Mr. Takahata thanked Dir. Tokioka and Chair Hannemann for their support of this initiative. Mana Up had been a great contributor, and this venture was hoped to be repeated. Before the pandemic, Hawai'i Tourism encouraged people to purchase Made In Hawai'i products even if they could not travel there.

Mr. Takahata pointed out that advertising and media tie-ups would form a large part of the incremental funding. These were already part of the base funding, but the increment allowed them to be emphasized. He gave a breakdown of the budget, which included \$6.5 million for 2024 with an increment of \$2.5 to bring the 2024 budget up to the 2019 level.

Ms. Paishon-Duarte thanked Mr. Takahata for his presentation and asked for the details of the pivot away from Mālama towards a more aggressive message. Mr. Takahata responded that the Japanese culture encouraged respect for traditions of history and place so that Mālama was not new to the Japanese people. Mr. Nāho'opi'i explained that during the pandemic the HTA had connected with wholesalers who had now integrated Mālama into their operations. Further emphasis on Mālama was unnecessary.

Dir. Tokioka reminded Board members that he had been part of Gov. Green's tour of Japan in November. He praised the good relations that Mr. Takahata had with government and industry leaders. Gov. Green had expressed gratitude to Hawai'i for the money sent by Japan to support the victims of the wildfires and reminded travel industry leaders that sending employees on an incentive trip to Hawai'i was a good way to assist. Six thousand employees of Haneda Airport were to be sent on a trip to Hawai'i. Dir. Tokioka and the governor had sent letters to Japan Airlines thanking them for their assistance.

The previous Japanese Consul General to Hawai'i had commented that some Japanese companies were offended by being reminded about Mālama since no other culture respected Hawai'i like Japan. It was to be noted that there were over a million hula dancers and just as many ukulele clubs in Japan.

Everyone in the visitor industry was concerned about the effect of fuel surcharges on the Japanese market. Gov. Green was working on an initiative with U.S. Customs and Board Protection to allow visitors bound for Hawai'i to undergo screening in the Japanese airport before leaving. This would mean that on arrival in Hawai'i, they would go straight out of the airport, giving the possibility of passing through Hawai'i before traveling on to other U.S. states. Gov. Green worked on this initiative with the Japanese Consul General and the airport authorities.

Chair Hanneman thanked Dir. Tokioka for these updates and noted that the \$9 million budget for Japan Hawai'i Tourism would provide seed money for passenger quotas.

Mr. Nāho'opi'i gave updates on the Japanese market. The U.S. and Japan have declared the 2024 Tourism Year. They made a bilateral agreement to increase visitation, which included a commitment from Brand USA to invest more money into the Japanese market. He had met with officials of Brand USA a few days before to remind them to ensure that Hawai'i was integrated into the development of their campaign. This would allow money to flow toward Hawai'i at the Federal level.

11. Presentation and Discussion Regarding an Update of the Meetings, Conventions and Incentives Market Activity and Pace Report, and Hawai'i Convention Center Activity and Local Sales

Ms. Lynn Whitehead, Vice President of Global MCI Sales and Marketing, presented the Meetings, Conventions, and Incentives (MCI) Market activity and Pace Report. Ms. Whitehead commented that she was excited to be part of bringing more business to the islands. She stated that for 2023 production, she would be describing citywide and single-property events, and she understood that the expansion of single-property business had been a priority of the Board. She will give more information about this aspect in the next meeting.

Describing the highlights for citywide business, Ms. Whitehead stated that she had been excited to hear Ms. Orton's presentation and congratulated her team on their numbers. Ms. Whitehead explained that she met with Ms. Ordon weekly, while the local and citywide sales teams met monthly to ensure that they maximized the use of the available space. The booking window for citywide events was now only one to four years, whereas pre-pandemic, the booking window had been up to seven or eight years in advance. During 2023, 35 groups had contracted, four of which had booked only in the same year, which had previously been unheard of. 63% of bookings were for 2023–2026, and information from fellow destination marketing organizations gave reason to believe this trend would continue.

For the next 90 days, the focus was to find a person to fill Ms. Whitehead's former position on the East Coast, and to add a new citywide position to focus on short-term corporate and association bookings.

In terms of listed key licensed events, ASEA was outgrowing its former venue, had made a contract with the Convention Center, and added a supply of food and beverages and extra hotel contracts in 2024 and 2025. There had been an increase of 51% year over year in tentative room nights, which showed the importance of having a consistent sales team in the market to build relationships year after year.

Ms. Whitehead noted that production was defined as a new volume of events and room nights for any future year, and consumption referred to arrivals of booked events and room nights in the year in which they occurred. She stated that we were 4% ahead of booked room nights year over year and 51% of tentative room nights, and we had contracted 35 events in 2023. Ms. Orton and Mr. Reyes had set a goal of 77 events for 2023–2025, but because of the success during 2023, this goal was to be increased to 99, which Ms. Whitehead believed was achievable.

In terms of future pace for citywide events, 2024 and 2025 were likely to be strong years, and the citywide team for offshore events was doing a good job. The short-term booking cycle provided opportunities for sales. Ms. Orton was working hard to set timelines for the construction program for 2026–2028, and this was a period in which the team had to work hard to stabilize production.

Ms. Whitehead congratulated the team responsible for single-property production, which had shown an increase in definite and tentative room nights and booked events. She bade farewell to Ms. Adele Tasaka, who had represented Hawai'i in Aloha Spirit and would be replaced by Laurie Ohara as of February 20.

The future pace for both single-property events and citywide events was very strong in 2024 and 2025 despite the short booking cycle, and the numbers were expected to increase in 2024 and 2025.

The team was developing data based on visitors going to every island, along with the inventory of each island. The numbers for Kaua'i were expected to be lower than for O'ahu, Maui, and the island of Hawai'i. Hawai'i Island showed more flexibility in the rates offered compared with Maui.

The Mālama Maui campaign had exceeded room nights, and Ms. Whitehead recognized the leadership of Mr. John Reyes along with the grassroots communication strategy. The team had done their best to preserve bookings for Maui, but where this was impossible, they had maintained the business in the State of Hawai'i. This resulted in \$33 million in economic impact being kept in the State, with some money going towards strategic partnerships. Activations during 2023 aimed to drive more business to the island of Maui, noting that exposure for all islands would benefit the entire State.

The Association of Electronic Engineers had booked the Convention Center for July 2024. Some strategic partnerships that started during 2023 included Site Global, NorthStar, HPN, and Helms-Briscoe. On the following day, there was to be an online seminar with Site Global, which would target the incentive market with the participation of two Maui hotels.

Mr. Arakawa thanked Ms. Whitehead for her presentation and asked whether there were any staff vacancies. Ms. Whitehead responded that a couple of candidates had been interviewed for her former position as citywide director on the East Coast but that the uncertainty regarding the roof project created some hesitancy. There was a vacancy on short-term sales for which direct funding from the HTA was unavailable, although candidates were being identified. A client services manager was needed, and Mr. Tom Mullin, the CEO of the HCVB, had given support for some temporary part-time positions.

Mr. Arakawa reminded the Board that the budget was a major issue to be addressed during the current legislative session. The lack of direct funding impacted the new citywide sales position. He asked Mr. Choy to follow up with Ms. Whitehead to determine what would be needed to confirm funding. The Acting CEO promised to follow up on the timeline.

Ms. Agas asked whether the shorter booking window for citywide events was a worldwide trend or applied only to Hawai'i. Ms. Whitehead responded that most of the short-term citywide bookings were new, and the shorter booking window appeared to be a national situation. Many clients had commented that 2024 was likely to be the first normal year, and the expectation was that the improvement would continue as clients became more confident. They generally booked fewer room nights and fewer on peak to avoid attrition.

Ms. Agas congratulated the team on the IEEE meeting in Waikoloa on the Big Island and asked whether incentive houses such as Maritz had feedback and whether they could assist them in promote. Ms. Whitehead responded that they understood the destination management program and existing strategic partnerships were being strengthened by webinars and paid media exposure.

Chair Hannemann congratulated Mr. Tom Mullin on his new position as CEO of the HCVB.

The Chair informed Board members that he would have to leave the meeting at 12.15 p.m. for a prior engagement, and Ms. Paison-Duarte would take over as Chair.

12. Report and Update by the ADMINISTRATIVE & AUDIT STANDING COMMITTEE of their Meeting Held on January 24, 2024

Mr. White, the chair of this committee, elected to begin with items b and c.

b. Discussion and Action Relating to Filling the Position of HTA Chief Brand Officer***

The committee had discussed whether the appointment of a Chief Brand Officer would be affected by the hiring freeze, whether the budget would cover the salary, and how the legislature would regard this hire.

Chair Hannemann stated that he had spoken with the Governor, the Speaker of the House, the Chair of the Senate Ways and Means Committee, and the Chairs of the Tourism Committees in both the House and Senate regarding the appointment of both a Chief Brand Officer and also a President/CEO. He had received no objections to the HTA moving forward on these appointments, and he felt that these appointments were necessary to emphasize the permanence and resilience of the HTA since its establishment in the 1990s. Chair Hannemann congratulated Mr. White on the work done by his committee and reminded Board members that since his election as Board Chair, he had aimed to work with the HTA staff.

Mr. White reminded the Board that the Chief Brand Officer was not hired by the Board but by the CEO. During their meeting on the previous day, the Administrative and Audit Standing Committee had voted unanimously that the administration of the HTA move ahead with the position of CBO at a salary of up to \$225,000 per year.

Mr. White proposed a motion to authorize the administration of the HTA to move forward with the search and selection of the Chief Brand Officer position, with whatever appropriate adjustments they might see fit to make to the job description, at a salary of up to \$225,000. The motion was seconded by Chair Hannemann.

When asked whether the budget was provided for this position, the Acting CEO replied that this was a redescription of the existing post of Senior Brand Manager, for which some additional paperwork would be needed. He clarified that the Human Resources Department of DBEDT had advised Mr. Ka'anā'anā's position should be redescribed as Stewardship Officer. Then the Senior Brand Manager was to be redescribed as Chief Brand Officer. These two redesignations had already been submitted, but there was only one additional post. However, DBEDT had

recommended postponing action until discussions were completed and there was legislative support.

Mr. White gave a summary that the executive office of the HTA would consist of the President/CEO and the Chief Administrative Officer at the top with four branches below it as follows: Destination Stewardship headed by Mr. Ka'anā'anā, Branding/Marketing to be filled; Fiscal, Mr. Choy, and Planning, Ms. Anderson. The CEO and CAO would oversee all four branches, giving six administration members.

At present, the HTA has 19 employees. Although 25 positions were funded, six were vacant, as Mr. Choy had reported to a previous Board meeting.

A question was asked regarding oversight of contracts allocated to the CNHA and the HCVB and whether these agencies also managed and audited their contracts with the HTA. The Acting CEO responded that the HTA staff managed service contracts with the CNHA and the HCVB.

Mr. White inquired about the total salary bill of the six people in upper management in the HTA, and when they would all be appointed. The acting CEO responded that calculations showed that about 8% of the total budget went to administrative positions and some service contracts, which Mr. White estimated to be about \$800,000. Chair Hannemann stated that he was a strong supporter of the CEO position but wanted to ensure that legislators agreed before making a decision. There would be uncertainty until the end of April, but it was hoped that a CEO could be appointed before the end of the current legislative session. The motion being discussed at the present time was to authorize the HTA to move forward with hiring a Chief Brand Officer. The appointment of a CEO was to be addressed in the next agenda item.

Mr. White asked the Board to instruct the HTA administration to create an RFP to select a search firm to search for a CEO, so that if and when the legislature assented, the HTA would be ready to proceed. Chair Hannemann was confident that a Chief Brand Officer could be appointed based on his discussions with the Governor and legislators. As far as the appointment of the CEO was concerned, there was no clear timeline at the moment. He pointed out that the HTA had inherited responsibility for destination stewardship without sufficient staff for the assignment. At the moment, the CEO was carrying out the job of CEO and the job of CAO.

Mr. Choy reported that the fiscal department was short three staff members, and these posts would be part of the budget request. The HTA office needed 38 positions, but funding was provided for only 25.

Dir. Tokioka reported that his discussions with legislators were less positive than those of Chair Hannemann. The fact that the HTA had not been funded for two successive years implied that legislators were concerned, and this was Dir. Tokioka's message had been received from various legislators.

Chair Hannemann recalled the words of the Speaker, who hoped for an independent HTA.

Acting CEO Nāho'opi'i reminded Board members that the reorganization of the HTA had been discussed at the July Board meeting, and he would send a revised copy of the organization chart to all Board members.

Dir. Tokioka emphasized that in questioning the hiring process, he did not intend to be offensive towards the Chair, and Chair Hannemann replied that the questions which Dir. Tokioka was posing that it were important and needed to be answered. He noted that everyone had been working very hard, especially as the Maui disaster had put additional pressure on the HTA and DBEDT. Mr. White was confident that the administration would move in a way that would address his concerns.

Mr. Arakawa thanked the Chair of the Administrative and Audit Standing Committee and expressed his support for hiring a Chief Brand Officer as soon as possible. One person functioning in two jobs would always create difficulties, and he reminded the Board that in previous meetings, Mr. Choy had offered to carry out some of the work of the Chief Administrative Officer, and Ms. Anderson would help with destination management, and this would free up Mr. Nāho'opi'i to do some work on branding. Mr. Arakawa pointed out that until the budget was settled, this method of sharing the work between a team of people would temporarily solve some problems.

Mr. Arakawa also pointed out that, in principle, the new CEO would appoint the Chief Brand Officer. If a CBO were appointed now and a CEO appointed later, legally, the new CEO could fire the CBO and appoint their person. Mr. Arakawa requested that the Attorney General clarify this because it could be an obstacle for a candidate applying for the post. Furthermore, there had been no budget for the previous two years. To attract a high-quality person from the travel industry, they would want to be sure that the legislature had approved a budget for their position.

As Chair of the Budget, Finance, and Convention Center Standing Committee, Mr. Arakawa asked the CEO whether the reorganization had been approved up the State chain of command. The CEO replied that all the positions, job descriptions, and organization charts had been informally submitted to DBEDT, but the HTA had been told to wait for approval by the legislature.

Mr. Arakawa asked whether the Form A submitted to DBEDT included the \$200,000 salary plus bonuses. The Acting CEO responded that Form A contained positions but not salaries. The higher salary was approved at the last Board and Administrative and Audit Standing Committee meetings. Mr. Arakawa stated that Form A had been approved by the Administrative and Audit, the Ho'okahua Hawai'i, and the Branding Standing Committees, but the Budget, Finance, and Convention Center Standing Committee had not approved the salary and possible bonus. The revised Form A was submitted with estimates and adjustments during the last Board meeting but bypassed all four standing committees. Hence, none of the committees that approved the original Form A had been informed about the revisions.

Chair Hannemann stated that there had been a full discussion at the Administrative and Audit Standing Committee.

Mr. Arakawa supported hiring a Chief Brand Officer and reminded the Board that a team was in place so that people would not have to do two jobs. He reminded the Board that it was important to check with the legal staff that DBEDT approved this. The Board had approved the \$225,000 salary, but it was not certain that DBEDT, the Governor and the Budget and Finance Department would agree.

Dir. Tokioka stated there were concerns about bonuses and would not support a position with a bonus. Mr. White believed the salary range would be attractive without a bonus, and bonuses had not been part of the discussion.

Chair Hanneman repeated that this was a critical issue for the HTA. Dir. Tokioka had taken the position that there must be legislative approval before a CBO or CEO could be hired, but Chair Hanneman had received different messages from his conversations with legislators. There were several outstanding concerns, but it was important for the HTA to be an independent authority with the tools to generate tax revenue and fulfill its mission from both a marketing and a destination stewardship perspective.

Mr. Gionson called the roll-call vote. Chair Hanemman made a motion, and Ms. Paishon-Duarte seconded, with the understanding that there would be no bonuses. Ms. Agas voted aye with reservations, Mr. Arakawa voted nay, Ms. Iona voted aye with reservations, Mr. McCully voted aye, Ms. Menor-McNamara voted aye, Dir. Tokioka voted aye, Mr. White voted aye, Member Zane voted aye. The motion was carried.

c Presentation and Discussion of the Process, Time, and Details Involved in the Initiation of the Search for HTA President and CEO***

Mr. White noted that item c asked the administration to update the RFP for selecting a search firm for the CEO to be ready to proceed when they saw fit.

a. Discussion and Action on HTA's Fiscal Year 2023 Annual Financial and Single Audit Reports

Mr. White asked Mr. Kishi to give Board members an outline of the annual financial and single audit. The audit had been conducted by Accuity, a local CPA firm, and the audit report formed part of the binder supplied to Board members.

The financial audit was an annual audit of financial statements with the aim of obtaining a reasonable assurance as to whether or not the statements as a whole were free from material misstatements, whether due to fraud or error, and to issue an auditor's report that would include the auditor's opinion. The HTA had received an unmodified opinion, which had been the audit's objective.

The auditors had also conducted a single compliance audit, which was required when a non-Federal entity disbursed more than \$750,000 of federal funding in a given fiscal year. The HTA had undergone a single audit in FY2022, and this was repeated for FY2023. In this case, an unmodified opinion was given, showing that there were no instances of non-compliance with federal requirements. Mr. Kishi thanked Mr. Choy and the rest of the team for their help and support, as well as the help from Mr. Oda and Ms. Miyoshi of Accuity during the audit.

Mr. White referred to the report, which showed no misstatements, weaknesses, or significant deficiencies. This was a testament to the diligent work of Mr. Togashi, the previous HTA director of finance, and Mr. Isaac Choy. The COVID funding received by the HTA came with significant requirements for all kinds of reporting and approved uses for the money, so Mr. White was happy that the auditors found no issues with compliance. He recalled that it had been rare for less than three or four deficiencies to be reported during single audits of Maui County Council, so the HTA staff deserved congratulations.

Mr. McCully commented that, given the cloud that had covered the HTA during the past couple of years and the circumstances that led to the need for this type of audit, the audit established that the negative characterizations of the HTA as an incompetent organization had been mistaken from the start. He hoped this would be the start of a resurgence of administrative competence.

Ms. Paishon-Duarte also congratulated Mr. Choy, Mr. Kishi, and their staff for their diligent work.

Chair Hanneman excused himself for a longstanding commitment and handed over to Ms. Paishon-Duarte.

Mr. Arakawa pointed out that he had been the former chair of the Administrative and Audit Standing Committee, and audits had always been clean during his tenure. However, the single audit presented additional complications, and he congratulated Mr. Choy and Mr. Kishi. During the Standing Committee meeting on the previous day, the staff of Accuity indicated that they might return to clarify some issues about contracts that had been raised in the executive session. Mr. Kishi responded that they had not yet received the questions Accuity wished to ask. Ms. Paishon-Duarte thanked Mr. Arakawa for clarifying that there had been clean audits in the past.

14. The Hawai'i State Auditor's Introduction of the Hawai'i Tourism Authority's Legislative Audit: Process, Expectations, Timeline, etc.

Ms. Paishon-Duarte introduced the State Auditor, Mr. Les Kondo, and his team. Mr. Kondo congratulated the HTA on their beautiful facility. He stated that he had written to Acting CEO Nāho'opi'i in December advising him that an audit was to be conducted and scheduling an entrance conference with management, which was rescheduled and canceled. He believed that this meeting was effectively the entrance conference of the audit. Acting CEO Nāho'opi'i confirmed that this meeting would function as the entrance conference, and Mr. Kondo introduced his team, including Deputy Auditor, the audit manager who would supervise the audit, the analyst in charge, and two analysts whom another analyst might join as the audit progressed. These staff members would interact with the HTA staff during the audit's progress.

Mr. Kondo referred to his legal authority to conduct an audit under section 23–13 which required the State Auditor to conduct a management audit at least every five years. Section 23–4 also provided authority to audit any government department or agency and conduct a post-audit to assess their performance. Section 23–13 required the State Auditor to audit the HTA's management of its major contracts, these being defined as more than \$15 million.

Statutory authority also determined that other aspects of the authority might be audited apart from significant contracts and the management of contracts. Mr. Kondo wished to inform the Board in case there were questions about the extent of their work. He emphasized that this was not a financial audit. Accuity, the local CPA firm, had been under contract to the Finance Department to conduct a financial and a single audit of the HTA.

Mr. Kondo pointed out to the Board that he and his team were not accountants and would not be assessing either the financial statements of the HTA or its compliance with government

generally accepted auditing principles. This was a performance audit conducted by the HTA to assess different key activities to ensure its statutory mission was being achieved. The audit team would define the key activities and assess how they were being performed, whether they were being performed effectively and efficiently and whether they were being performed in compliance with statutory requirements.

The criteria to be used would be the statute and the applicable administrative rules, as well as the terms of the contracts. General accounting principles would not be used because those were tools used by financial auditors.

The HTA had last been audited in 2018, and at that time, the HTA's management of two major contracts was assessed, one being AEG's contract to manage and operate the Convention Center, and the other being the contract with the HCVB to market Hawai'i in North America.

The audit also examined some of the practices used to procure several types of service contracts. The audit found that the HTA's actions in administrating and managing those contractors were lax and did not ensure that public funds were being used effectively or efficiently. Specifically, the audit found that the HTA was not enforcing contractual requirements, they were reimbursing costs to which the contractor was not entitled under the contract, and they did not require contractors to provide backup or evidence or receipts, as stated in the contract, for costs which were to be reimbursed to the contractor. The audit also found that procurement practices were deficient, undermined accountability, and did not provide the best value.

Recommendations were made to address or correct the causes of the audit findings, and some of these had been fully implemented, some partially implemented, and some not implemented at all. In fact, the HTA disagreed with and did not intend to implement, some of the recommendations.

Mr. Kondo understood from his meeting with the Administrative and Audit Standing Committee that the HTA management reported that it had addressed and implemented 93% of the audit recommendations, but when the State Auditor examined the status of the audit recommendations in 2022, their estimate was much lower. What had been reported previously to the Administrative and Audit Standing Committee and the Board was self-determined implementation status. At this point, the team's function was to look into the various activities of the HTA and conduct a new audit. The HTA management and Board were responsible for addressing the deficiencies which had been listed in the 2018 audit report.

Mr. Kondo conceded that the agency was different in 2024 than it had been five years ago. Since then, the Board and upper management have changed; many staff were in different positions, and some were new. There had also been structural and statutory changes relating to the HTA, which was now no longer financed through a special fund but through a general fund, the procurement exemption of 2018 was no longer operative, and the HTA was now subject to the State procurement code. Hence, many changes took place between 2018 and 2024.

The audit team might not audit the same things they had audited in 2018 and intended to select items to be audited through the audit timing process. The audit would be separated into three phases: planning, fieldwork, and reporting. The present meeting formed the start of the planning phase. This phase aimed to obtain a general high-level understanding of the operation of the HTA, identify some key activities that it conducted to achieve its statutory purpose and mission and understand how these activities were carried out. The team would ask for documents, policies, and procedures defining or describing how the key activities were performed. Once the team had a general understanding, they would conduct a risk assessment of the various activities and develop objectives that would form the focus of the audit, including questions that needed to be answered. The team would share the objectives with the HTA Board and management and set them out in a letter.

Mr. Kondo reminded Board members that a document entitled “What to expect during an audit” had been supplied to them in their binder. He reiterated that contrary to expectations, the State Audit office was not a financial auditor and would not use accounting principles. Accuity had already done this work during the financial audit.

Once the objectives of the audit had been identified, the second phase, called fieldwork, would begin, and during this phase, the team would make a more thorough effort to understand how the agency performed activities. They would test to assess whether the agency or the contractor followed the specified procedure. At the end of the fieldwork phase, preliminary findings would be developed.

The period for the planning phase was usually about three months, and fieldwork usually took two months. The reporting phase was when the audit report was drafted and passed through many reviews and versions. At the end of these reviews, the draft would go through an internal quality control process called an independent review. Mr. Kondo pointed out that all drafts were now electronic. At the end of every sentence, there would be a link to the support for that particular sentence, a document, an interview summary, or an analysis of data. The independent reviewers would check each link to confirm whether the evidence supported the statement. The team must revise the statement or find additional support if the evidence is not supported.

Once the independent review had been completed, the team would be confident that the audit evidence supported the report. The HTA would be given a draft and allowed to comment on it. The draft would not be shared with any outside agency. The links to evidence would be omitted from the draft shared with the HTA. The audit team would schedule a meeting with the HTA to discuss the draft. The previous audit was discussed with the HTA management only, but it was possible that the Board could be included in the discussion of the present audit. The HTA would have the opportunity to provide a written response to the draft audit report, which would be included at the end of the report. The audit team would also add their comments on the agency's response.

An exit conference would be scheduled to discuss concerns about the draft report, and the auditor would wish to know if the HTA disagreed with the factual foundation of the statements being made. It was possible that the auditors might have overlooked certain issues, or there might be contradictory evidence. The team might disagree about interpretations, but there must be agreement about facts.

The timing of the draft, the exit conference, and the agency's response was usually about two weeks. If the Board wished to participate in the exit conference, coordination would be needed since the draft report could not be held up for an extended period. The audit process was not over once the draft report had been issued. The HTA would be asked about the status of the implementation of the audit recommendations, as was the case with every agency that was audited. The HTA would be asked to provide self-reported implementation, and a significant follow-up report would compile the status of all implementations for the past four years. Two or three years after the audit, the team would return for an active follow-up to assess what had been done to implement recommendations.

The recommendations of the audit team were their best suggestions to the HTA about how to fix the causes of the problems identified in the audit. These might not be the only way to operate, but the objectives of the audit team were to address the causes of problems for the agency to perform better.

Mr. Kondo informed the Board that in terms of procedural or housekeeping issues, performance audits were conducted in accordance with government auditing standards promulgated by the U.S. cultural agenda. These guidelines provided a high-level general framework for financial and performance audits. To ensure compliance, the State Auditor's Office was peer-reviewed by performance audit professionals from other jurisdictions or states every three years. These would be other state auditors or other performance audit managers with decades of audit experience. Mr. Kondo informed the Board that his team had been reviewed three times during his tenure and awarded the highest grade, "Pass," from the peer

review team, who had been very complimentary about their staff. The peer-review team commented on the diverse qualifications of the staff as well as their commitment, dedication, and quality of work produced. This was an assurance to the Board that the State Auditors' office complied with government auditing standards.

The audit team expected complete and timely cooperation from the HTA Board, management, and staff. He reminded the Board that the audit was not an adversarial process but a free assessment of performance by unbiased, objective, and independent auditors whose job was to assess the performance of key activities in an objective, unbiased, and independent manner and offer recommendations to improve the key activities where there were problems.

The audit team would be making demands on Board members, particularly on the Acting CEO and his staff. Regarding timing, they recognized that everyone had other responsibilities, and the audit team would do its best to accommodate these other commitments. Interviews or submission of documents could be rescheduled; it was only necessary to inform the audit team.

Mr. Kondo informed the Board that by this time, they should have been about a month into the planning phase, and he hoped that after today, they would be able to move on without further hesitation by the HTA. It was their practice to make audio recordings of nearly all their interviews since this allowed them to ensure that the notes that were taken at the time were accurate.

In reply to a question from Attorney Cole, Mr. Kondo stated that at the end of the audit, the audio tapes would be destroyed since the tapes, along with all notes, were considered work papers and confidential by government policy. Access would not be provided or shared with the agency without a court order. It was not appropriate for management to have access to staff interviews. An interviewee could record their audio, but Mr. Kondo cautioned against this procedure since the tape would be subject to a UIPA, public record, request. He advised that the HTA Board should direct staff, through the management, that there should be no requirement for staff to tape their interviews and provide the tape to management or their supervisor.

Ms. Iona pointed out that as hotel and business managers, many Board members had gone through audits, and she was concerned about time management. She also asked Mr. Kondo whether Board members, management, and staff would be informed in advance about the information required from them. Mr. Kondo responded that interview questions were generally not provided in advance, other than high-level topics. There would be no objection if an interviewee had to return to the audit team later with the required information.

The intention of the audit team was either to reach out directly to the Board, management, or staff or to do so through a point of contact to request availability. The purpose of the entrance conference was to devise the best methods of contacting people or obtaining documents. The audit team had already asked for a directory and contact information. Mr. Nāho'opi'i stated that they would arrange this after the present meeting. In general, the audit team preferred face-to-face meetings, but it was also possible to conduct interviews virtually.

Mr. McCully asked whether timing could be better arranged for the next five-year cycle since the audit ran concurrently with a busy legislative session. He suggested that the next cycle could better run in June or July, not December or January.

The auditor reminded Board members that the purpose of the audit was to help the HTA perform better, and he assured them that the audit staff would be easy to work with. He encouraged all Board members to contact him directly if they had questions and said he would happily attend another Board meeting if necessary.

He had listened to part of the November Board meeting where the audit follow-up report and self-reported implementation status had been discussed. Unfortunately, some comments by staff were not correct. Hence, he continued encouraging everyone to contact him directly and realize that the audit process was not adversarial.

Mr. White thanked Mr. Kondo for attending the Board meeting and informed him that all requested documentation was ready. The Administrative and Audit Standing Committee will be sending some clarifying questions.

Ms. Paishon-Duarte thanked Mr. Kondo and his team for attending the Board meeting and appreciated his invitation to contact him directly. Acting CEO Nāho'opi'i assured the audit team that the staff was ready to begin and handed over the documents which had been requested.

15. Adjournment

Ms. Paishon-Duarte proposed a motion for adjournment. The motion was seconded by Mr. Zane and carried unanimously. The meeting adjourned at 1:04 p.m.

Respectfully submitted,



Sheillane Reyes
Recorder

6

CEO Report



HTA CEO REPORT

FEBRUARY 2024



EXECUTIVE SUMMARY

The Hawai'i Tourism Authority (HTA) provides this report as a resource to the Board and the public to better understand the activities and actions taken by the team in the month of January in support of the organization's overall mission, its strategic plan, and the community-led Destination Management Action Plans. Overall, this report provides insight into the actions conducted by the staff to implement the HTA budget previously approved by the Board.

Maui Wildfires Recovery: Pursuant to HRS §201B-3(a)(23), HTA has been supporting the state's response and recovery efforts relating to the Maui wildfires. Details of that support is throughout this report. As of Governor Josh Green's ninth emergency proclamation related to the fires issued on November 6, the tourism emergency declaration issued pursuant to §201B-9 is in effect until March 5, 2024.

Office of the President & CEO: The office is working diligently on advancing the Change Management Plan to ensure adequate levels of staffing. The Governance Study is also moving forward with our contractor working efficiently to gather input from stakeholders. We are also preparing HTA's 2024 Spring Tourism Update week of activities, which will include an internal meeting with HTA and contractors, first quarter industry partners meetings, an O'ahu FAM, and Tourism Day at the Capitol.

Destination Stewardship Branch: January was a rejuvenating time for the stewardship program and was marked by the awarding of 163 contracts to various nonprofits across the state for our Signature, Community Enrichment, Resort Area Hawaiian Culture Initiative, Kūkulu Ola, and Kahu 'Āina programs. In total, over \$7.5 million was awarded across these programs. A detailed presentation will be given under agenda item #8 at the board meeting. During the month of January, the team also finalized the Maui Recovery Visitor Education & Post-arrival marketing campaign as part of HTA's larger recovery initiatives in response to the Maui Wildfires. Lastly, program staff are working to execute extensions of our Kāhea Harbor Greetings program contracts across the state.

Brand Branch: The Brand team has been reviewing the 2023 final reports for all markets and preparing final evaluations and payment requests. For incremental funding, both contracts for Canada and Japan markets have been fully executed and contractors are moving forward with program implementations. US Marketing Maui Recovery Plan 2

has been executed in early February. Hawai'i Tourism Global Support Services is being finalized.

Planning & Evaluation Branch: The Planning and Evaluation team focused efforts on the Mākaukau Maui Resident Campaign; Tourism Workforce Development Plan; Tourism Quality Assurance Program. Procurement for the high school and college career event program also occurred.

II. OFFICE OF THE PRESIDENT & CEO

Functional Statement: The Office of CEO is responsible for implementing the policies and instructions of HTA's Board of Directors and administering the activities of HTA by planning, organizing, directing, coordinating and reporting its work.

- Leads relationship with Governor, Legislature, Board and state agencies
- Leads relationship with national tourism policy and strategy, Congressional offices, and national and international industry organizations
- Oversees HTA's strategic direction and performance
- Oversees HTA's administration, resource allocation, vision, and culture

Change Management Plan

The HTA organization continued to transition into the structure presented and approved by the HTA Board at its July 2023 meeting. The objectives of this structure were to strengthen island-based management, increase resources for destination stewardship, and have dedicated leadership for brand and marketing. As of February, HTA still had five vacant positions. Interviews for one Brand Manager have been completed and authorization to hire has been transmitted to the Governor for approval. The Fiscal Office did not find any compatible candidates from the list of Accounting Assistants provided by DHRD so another list was requested. Approval for redesigning the positions for Chief Brand Officer, Planner, and approval to fill one of the Brand Manager positions continues to be processed.

Governance Study

The contract to conduct the governance study was awarded to Better Destinations, LLC. The final workplan was submitted by the contractor and presented to the Governance FIG. Currently the contractor interviewed other destinations with best practices, developed a list of stakeholders to interview, and scheduled workshops on island the first week of March.

Public Affairs

Industry and Community Relations

- Spring Tourism Week
 - Planning continues for Spring Tourism Week, March 4-8. Components:
 - March 4: Internal Partner Meetings (HTA, Contractors)
 - March 5: Industry Partner Meetings (GMTs)
 - March 6: Spring Tourism Update (Livestream)
 - March 7: O‘ahu FAM for GMTs
 - March 8: Tourism Day at the Capitol
- HTA E-Bulletin
 - Drafted copy, edited, compiled images, created layout, and distributed January 2024 HTA e-Bulletin. (January 2)
 - Developed 2024 E-Bulletin calendar and timeline, strategized topics for February e-Bulletin.
- Destination Management Action Plans
 - Provided final Phase 2 reports for Hawai‘i Island, Maui, Lāna‘i, O‘ahu and Kaua‘i.
- HTA Reenters Europe in 2024
 - Provided edits to HTE in-market news release. (January 8)
 - Drafted and distributed e-blast announcing HTA’s resumption of brand management and visitor education work in key European markets. (January 11)
- Ho‘okipa Hawai‘i Weekend
 - Drafted and distributed e-blast encouraging the public to attend the event hosted by the Native Hawaiian Hospitality Association. (January 30)
- Polynesian Football Hall of Fame
 - Drafted program letter from Daniel Nāho‘opi‘i and Chair Hannemann. (January 13)
 - Drafted talking points for Daniel Nāho‘opi‘i’s remarks at the Polynesian Football Hall of Fame dinner. (January 20)

Communications

News Releases/Reports/Announcements

- News Release: Hawai‘i Tourism Authority Embarks on Governance Study (January 16)
- News Release: Hawai‘i Tourism Authority Furthers Its Commitment to Destination Management (January 18)

- Report: Hawai'i Hotel Performance Report for December 2023 (January 19)
- Report: Hawai'i Vacation Rental Performance Report for December 2023 (January 23)
- News Release: Hawai'i Tourism Authority Continues Tourism's Reinvestment In Community (January 31)

News Bureau

- Coordinated and/or assisted with the following interviews and statements, including:
 - TravelPulse, Lacey Pflaz: IG quote on importance of mālama Hawai'i and regenerative, responsible travel. (January 9)
 - Travel Weekly: IG quote on outlook for tourism and encouraging mindful, compassionate travel to Maui. (January 9)
 - KITV, Paul Drewes: Updated holding statement on incident involving Chinese national educator. (January 29)
- Assisted with the following media relations:
 - Pacific Island Paradises Magazine, Paula Towers (Australia): Connected editor with HTO for updates and images of the Hawaiian Islands. (January 10)
 - Mercado & Eventos, Juliana Costa (Brazil): Reviewed and declined advertising co-op request. (January 18)
 - Difusión/Editions Maison des Langues, Sophie Wright (France): Reviewed and declined request to reproduce the "Discover the Hawaiian Islands" video in their new English language coursebook. (January 23)

HTA's Social Media

- Managed social media calendar, drafted copy, sourced images, and scheduled posts on HTA's Facebook, Instagram and Twitter accounts. Also monitored and responded to direct messages and post comments.
- Phasing Threads into our social media presence and will begin reporting once established.

Platform	Facebook	Instagram	Twitter
Followers	28,615 (+13.6%)	10,555 (+30.1%)	43,429 (+3%)
Engagements	1,028 (-52.6%)	914 (+12.3%)	366 (-36.5%)
Posts	22	22	27

Internal Communications

- Developed 2024 Communications Calendar for coordination of messaging efforts.
- Developed Communications Request Form on Sharepoint to streamline process with Global Marketing Team and Brand Managers, to be deployed after testing.
- Updated Global Marketing Team protocol document utilized when working with HTA and the Island Visitors Bureaus to provide media assistance.

Crisis Response & Issues Management

Maui Wildfires Recovery

- Shared the following information across HTA's social media pages:
 - Posted about The Sentry and their efforts supporting Maui's recovery. (January 5)
 - Posted about HTA's series of messages from the people of Maui on how visitors can mālama Maui. (January 18)
 - Posted about the Ho'ūlu Lahaina Unity Gathering, supported by HTA. (January 19)
 - Responded to questions related to the situation.
- Updated Maui Recovery section on HTA website with resources and information geared toward visitors, businesses, employees, and community members throughout the month.
- Coordinated and assisted with the following interviews and statements, including:
 - LiveNOW from FOX, Julianne Amaya: Ilihia Gionson (IG) interview on Maui recovery. (January 1)
 - Interval International, Emily Schlorf: IG responses on status of Maui recovery and guidance for mindful, compassionate visitation. (January 22)
 - Freelancer Christine Hitt: IG response on HTA guidance for traveling to West Maui, emphasizing respect and compassion. (January 24)
 - Freelancer Stacey Lastoe: Leanne Pletcher interview on Maui tourism and Kalei Uwēko'olani, cultural programming manager and leadership educator at Grand Wailea regarding the history of lū'au. (January 24)
 - The Weather Channel, Josh Vexler: IG interview on importance of tourism to Maui, impact of wildfires and plans to bring mindful visitors back for "National Plan a Vacation Day." (January 30)

Hilo International Airport Travel Advisory

- Drafted e-blast and shared DOT social media post alerting the public to delays at Hilo International Airport. (January 3)

FAA Grounding of Boeing 737 MAX 9 Aircraft

- Drafted and distributed e-blast and social media post alerting the public of travel impacts due to grounding of Boeing 737 MAX 9 airplanes. (January 6)
- Hawai'i News Now, Cienna Pioloten: Provided information on HTA's response to the grounding of Boeing 737 MAX 9 airplanes. (January 8)
- Honolulu Star-Advertiser, Allison Schaefer: Responded to inquiry and advised that the Go Hawai'i Call Center has not received any inquiries pertaining to this situation. (January 8)

Kūhiō Avenue Traffic Advisory

- Drafted and distributed e-blast notifying the public of scheduled roadwork impacting Kūhiō Avenue in Waikīkī. (January 11)

Ellison Onizuka Kona International Airport Closure

- Drafted and distributed e-blast and social media posts alerting the public to KOA closure impacting travel to and from West Hawai'i. (January 15)
- KITV, Marisa Yamane: Provided information on HTA's role in activating its network to assess and monitor the closure of Ellison Onizuka Kona International Airport. (January 15)
- Drafted and distributed e-blast and social media post alerting the public on reopening of KOA. (January 16)
- KHON, Kristy Tamashiro: Provided information on HTA's role in activating its network to assess and monitor the closure of Ellison Onizuka Kona International Airport. (January 16)

Government Affairs

Advisory Council

Per HRS §201B-13 (b), HTA may establish an advisory group that meets regularly with leadership from other state agencies to advise HTA on matters relating to their respective departments. Based on input from the directors, HTA will have recurring meetings with each director instead of group meetings. The CEO met individually with the directors of DLNR, DOT and SFCA in January and February. The agendas included

discussing bills of common interest between departments, discussing HTA's departmental budget request, and joint programs such as EDA.

Legislative Affairs

The 2024 session of the Hawai'i State Legislature convened on January 17. HTA identified 135 measures of interest across the House and Senate that we are tracking. Six of those measures were scheduled for hearings in January, and HTA submitted testimony on each. Key leadership staff have also been scheduling one-on-one meetings with legislators to answer any questions they may have about HTA's various requests and positions. The Tourism Policy Page on hawaii-tourism-authority.org shares our submitted testimonies as well as the board-approved positions for this session.

III. DESTINATION STEWARDSHIP BRANCH

Functional Statement: The Destination Stewardship Branch is responsible for implementing projects and programs that seek to balance and meet the economic, environmental, and social/cultural needs of Hawai'i while working in close partnership with the visitor industry and residents.

Natural Resources Initiative

Overview: Support programs that protect, maintain and enhance Hawai'i's natural resources and cultural sites to improve the quality of life for all of Hawai'i's residents and to enhance the visitor experience in alignment with the Authority's mission to strategically manage Hawai'i tourism in a sustainable manner consistent with economic goals, cultural values, preservation of natural resources, community desires, and visitor industry needs. The [HTA's Five-Year Strategic Plan 2020-2025](#) lays out the Natural Resources Pillar objectives to "encourage and support sustainable and responsible tourism; engage and encourage active natural and cultural resource management strategies in areas frequented by visitors; and to promote visitor industry alignment with the Aloha+ Challenge, Hawai'i's recognized model to achieve the UN's SDGs, especially for energy and water."

Kahu 'Āina Program

The Hawai'i Tourism Authority's Kahu 'Āina Program, consistent with Chapter 201B-7(a) of the Hawai'i Revised Statutes that allows HTA to "enter into agreements that include product development and diversification issues focused on visitors"; Chapter 201B-3(a)(14) which states that HTA "may develop, coordinate, and implement state policies and directions for tourism and related activities taking into account . . . Hawai'i's natural

environment”; and Chapter 201B-3(a)(20) which states that HTA “may coordinate the development of products with the counties and other persons in the public and private sector, including the development of sports, culture, health and wellness, education, technology, agriculture, and nature tourism.” In addition, the HTA Five-Year Strategic Plan 2020-2025 lays out HTA’s plan to support Hawai‘i’s Natural Resources as stated above.

HTA’s Kahu ‘Āina (formerly known as Aloha ‘Āina) program supports responsible community based entities with an emphasis on ‘āina-kānaka (land-human) relationships and knowledge that manage, preserve and regenerate Hawai‘i’s natural resources. Through the Kahu ‘Āina program, HTA is reinvesting more than \$1.2 million (\$1,236,000) across 25 community groups and projects in 2024. A detailed list can be found in the attached news release.

Hawaiian Culture Initiative

Overview: Support programs that perpetuate and recognize the uniqueness and integrity of the Hawaiian culture and community and their significance in differentiating the Hawaiian Islands through unique and genuine visitor experiences.

Kūkulu Ola Program

The Hawai‘i Tourism Authority’s Kūkulu Ola Program, consistent with Chapter 201B-7(a) of the Hawai‘i Revised Statutes (“HRS”) which allows HTA to “enter into agreements that include product development and diversification issues focused on visitors”; and Chapter 201B-7(5), which gives the HTA responsibility for “perpetuating the uniqueness of the native Hawaiian culture and community, and their importance to the quality of the visitor experience, by ensuring that Hawaiian cultural practitioners and cultural sites that give value to Hawai‘i’s heritage are supported, nurtured, and engaged in sustaining the visitor industry”; and Chapter 201B-3(a)(20) which states that HTA “may coordinate the development of products with the counties and other persons in the public and private sector, including the development of sports, culture, health and wellness, education, technology, agriculture, and nature tourism. In addition, the HTA Five-Year Strategic Plan 2020-2025 lays out HTA’s plan to support Hawaiian Culture as stated above.

HTA’s Kūkulu Ola program supports community-based awardees that enhance, strengthen and perpetuate Hawaiian culture through genuine experiences for residents and visitors. Through the Kūkulu Ola program, HTA is reinvesting \$1.25 million across

the state to 34 nonprofit organizations, events and cultural practitioners in 2024. A detailed list can be found in the attached news release.

Festivals of Pacific Arts & Culture (June 6-16, 2024)

HTA's Chief Brand Officer Kalani Ka'anā'anā is the Chair of the Commission on the 13th Festival of Pacific Arts & Culture. HTA staff continue to provide administrative support through the coordination and staffing of bi-weekly meetings, drafting and posting agendas and meeting minutes.

Visitor Experiences Initiative

Overview: The primary objective is to enhance the visitor experience while also preserving and promoting Native Hawaiian culture in addition to Hawai'i's multi-ethnic cultures and communities. This is achieved by fostering genuine, respectful, and accurate visitor activities and programs that connect tourists with the rich heritage of Hawai'i, all while supporting local cultural practitioners, artists, and craftsmen to ensure the preservation and perpetuation of Hawaiian culture and the local culture of Hawai'i.

Signature Events Program (SEP)

The HTA's Signature Events program supports major events that have broad appeal and align with Hawai'i's destination's image and brand. These world-class events help Hawai'i to remain competitive, generate media exposure for Hawai'i, increase economic benefits and ensure tourism and communities enrich each other. Signature Events aim to attract attendees and participants from outside the state of Hawai'i with extensive national and international marketing and have a significant economic impact as measured by the number of out-of-state participants. The program seeks to support and strengthen existing events and create new events for both residents and visitors.

HTA's Signature Events program supports major festivals and events that attract attendees and participants from outside the state and have extensive opportunities for national and international marketing. They include typically high-profile events that are larger in scale than those in the Community Enrichment program. These events also have a high media value (print, online and broadcast impressions). Through the Signature Events program, HTA is reinvesting \$2.85 million across 21 festivals and events happening in Hawai'i in 2024. A detailed list can be found in the attached news release.

Community Enrichment Program (CEP)

The Community Enrichment Program fosters community-based tourism projects that improve and enrich Hawai'i's product offerings. These community-based projects provide unique, authentic, and highly valued visitor experiences and represent activities developed by our community, for our community, and are things the community wants to share with our visitors.

HTA's Community Enrichment program supports unique, authentic and highly valued visitor-related experiences, and represents activities that are developed by the community, for the community, and are things the community is willing to and wants to share with visitors. Through the Community Enrichment program, HTA is reinvesting \$1.84 million across the state to 79 community-based events, festivals and experiences in 2024. A detailed list can be found in the attached news release.

Visitor Assistance Program (VAP)

Overview: HTA's Visitor Assistance Program (VAP) provides support, resources and guidance to visitors who are victims of crime and other adversities while traveling in Hawai'i. Services include providing phone cards, transportation, meals, hospital visits and moral support, replacing lost IDs, assisting with hotel and airline bookings, and more. Under HRS 237D-6.5 (b)(2), HTA, at a minimum, is required to spend 0.5 percent of the Tourism Special Fund on safety and security initiatives.

January Stats:

County	No. of Cases Handled	No. of visitors served	Primary Visitor Market(s) Served	Industry \$\$ Contributions
Hawai'i	37	79	US East & West	\$12,498.00
Honolulu	37	342	US West	\$11,611.88
Kaua'i	13	23	US West	\$1,000.00
Maui	5	16	US E & W, Canada & Europe	\$4,800.00

Ho'okipa Malihini Program

Ho'okipa malihini means to welcome guests and as its name suggests, this program will enhance the visitor experience and resident-visitor interaction. Programming includes cultural programs and entertainment in various resort and visitor areas statewide that support Hawaiian programs and cultural practitioners, craftsmen, musicians, linguists and/or other artists to help preserve and perpetuate Hawaiian culture in a way that is respectful and accurate, inviting, and educational. The program will directly support the

Hawaiian community and cultural practitioners by creating opportunities to involve them in the industry with industry partners and visitors. While some resort/hotel areas have cultural directors this program helps to reinforce our collective kuleana to Mālama Hawai‘i.

Resort Area Hawaiian Cultural Initiative (RAHCI)

HTA’s Resort Area Hawaiian Culture Initiative provides support to cultural practitioners and musicians presenting Hawaiian experiences, entertainment and music in resort areas. Through the Resort Area Hawaiian Culture Initiative, HTA is reinvesting \$385,000 in four community groups, musicians and practitioners in 2024, with \$335,000 going toward displaced musicians and practitioners who previously worked in resort areas that were impacted by the Maui wildfires and loss of tourism. A detailed list can be found in the attached news release.

Kāhea Greetings Program (Airports And Harbors)

Programming includes regularly scheduled, free year-round entertainment to create a Hawaiian sense of place for the millions of visitors entering Hawai‘i through our airports and harbors statewide. Below is the programming schedule at each port:

HNL	OGG	KOA	LIH	ITO	Hilo Harbor	Kona Pier	Nāwiliwili Harbor
Mon - Sat 9:30am- 1:30pm	Fri - Sun 10:00am- 2:00pm	Thu - Fri 11:00am- 3:00pm	Fri - Sat 10:00am - 2:00pm	Mon 11am – 3:00pm	<i>With Cruise Ship Arrivals</i>		

[Post-Arrival Messaging](#)

Finalized the Maui Recovery Visitor Education & Post-arrival marketing campaign as part of HTA’s larger recovery initiatives in response to the Maui Wildfires. All four channels of Visitor Education and Post-Arrival Marketing – Native Ads, Digital Display, Search Engine, Social Media – are tracking well to KPIs established by our Destination Stewardship contract. The click-thru rate of social media is tracking higher than anticipated which is a favorable metric. We will be reporting specific KPIs for this quarterly. Please see the Destination Stewardship appendix for more details on this topic.

[Smart Tourism](#)

HTA staff has asked Kilohana to pause on this part of their scope of work while HTA evaluates how to move forward given the Maui wildfire, bills addressing destination apps currently moving through the Legislature, and other factors.

Destination Management

HTA staff are working with the island destination managers on how to revamp their reporting templates to fit this new CEO report model.

Technical Assistance & Capacity Building

HTA staff is working with Kilohana on the technical needs assessment. The assessment and its final report are slated for completion at the end of March. Once the needs assessment final report is completed the staff and Kilohana will utilize the findings to finalize the content and format for the three community tourism collaboratives. We anticipate that they will launch in Q3 2024 and be focused on Foundational Technical Assistance, Community Stewardship and Regenerative Experiences.

Workforce Development Program

Pursuant to HRS 201B-3 (a) (22) HTA will address the industry's evolving needs in workforce training by working with educational institutions to make training available for the industry workforce to help enhance overall skills and quality of service. Sustaining tourism's success also depends on Hawai'i's youth helping to carry the industry forward and becoming the next generation of leaders. Encouraging Hawai'i's high school and college-age students to choose tourism as their career is another important part of HTA's workforce development initiative in ensuring that there are career opportunities in the tourism industry for Hawai'i's own.

Tour Guide Certification

Development of curriculum for an online Tour Guide Certification training program that will include but not be limited to: Hawaiian culture, Hawai'i's history, customer service and safety issues. Identification and implementation strategies also to be developed to increase enrollment and certification completion. This program is being developed through the contract with Kilohana/CNHA.

VI. BRAND BRANCH

Functional Statement: The purpose of the Brand Branch is to strengthen tourism's overall contribution to Hawai'i by taking the lead in protecting and enhancing Hawai'i's globally competitive brand in a way that is coordinated, authentic, and market-appropriate. This includes the oversight of the implementation of annual brand marketing plans in select major market areas (USA, Japan, Canada, Oceania, Korea, China, and Europe), sales & marketing for single property and city-wide global meetings, conventions and incentives or MCI, Global Support Services which includes

management of a digital assets library, social media tools, and the gohawaii.com consumer website, affiliate sites, and application, Island Destination Brand Management & Marketing with representation and expertise provided in each county of Hawai'i, and sports programs.

Major Market Destination Brand Management

Overview: This initiative focuses on destination brand marketing for leisure travel in seven major market areas with pre-arrival communications to educate visitors with information about safe, respectful, and mindful travel within the Hawaiian Islands. Another key emphasis of the initiative is to drive visitor spending into Hawai'i-based businesses as a means to support a healthy economy, including supporting local businesses, purchasing Hawai'i-grown agricultural products, and promoting Hawai'i-made products in-market, in partnership with the state's Department of Business, Economic Development & Tourism (DBEDT) and the private sector.

More details for each market are available in the appendices of this report.

US Major Market Area

- CON 23003 – HTUSA confirmed a partnership with Tourism Cares after facilitating an internal webinar on January 23, 2024. They will continue planning for encouraging stakeholder participation in the Meaningful Map and Meaningful FAM as a part of HTUSA's 2024 BMP.
- HTUSA's PR team traveled to New York on January 24 and 25 to participate in TravMedia's International Media Marketplace, the leading global networking event connecting the travel industry with editors, journalists, broadcasters, and influencers. Lei-Ann Field participated on a panel, "Destination Marketing That Works," where she shared about Mālama Hawai'i. She and Darlene Morikawa also represented HTUSA while meeting with 48 top-tier media in one-on-one appointments.
- Agents.gohawaii.com saw 892 online graduates who completed the Hawai'i Destination Specialist and/or Island Specialist Educational courses, with 1,058 new registrants signed up for access to online resources. The overall travel agent database numbers are 137,769 profile records.

Canada Major Market Area

- On January 25, HTCAN organized a training session exclusively for travel advisors from TravelBrands. The session was aimed at providing valuable insights and knowledge about the destination. Gustavo Inciarte, the Account Manager for

Western Canada, led the session and offered a comprehensive overview of the Hawaiian Islands.

- In January, HTCAN's top performing social posts were more in the inspirational zone than the mālama zone. However, HTCAN is still posting with a mālama leaning even if it is an inspirational post. Based on the highest number of likes and engagements this month, Canadians want to see unique places and get inspired for that bucket list trip.
- HTCAN participated with a booth at the Canada's Bridal Show where they were able to meet with over 500 people who requested information about the Hawaiian Islands for a destination wedding, a honeymoon or just a simple escape.

Japan Major Market Area

- In January, the "Yappari Hawai'i" campaign video was distributed through Out-of-home, digital and TV. Among them, the TV commercial during a traditional Japanese New Year's ekiden, which celebrated its 100th anniversary this year, and the video signage at Meiji Shrine, targeting New Year's visitors, received a positive response from the industry.
- To promote golfing in Hawai'i, in collaboration with Rakuten Gora, HTJ launched a special golf website and sent email newsletters to 550,000 people, with 429,000 openings.
- HTJ endorsed two events held in January with a total of 10,050 participants. HTJ encouraged the sharing of Hawai'i information and the airing of campaign videos such as "Yappari Hawai'i" and "Beautiful Hawai'i" at the events.

Oceania Major Market Area

- This month HTO attended the Hunter Travel Group Expo in Newcastle, in partnership with Hawaiian Airlines. The expo saw 7,200 consumers through the door, \$3 million AUD sales on the day. HTO presented to a room of 60 people during one of the break-out theatre presentations.
- HTO was proud to support Duke's Day from January 11-13 in Freshwater Beach, Sydney. Duke's Day is an annual celebration dedicated to the legacy of Duke Kahanamoku. The three-day festival featured yarning sessions, beach clean-ups and Waterman movie screenings. A highlight of this year's festival was the participation of Moses Goods, a renowned Hawaiian theatre artist and a prominent figure in the award-winning 'Waterman' documentary, enriching the event with his insights and expertise.

- This month HTO worked with MyHawaii in preparation for their Aloha campaign launch in February. HTO sent two of the team to Hawaii to get new content and update their marketing assets to be more in line with responsible tourism messaging.

Korea Major Market Area

- HTK arranged a media visit to Hawaii with a journalist from Hankook Ilbo, a leading daily newspaper in Korea, to promote Mālama Hawaii/Mālama Maui, which resulted in three articles published in January with two of them focused on Maui recovery.
- HTK supported Honeymoon Resort in promoting honeymoon products with special offerings that include a complimentary Hanauma Bay night star tour for the first 300 couples, a room upgrade for couples booking at Sheraton Maui, and a free beach towel for 40 couples who purchase Hawaiian Airlines tickets.
- HTK participated in the "2024 New Year's Celebration" event organized by Brand USA. HTK shared ongoing initiatives from its Mālama Hawaii/Mālama Maui campaign. There were 80 industry professionals in attendance.

China Major Market Area

- HTC attended U.S. Consulate Travel & Tourism roadshows in Shenzhen and Shenyang in January. 14 U.S. destinations and industry businesses participated in both cities. HTC conducted a presentation of the Hawaiian Islands, promoted its B2C and B2B WeChat Hawaii mini-programs, and featured Maui attractions and activities. There were over 400 people from the local travel industry registered for each event.
- HTC actively promoted the 2024 Lōkahi Spring World Music Festival to be held in the Hawaii Convention Center in February. This festival brings musicians and artists from China, Japan, and the U.S. Mainland to collaborate with local musicians and artists and to promote and celebrate diverse culture and music around the world.
- HTC team continues to finalize details for the China Travel Mission scheduled for the last week of May. To date, several industry partners have tentatively committed to participate.

Europe Major Market Area

- HTE officially kicked off its representation services for the Hawaiian Islands in Europe (U.K., Germany, Switzerland) on January 1, 2024. In the first month, the team made 19 sales calls with key tour operators and travel agents to introduce the new team, the Mālama concept, and upcoming major programs and campaigns.

- HTE team held six meetings with DMCs and hotel groups to discuss the current market conditions and business bookings from Europe, voluntourism promotions, and future collaborative opportunities.
- In January, HTE PR staff worked with media across print, digital, broadcast and social platforms. HTE introduced the team to various media outlets; followed up in regard to HTE's press release, double checking if the trade media needs any further information; spoke to editors and freelancers about their editorial calendars for 2024.

Global Meetings, Conventions & Incentives

Overview: The MCI market can become a critical source of profitable “base” business booked years in advance. This base of business enables a higher yield of shorter-term leisure business. It can also help fill hotel occupancy gaps in future years by capitalizing on off-peak opportunities. To be competitive and thrive in the changing world of business tourism (MCI market), Hawai'i must capitalize on its strategic mid-Pacific location, which conveniently connects East and West, helping organizations create business events that are international, engaging and memorable experiences. Our location also contributes to a unique experience and the group setting of these meetings, conventions and incentives allows us to further educate our markets about Hawaiian culture and our precious resources by immersing attendees and stakeholders in these activities. Primary focus is on MCI sales and marketing in the United States, Japan, Canada, Oceania, Korea, and other Asia markets as appropriate.

Asia/Oceania:

- Group Businesses is back in a big way. In-person events are returning to pre-COVID normal pace. In 2024, 81 percent of meetings will have an in-person component in them.

Other Sales & Marketing Efforts:

- The HTA is in the process of finalizing and executing a supplemental contract for Meet Hawai'i, which includes the Short-term Corporate Seller. The Meet Hawai'i team recently hired an East Coast/Europe Seller and a Senior DOS, Single Property Seller.
- The HTA Brand Team is working with HVCB to create a more efficient approval process for Marketing Flexibility Fund requests.
- In continued support of Maui Recovery efforts, strategic partnership with SITE and IRF continued in January with integrated sales and marketing tactics to promote getting MCI business back to Maui, as well as dispersed statewide.

- Meet Hawai'i also launched a completely refreshed website at meethawaii.com on January 22. This engaging and user-friendly experience is a result of a very involved and comprehensive update to the site's content, ensuring relevance and alignment with current trends and information, as well as the evolving needs of the meeting planner audience.
- **List of January Sales Activities:**
 - Client promotional events
 - January 25, 2024 – MPI NCC Networking Reception – Oakland, CA
 - January 29-31, 2024 – HVCB Annual Meeting/MCI Meeting – O'ahu
 - Educational events and trade shows
 - January 1, 2024 – PCMA – California
 - January 6-10, 2024 – PCMA Convening Leaders – San Diego, CA
 - January 21-24, 2024 – IPEC – South Carolina
 - January 26, 2024 – HCC Presentation for Incentive Organizer Jointly with H.I.S
 - Sales blitzes
 - January 27, 2024 – Hawai'i Kai Workshop – Fukuoka
 - January Major site visits and familiarization (FAM)
 - O'ahu - 1
- Regarding the Hawai'i Convention Center, During the month ended December 2023, the HCC hosted 20 licensed events which was four more than budgeted. All events were local and half were repeat clients, like the Honolulu Marathon, Honolulu Board of Realtors, Aloha Region Christmas Festival, and JROTC Military ball. Total facility revenue for the month exceeded \$1M, which was \$160,000 more than budgeted and posted a net loss of \$640,200, which was \$86,100 less than planned. The economic and financial impacts of citywide business HCC have hosted during CY 2023 highlight the importance of improved results for both the State and HCC. The economic impact and tax generation of city-wide events are \$244.3 million and \$28.5 million, respectively, during CY 2023. In addition, all other performance measurements - occupancy, events, attendance, and revenue per attendee exceeded targets.

Island Destination Brand Management and Marketing Services

Overview: The Island Destination Brand Management and Marketing Services (IDBMMS) include the support from on-island representatives on behalf of HTA for visitor education, visitor industry engagement, and public relations activities; serving as advisors to HTA on the respective islands and The Hawaiian Islands statewide brand; collaborating with HTA's Global Marketing Team to develop and implement

familiarization trips and press trips to areas that are welcoming visitors; providing island-based visitor education support during promotions, trade shows, and missions in major market areas, and coordinating with city and county government officials and designated organizations during crisis management situations.

- CON 24009 – Island Destination Brand Management & Marketing Services continues to support the HTA with education about The Hawaiian Islands brand as the team ramps up for Tourism Day at the Capitol on March 8, 2024. The Island Visitor Bureaus will be preparing talking points and gifts from each of their respective islands to share at the event in an effort to support local businesses.
- IDBMMS is also helping to coordinate the O‘ahu FAM during HTA’s 2024 Spring Tourism Update that will allow the larger HTA team to collaborate in person while all partners are on island. This FAM will follow a packed agenda of coordinating efforts and kuleana in 2024.
- O‘ahu Visitors Bureau’s Noelani Schilling-Wheeler is also leading the coordination of IPW in Los Angeles. As the leading inbound travel trade show, Noelani is connecting with all GMT and working closely with the HTA to ensure Hawai‘i’s prominent representation. This event will take place on May 3-7, 2024.

Global Support Services for Brand Management & Marketing

Overview: The Hawai‘i Tourism Global Support Services for Brand Management and Marketing support HTA’s comprehensive pre- and post-arrival visitor education and destination management efforts, as well as HTA’s Global Marketing Team throughout the U.S., Canada, Japan, Oceania, Korea, China, and Europe. The support services include providing market insights to boost strategy, management and development of creative and digital assets, social media, website management, including GoHawaii.com, application development and maintenance, and maximizing emerging technology to support the updating of our Ma‘ema‘e Toolkit and Brand Guidelines. The resources are also shared broadly with the public for the community, visitor industry, businesses, media, travel trade, and meetings, conventions and incentives industry representatives to utilize in their respective areas.

- RFP 24-09 – The Hawai‘i Tourism Global Support Services for Brand Management and Marketing request for proposal was released on December 8, 2023, and received proposals on January 8, 2024. The HTA anticipates awarding a contractor by the end of February.
- Until this contract has been executed and a contractor in place, the HTA staff has taken on these responsibilities in house. These services include managing social

media and communication platforms used by the HTA team and its partners, providing access to digital assets in Knowledge Bank, updating the consumer facing website (gohawaii.com), and processing requests from non-profit organizations and Hawai'i-based groups to bring Sharing Aloha gifts from home with them to events and interactions overseas.

Sports

Overview: HTA is committed to continuing its support for amateur, collegiate and professional sports programs and events seeking to hold tournaments, exhibitions, and other activities in Hawai'i. Such events and programs extend the brand image of, and attract visitors to, our islands. These visitors will travel to support these events and programs while concurrently stimulating our state and local economies. As part of this program, HTA requires all its sports events and programs to include a community engagement and benefit component as part of their proposal. Community engagement and benefits may involve activities, such as youth clinics, coaches' clinics and other activities designed to provide Hawai'i's youth with access to resources and guidance not normally available to them.

- HTA continued its robust support and pursuit of sports partnerships and sports tourism. Included in the past month's activities are events reaching local, national and international target travelers. Although exact figures are still being totaled, all indications confirm these partnerships once again enabled the state to capitalize financially and drove future visitor considerations.
- **January Event Partnerships**
 - **The Sentry**, January 4-7 (PGA Tour Golf, Maui)
 - **The Sony Open**, January 11-14 (PGA Tour Golf, O'ahu)
 - **The Mitsubishi Electric Championship**, January 18-20 (PGA Champions Tour, Island of Hawai'i)

VIII. PLANNING & EVALUATION BRANCH

Functional Statement: The purpose of the Planning & Evaluation Branch is to strategically plan for the near, mid, and long-term health and vitality of our visitor industry and manage destination issues that affect communities and the visitor experience. This includes the development, monitoring, and oversight of various plans for the HTA including but not limited to the Strategic Plan, the Destination Management

Action Plans (DMAPs), and the Tourism Management and Marketing Plan. Other activities include development of policy as it relates to tourism.

Planning

Overview: This area develops plans in addition to carrying out research functions to develop HTA programs and activities.

Tourism Recovery Plan

SMS Research & Marketing Services, Inc., completed its work on the Tourism Recovery Plan. The plan was guided with input from Maui residents, businesses, and government officials, and identifying major strategies and not only short-term but also mid- and long-term recommendations. The plan was provided to DBEDT in their role coordinating the State's Economic Recovery Support Functions. The plan can be found on HTA's Maui Recovery webpage. [The full report is available on hawaii-tourism-authority.org](https://hawaii-tourism-authority.org). Projects that have been approved by the board from the tourism emergency special fund include:

- US Maui Recovery Marketing Program #2;
- Enhancement of the gohawaii.com site;
- Assistance to Maui businesses at Hawai'i Tourism USA's events on the U.S. continent;
- Increased post-arrival visitor communication and education;
- Support of Maui Made products and a marketplace for displaced Lahaina and Maui businesses;
- Maui Resident Communications Campaign – Mākaukau Maui;
- Increased communication efforts encouraging out-of-state owners to rent to displaced Lahaina residents

Mākaukau Maui Resident Campaign

As part of Hawai'i Tourism Authority's (HTA) efforts to support Maui's recovery, HTA recently launched the Mākaukau Maui campaign (makaukaumaui.com) on February 15, which gives a voice to Maui residents who are ready to get back to work in our visitor industry. We recognize that while Lahaina is closed to the public, other parts of Maui are open to visitors to foster stability and economic recovery for its residents. Finding stability, reducing uncertainties, and establishing a new normal after the wildfires are crucial steps in healing emotionally and financially. The campaign highlights Maui residents in the visitor industry and includes TV, print, social and radio. The campaign runs through April.

HTA Workforce Development Plan

An HTA Tourism Workforce Development Plan has been created for FY 2024-2026. The purpose of this plan is to develop strategies and activities for HTA to support a thriving visitor industry workforce.

Product Development

Overview: Develop, lead, assess, and optimize the development of new products and experiences. Leverage data and research to identify opportunities and areas where the development of programming is needed.

Tourism Quality Assurance Program

This is a certification program to recognize and grow responsible, sustainable businesses. In addition, this program is meant to provide and maintain consistency in areas such as quality, reliability, environmental, sustainable, and responsible tourism practices. This program is being developed through the CNHA/Kilohana contract.

- Meetings were held in February with the advisory committees to review the criteria that businesses will be evaluated.
- Meetings were also held with the Global Marketing Team and island chapters to introduce the program, criteria, and solicit feedback and input.

EDA’s Noncompetitive Travel, Tourism & Outdoor Recreation Grant

Staff continues to work with DLNR managing and monitoring their contract for the 7 projects. Staff is waiting for EDA approval on specific use funds for the urban trail.

X. FINANCE BRANCH

Contracts List: Pursuant to Hawai’i Revised Statutes §201B-7 (9), please note the below contracts executed during the month of January 2024.

Contract No.	Contractor	Description	Contract Amount	Total Contract Value	Start Date	End Date
23004 S2	A.LINK LLC	Hawai’i Tourism Destination Brand Marketing & Management Services for the Japan Major Market Area	\$2,500,000.00	\$22,000,000.00	1/06/2024	12/31/2027

Θ24015	Kinetic Productions, Inc.	Maui Resident Communications Campaign	\$124,993.91	\$124,993.91	1/29/2024	5/31/2024
24010	Better Destinations, LLC	Hawai'i Tourism Authority Governance Study	\$294,400.00	\$294,400.00	1/29/2024	6/30/2024
Contract Type: • Sole Source † Procurement Exemption Θ Emergency			\$2,919,393.91			

XI. APPENDICES



For Immediate Release: January 31, 2024
HTA Release (24-03)

Hawai'i Tourism Authority Continues Tourism's Reinvestment In Community
More than \$7.5 million to support 163 projects, programs and events statewide

HONOLULU – The Hawai'i Tourism Authority (HTA) is furthering its dedication to the community, announcing five key programs to support natural resources, culture and the community: Kahu 'Āina, Kūkulu Ola, Resort Area Hawaiian Culture Initiative, Signature Events, and Community Enrichment. In 2024, HTA is partnering to provide more than \$7.5 million in total funding to support 163 nonprofit organizations, community groups, practitioners, projects and events throughout the state.

"The community is the foundation of our visitor industry and the fabric of the experiences that mindful travelers want to have when they come to our shores," said Mufi Hannemann, HTA Board Chair. "To continue having a thriving, diversified industry that supports our other sectors we need to ensure that we strengthen what we all know makes Hawai'i special — our people, our living cultures, and the places that we hold dear — as without them there is no future."

"Reinvesting in Hawai'i's people, places and multi-cultural traditions remains central to HTA's regenerative tourism mission," said Daniel Nāho'opi'i, HTA's interim president and CEO. "We look forward to working closely with such a diverse range of qualified organizations and practitioners on each island to deliver these programs to our community and our visitors."

HTA has partnered with Kilohana to administer the following programs and contracts in 2024 as part of its focus on destination stewardship. Criteria included demonstrating how the proposed initiative aligns with the state's Aloha+ Challenge and 'Āina Aloha Economic Futures principles toward a circular economy, which HTA remains committed to advancing.

These programs complement HTA's initiatives to strengthen workforce development in Hawai'i's visitor industry, assist nonprofits and small businesses with capacity-building tools to improve their ability to engage in tourism, and provide technical assistance training.

2024 KAHU 'ĀINA PROGRAM

HTA's Kahu 'Āina (formerly known as Aloha 'Āina) program supports responsible community-based entities with an emphasis on 'āina-kānaka (land-human) relationships and knowledge that manage, preserve and regenerate Hawai'i's natural resources. Through the Kahu 'Āina program, HTA is reinvesting more than \$1.2 million (\$1,236,000) in the following 25 community groups and projects in 2024.

Project/Program	Organization	Island(s) Served	Award Amount
Statewide/Multiple Islands			
Building Pilina to 'Āina through Mālama Work Days	Project Kanu	Statewide	\$50,000

Forest to Frets: Hands on History Hawaiian Steel Guitar Program	Kealakai Center for Pacific Strings	O'ahu, Kaua'i	\$50,000
Hawai'i Agritourism Holomua Series: A Way Forward	Hawai'i Agritourism Association	Hawai'i Island, Maui	\$50,000
Kupu 'Āina Corps and Nā Manu 'Elele	Kupu	Statewide	\$100,000
Mo'olelo Matters Speaker Series	Aloha Kuamo'o 'Āina	O'ahu, Hawai'i Island	\$50,000
Hawai'i Island			
EA Ecovercity	EA Ecovercity	Hawai'i Island	\$40,000
Huaka'i & Mālama 'Āina with Waikōloa Dry Forest Initiative 2024	Waikōloa Dry Forest Initiative	Hawai'i Island	\$34,000
'Ike Ka'ūloa - Knowing Ka'ū	Infinite Reach 'Apoākea	Hawai'i Island	\$20,000
Ka'e Lehua	Pōhāhā I Ka Lani	Hawai'i Island	\$100,000
Kumu Pa'a i ka 'Āina	The Kohala Center, Inc.	Hawai'i Island	\$40,000
Mālama 'Āina Mai Ka Uka i Ke Kai	Mālā'ai	Hawai'i Island	\$83,000
Nānā 'Āina: Learning To Care For Our Forest Relatives From Our Forest Relatives	The Kohala Center, Inc.	Hawai'i Island	\$50,000
Maui			
Kīpahulu 'Ohana, Inc.	Mālama 'Ōpelu	Maui	\$40,000
The Auwahi Project Community-Based Native Watershed Forest Restoration	Auwahi Forest Restoration Project	Maui	\$50,000
Wailuanui Lo'i Kalo & 'Auwai Restoration	Nā Moku Aupuni o Ko'olau Hui	Maui	\$40,000
Moloka'i			
Moloka'i Land Trust	Moloka'i Land Trust	Moloka'i	\$37,500
O'ahu			
Aloha 'Āina - Ka'ena Point	Young Men's Christian Association of Honolulu	O'ahu	\$60,000
Hui Mālama O Ke Kai Foundation	The Kaiāo Project	O'ahu	\$30,000
Kōkua Learning Farm	Kōkua Hawai'i Foundation	O'ahu	\$30,000
Komo I Ka 'Āina	Kauluakalana	O'ahu	\$52,000

Mālama Pia Valley	Protect & Preserve Hawai'i	O'ahu	\$40,000
Pu'uhonua 'o Waikāne : Realizing Refuge for Indigenous Identity & 'Āina	Ho'ihō'i Ea	O'ahu	\$50,000
Restoring Ea	Mālama Loko Ea Foundation	O'ahu	\$50,000
Stewardship and Conservation of Hawai'i's Protected Marine Animals	Hawai'i Marine Animal Response	O'ahu	\$30,000
Kaua'i			
Kūpuna Mahi'ai Apprenticeship Project KMAP	Kūmano I Ke Ala O Makaweli	Kaua'i	\$60,000

2024 KŪKULU OLA PROGRAM

HTA's Kūkulu Ola program supports community-based awardees that enhance, strengthen and perpetuate Hawaiian culture through genuine experiences for residents and visitors. Through the Kūkulu Ola program, HTA is reinvesting \$1.25 million in the following 34 nonprofit organizations, events and cultural practitioners in 2024.

Project/Program	Organization	Island(s) Served	Award Amount
Statewide/Multiple Islands			
He Mau Ali'i: Chronicles of Hawai'i's Sovereigns	Historic Waimea Theater and Cultural Arts Center	O'ahu, Kaua'i, Hawai'i Island, Maui	\$10,000
Ho'i Mau I Ka 'Iwikuamo'o - Return to the Source	Kānehūnāmoku Voyaging Academy	O'ahu, Hawai'i Island, Maui, Kaua'i, Moloka'i	\$75,000
Kania Ola: Economic Resilience for Mele Practitioners	Kāhuli Leo Le'a	O'ahu, Kaua'i, Hawai'i Island, Maui	\$50,000
Lohe I Ka Leo (Hear the Voice) Archival Project	Kalihi-Pālama Culture and Arts Society	Statewide	\$40,000
Mana Mele	Mana Maoli	O'ahu, Kaua'i, Hawai'i Island	\$40,000
Nā Kūkulu a ka Moananui a Kanaloa, The Pillars of the Great Ocean of Kanaloa	Lālākea Foundation	O'ahu, Hawai'i Island, Maui, Kaua'i	\$112,300
Wana A'o: Digital Storytelling and Cultural Preservation	Mana Studios	Statewide	\$30,000

Hawai'i Island			
Hōlua Revitalization Program	Pāhoa Lava Zone	Hawai'i Island	\$25,000
Hula Arts at Kīlauea	Volcano Art Center	Hawai'i Island	\$20,000
Ka Lau o Ke Kāhuli	Pōhāhā I Ka Lani	Hawai'i Island	\$25,000
Kaulele - Expanding Reach	Institute for Native Pacific Education and Culture (INPEACE)	Hawai'i Island	\$20,000
Ola Ka 'Ie'ie	Hiki Ola	Hawai'i Island	\$15,000
Wailehua	Edith Kanaka'ole Foundation	Hawai'i Island	\$75,000
Maui			
Hāna Arts	Hāna Arts	Maui	\$30,000
O'ahu			
2024 OHCRA Race Production Program	O'ahu Hawaiian Canoe Racing Association	O'ahu	\$50,000
He'e Nalu: The Art and Legacy of Hawaiian Surfing	Kua'āina Associates, Inc.	O'ahu	\$20,000
Honolulu Theatre for Youth	Ki'i A Loa'a: Reimagining Hawai'i's Monuments	O'ahu	\$30,000
Ho'omau Nā Maka o ka 'Āina	Pu'uhonua Society	O'ahu	\$30,000
I Le'a Ka Hula 2024	Mu'uolaulani	O'ahu	\$40,000
Kama'āina Sundays 2024	The Friends of 'Iolani Palace	O'ahu	\$60,000
Keanahala: A Place for Hala	Pu'uhonua Society	O'ahu	\$30,000
Kīpuka: A Makerspace	Pu'uhonua Society	O'ahu	\$27,000
Kula Kapa O Waimānalo at Sea Life Park	Waimānalo Canoe Club	O'ahu	\$30,000
PA'I Presents: MAMo	PA'I Foundation	O'ahu	\$75,000
Pili Mai 2024	Kauluakalana	O'ahu	\$30,000
The E Mau Ke A'o Program	Wai'anae Economic Development Council	O'ahu	\$20,000
The Maunawila Heiau Cultural & Ecological Preservation and Education Program	Hawai'i Land Trust	O'ahu	\$40,000

Ulu A'e Kaiāulu	Ulu A'e Learning Center	O'ahu	\$15,700
Urban Makahiki	Trust for Public Land	O'ahu	\$30,000
Welo Ka Hae	Kōkua Kalihi Valley Comprehensive Family Services	O'ahu	\$40,000
Kaua'i			
Ka Pae 'Āina O Hawai'i Nei Hawaiian Archipelago Mosaic Program	The Garden Island Arts Council	Kaua'i	\$40,000
Kūkulu Hale Building	Kūmano I Ke Ala	Kaua'i	\$20,000
Nā Mele Ho'okani	Mālie Foundation	Kaua'i	\$25,000
Waipā Cultural Foodways Program	Waipā Foundation	Kaua'i	\$30,000

2024 RESORT AREA HAWAIIAN CULTURE INITIATIVE

HTA's Resort Area Hawaiian Culture Initiative provides support to cultural practitioners and musicians presenting Hawaiian experiences, entertainment and music in resort areas. Through the Resort Area Hawaiian Culture Initiative, HTA is reinvesting \$385,000 in the following four community groups, musicians and practitioners in 2024, with \$335,000 going toward displaced musicians and practitioners who previously worked in resort areas that were impacted by the Maui wildfires and loss of tourism.

Program	Organization	Island(s) Served	Award Amount
Maui			
Maui Ola: Cultural Practitioner Initiative	Kāhuli Leo Le'a	Maui	\$185,000
Mele At The Market	Hāna Arts	Maui	\$50,000
Supporting Local Musicians & Boosting Maui's Economy	Maui Chamber of Commerce	Maui	\$100,000
O'ahu			
Nani Nō O Waikīkī	Hawaiian Music Perpetuation Society	O'ahu	\$50,000

2024 SIGNATURE EVENTS PROGRAM

HTA’s Signature Events program supports major festivals and events that attract attendees and participants from outside the state and have extensive opportunities for national and international marketing. They include typically high-profile events that are larger in scale than those in the Community Enrichment program. These events also have a high media value (print, online and broadcast impressions). Through the Signature Events program, HTA is reinvesting \$2.85 million in the following 21 festivals and events happening in Hawai‘i in 2024.

Event	Organization	Island(s) Served	Award Amount
Statewide/Multiple Islands			
44th Annual Hawai‘i International Film Festival	Hawai‘i International Film Festival	O‘ahu, Kaua‘i, Hawai‘i Island, Moloka‘i, Maui, Lāna‘i	\$50,000
Hawai‘i Food & Wine Festival	Hawai‘i Ag & Culinary Alliance	O‘ahu, Hawai‘i Island, Maui	\$190,000
King Kamehameha Celebrations	King Kamehameha Celebration Commission	O‘ahu, Kaua‘i, Hawai‘i Island, Moloka‘i, Maui, Lāna‘i	\$200,000
Moloka‘i 2 O‘ahu Paddleboard World Championships	Epic Sports Foundation	O‘ahu, Moloka‘i	\$50,000
Nā Wāhine O Ke Kai Canoe Race - Celebrating Women's Paddling	O‘ahu Hawaiian Canoe Racing Association	O‘ahu, Moloka‘i	\$100,000
Polynesian Football Hall of Fame Enshrinement Weekend and Polynesian Bowl	Polynesian Football Hall of Fame	O‘ahu, Hawai‘i Island, Maui	\$155,000
Prince Kūhiō Celebration & Parade	Association of Hawaiian Civic Clubs	O‘ahu, Hawai‘i Island, Kaua‘i, Maui, Moloka‘i, Lāna‘i	\$40,000
Queen Lili‘uokalani Keiki Hula Festival	Kalihi-Pālama Culture and Arts Society	O‘ahu, Hawai‘i Island, Maui, Kaua‘i	\$75,000
Hawai‘i Island			
2024 IVF World Sprints Championship	Hawaiian Canoe Racing Association	Hawai‘i Island	\$75,000
2024 VinFast IRONMAN World Championship	World Triathlon Corporation	Hawai‘i Island	\$300,000

Maui			
Maui Invitational	Kemper Sports Marketing, LLC	Maui	\$230,000
Moloka'i			
Moloka'i Prince Kūhiō 2024	Ho'olehua Homesteaders Association	Moloka'i	\$20,000
O'ahu			
13th Festival of Pacific Arts & Culture	Gravitas Pasifika, LLC	O'ahu	\$500,000
2024 Duke Kahanamoku Ocean Festival	Outrigger Duke Kahanamoku Foundation	O'ahu	\$65,000
41st Annual Pan-Pacific Festival	Pan-Pacific Festival Foundation	O'ahu	\$50,000
47th Annual Prince Lot Hula Festival	Moanalua Gardens Foundation	O'ahu	\$75,000
Aloha Festivals 2024	Aloha Festivals 2024	O'ahu	\$100,000
ESPN Events - Hawai'i Bowl and Diamond Head Classic	ESPN Productions, Inc.	O'ahu	\$175,000
Honolulu Marathon	Honolulu Marathon Association	O'ahu	\$250,000
Moloka'i Hoe Canoe Race - Preserving Hawaiian Culture and Tradition	O'ahu Hawaiian Canoe Racing Association	O'ahu	\$100,000
The Eddie Big Wave Invitational in Memory of Eddie Aikau	Eddie Aikau Foundation, Inc.	O'ahu	\$50,000

2024 COMMUNITY ENRICHMENT PROGRAM

HTA's Community Enrichment program supports unique, authentic and highly valued visitor-related experiences, and represents activities that are developed by the community, for the community, and are things the community is willing to and wants to share with visitors. Through the Community Enrichment program, HTA is reinvesting \$1.84 million in the following 79 community-based events, festivals and experiences in 2024.

Event/Project	Organization	Island(s) Served	Award Amount
Statewide/Multiple Islands			
2024 Maui Music Series	Arts Education for Children Group	Maui, Lāna'i	\$20,000
6th Annual Garden Island Boogie Board Classic & 16th Annual Hubb Keiki Fest	Kaikeha	O'ahu, Kaua'i	\$23,000

Festivals of Aloha	Lōkahi Pacific	Maui, Lānaʻi, Molokaʻi	\$70,000
Hawaiʻi Swim Show 2024	Hawaiʻi Rise Foundation	Oʻahu, Hawaiʻi Island	\$20,000
Molokaʻi Holokai Hoʻolauleʻa	Youth in Motion	Maui, Molokaʻi	\$25,000
Statewide Hawaiian Slack Key Guitar Festivals	Kī Hōʻalu Foundation	Oʻahu, Kauaʻi, Hawaiʻi Island, Maui	\$40,000
Volunteer Month Hawaiʻi 2024	Kanu Hawaiʻi	Oʻahu, Kauaʻi, Hawaiʻi Island, Maui, Molokaʻi, Lānaʻi	\$40,000
Hawaiʻi Island			
2024 Hāmākua Sugar Days Festivals	North Hawaiʻi Heritage Foundation	Hawaiʻi Island	\$5,000
2024 Hawaiian International Billfish Tournament	Hawaiian International Billfish Association	Hawaiʻi Island	\$25,000
3rd Annual Aloha Shirt Festival & Fashion Week Hawaiʻi	Nāʻālehu Theatre	Hawaiʻi Island	\$7,000
3rd Annual King Kamehameha's Awesome Athletes Inclusive Canoe Race	Arc of Hilo	Hawaiʻi Island	\$10,000
53rd Kona Coffee Cultural Festival	Kona Coffee Cultural Festival	Hawaiʻi Island	\$25,000
Cacao Cultivation to Culinary Celebration: The Big Island Chocolate Festival	Big Island Chocolate Festival/Kona Cacao Association	Hawaiʻi Island	\$8,000
Celebration of Life - Lantern Floating Memorial	Hawaiʻi Care Choices	Hawaiʻi Island	\$30,000
EPIC Wāhine	Lydia8	Hawaiʻi Island	\$3,000
Kaʻū Coffee Festival	Kaʻū Coffee Growers Cooperative	Hawaiʻi Island	\$20,000
Merrie Monarch Festival 2024	Merrie Monarch Festival	Hawaiʻi Island	\$90,000
Queen Liliʻuokalani Canoe Race	Queen Liliʻuokalani Canoe Race	Hawaiʻi Island	\$25,000
Street Eats, A Kailua Village Food Truck Festival	Kailua Village Business Improvement District	Hawaiʻi Island	\$50,000
World Bee Day Fair and Educational Events - May 2024	Bird and Bee Hawaiʻi Animal Sanctuary	Hawaiʻi Island	\$8,000

Maui			
2024 Kapalua Wine & Food Festival	Kapalua Wine & Food Festival	Maui	\$60,000
28th Annual East Maui Taro Festival	East Maui Taro Festival	Maui	\$20,000
42nd Annual Maui Classical Music Festival	Maui Classical Music Festival	Maui	\$30,000
8th Annual World Whale Film Festival	Pacific Whale Foundation	Maui	\$25,000
‘Āina Foods Cook-Off	Hawai‘i Farmers Union Foundation	Maui	\$17,875
Annual Maui Marathon and Half Marathon	Valley Isle Road Runners	Maui	\$30,000
"Captivate the Artist in You" Art Workshops 2024	Hui No‘eau	Maui	\$20,000
Celebrating the Visual Arts of Hawai‘i	Hui No‘eau	Maui	\$25,000
Celebration of Arts 2024	Kapalua Maui Charities, Inc.	Maui	\$50,000
Emma Farden Sharpe Hula Festival	Lōkahi Pacific	Maui	\$25,000
Gathering of the Voyagers	Hawaiian Outrigger Canoe Voyaging Society	Maui	\$35,000
Hāna Kū Mele Series	Ala Kukui	Maui	\$15,000
Maui Matsuri Japanese Festival - 22nd Anniversary Events	Japanese Cultural Society of Maui, Inc.	Maui	\$15,000
Maui Pops Orchestra 2024 Concerts	Maui Pops Orchestra, Inc.	Maui	\$17,500
Maui ‘Ukulele Festival 2024	Maui Arts and Cultural Center	Maui	\$15,000
Moku‘ula Experience	Lahaina Restoration Foundation	Maui	\$14,625
Nā Hōkū Hou Award Winners	Maui Arts and Cultural Center	Maui	\$15,000
Prince Kūhiō Maui Ho‘olaule‘a	Lōkahi Pacific	Maui	\$20,000
Wailuku First Friday	Lōkahi Pacific	Maui	\$25,000
O‘ahu			
17th Annual Waimānalo Kanikapila	Nā‘alehu Theatre	O‘ahu	\$14,000
2024 Hawai‘i’s Woodshow, Nā Lā‘au o Hawai‘i	Hawai‘i Forest Institute	O‘ahu	\$5,000
2024 New Year’s ‘Ohana Festival	Japanese Cultural Center of Hawai‘i	O‘ahu	\$10,000

2024 Ride Aloha Festival	Hawai'i Bicycling League	O'ahu	\$20,000
20th Annual Korean Festival	Hawai'i Korean Chamber of Commerce Foundation	O'ahu	\$10,000
28th Honolulu Festival	Honolulu Festival Foundation	O'ahu	\$25,000
42nd Okinawan Festival	Hawai'i United Okinawa Association	O'ahu	\$50,000
48th Annual Honolulu Intertribal Powwow	O'ahu Intertribal Council	O'ahu	\$5,000
74th Narcissus Festival	Chinese Chamber of Commerce of Hawai'i	O'ahu	\$5,000
AccesSurf's Hawai'i Adaptive Surfing Championships	AccesSurf Hawai'i	O'ahu	\$40,000
Cinco De Mayo Celebrating Diversity in Hawai'i	Hispanic Chamber of Commerce Hawai'i	O'ahu	\$10,000
Evo Showcase Hawai'i 2024	RTS	O'ahu	\$50,000
Filipino Fiesta & Flores de Mayo	The Filipino Community Center, Inc.	O'ahu	\$10,000
Hawai'i Book & Music Festival	Hawai'i Book & Music Festival	O'ahu	\$10,000
Hawai'i 'Ukulele Festival	Kala Foundation	O'ahu	\$25,000
Honolulu Pride	Hawai'i LGBT Legacy Foundation	O'ahu	\$10,000
Ho'olaule'a o Waimea	Hi'ipaka, LLC	O'ahu	\$20,000
Kapu'uola Hula Festival	Ulu A'e Learning Center	O'ahu	\$10,000
Keiki in the Kitchen	Hawai'i Ag & Culinary Alliance	O'ahu	\$41,000
Legacy: The Siva Afi	Malu Productions, Inc.	O'ahu	\$10,000
Lei Day Celebration	City & County of Honolulu, Department of Parks and Recreation	O'ahu	\$50,000
Mahina 'Ōlelo Hawai'i	PA'I Foundation	O'ahu	\$30,000
May Day 2024	Kāhuli Leo Le'a	O'ahu	\$25,000
Mō'ili'i Summer Fest 2024	Mō'ili'i Festivals	O'ahu	\$15,000
Moonlight Mele 2024	Bishop Museum	O'ahu	\$15,000

Kaua'i			
2024 Kaua'i Mokihana Festival	Mālie Foundation	Kaua'i	\$25,000
2024 Kōloa Plantation Days	Kaua'i Economic Development Board, Inc.	Kaua'i	\$35,000
Downtown Līhu'e 2nd Saturday Night Market	Rice Street Business Association	Kaua'i	\$18,000
Downtown Līhu'e Annual Community Events	Rice Street Business Association	Kaua'i	\$50,000
E Kanikapila Kākou 2024	The Garden Island Arts Council	Kaua'i	\$2,500
Eō e 'Emalani I Alaka'i	Historic Waimea Theater and Cultural Arts Center	Kaua'i	\$7,500
Heiva I Kaua'i 2024	Heiva I Kaua'i 2024	Kaua'i	\$13,000
Kaua'i Chocolate & Coffee Festival	Kala Foundation	Kaua'i	\$30,000
Kaua'i Songwriters Music Festival	Arts Kaua'i	Kaua'i	\$5,000
Kaua'i 'Ukulele Festival	Special Events Hawai'i, Inc	Kaua'i	\$5,000
Old Kapa'a Town 1st Saturday Ho'olaule'a Multi-Cultural Celebration	Kapa'a Business Association	Kaua'i	\$5,000
Soto Zen Bon Festival	Kaua'i Soto Zen Temple	Kaua'i	\$10,000
The 2024 Kaua'i Marathon and Half Marathon	The Kaua'i Marathon	Kaua'i	\$40,000
Waimea Light Parade	Historic Waimea Theater and Cultural Arts Center	Kaua'i	\$10,000
Waimea Town Celebration: Heritage of Aloha	Historic Waimea Theater and Cultural Arts Center	Kaua'i	\$50,000

###

Link to Download Images: <https://finnpartners.box.com/s/zw07tkhin3vrbrq1qzlo7r3jnhxxcjcq>

About the Hawai'i Tourism Authority

The Hawai'i Tourism Authority is the state agency responsible for representing The Hawaiian Islands around the world, and for holistically managing tourism in a sustainable manner consistent with community desires, economic goals, cultural values, preservation of natural resources, and visitor industry needs. HTA works with the community and industry to Mālama Hawai'i – care for our beloved home. For more information about HTA, visit hawaiitourismauthority.org or follow @HawaiiHTA on [Facebook](#), [Instagram](#), Threads and [Twitter](#).

For more information, contact:

T. Ilihia Gionson
Public Affairs Officer
Hawai'i Tourism Authority
Ilihia.Gionson@gohta.net

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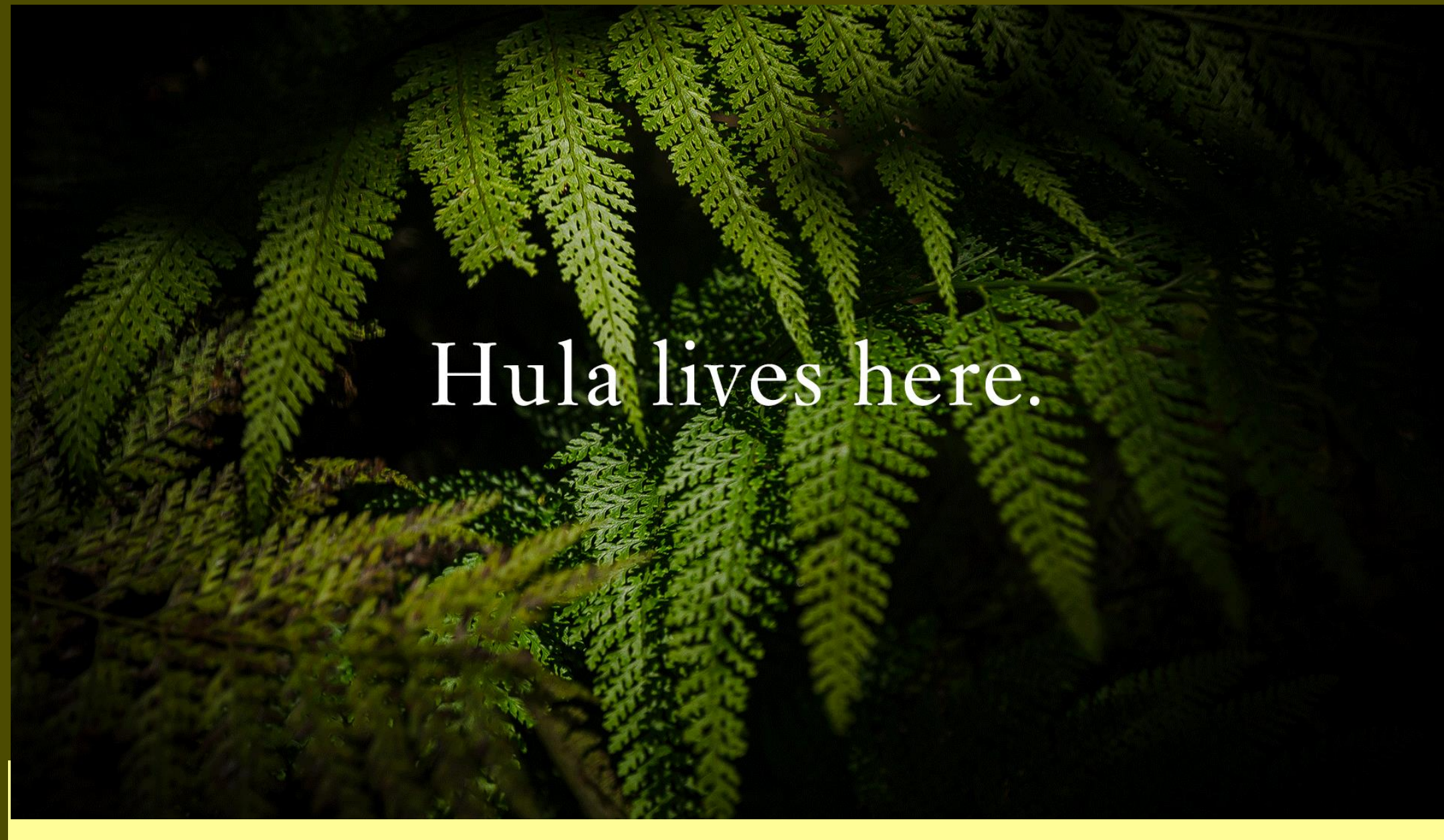
Update on the Services for Destination Stewardship Contract by Kilohana

A photograph of a beach at sunset. In the foreground, a woman with long hair is seen from behind, carrying a surfboard under her arm. In the middle ground, another person is walking towards the water. In the background, a person is standing in the shallow surf. The sky is a warm, golden color, and the water has gentle waves. The overall mood is serene and peaceful.

KILOHANA
by CNHA

DESTINATION
STEWARDSHIP
UPDATE

VISITOR EDUCATION & POST-ARRIVAL MARKETING



NATIVE

1.90M Impressions

0.12% CTR

DIGITAL DISPLAY

5.96M Impressions

0.24% CTR

SEARCH

42.65K Impressions

14.40% CTR

SOCIAL MEDIA

4.50M Impressions

Facebook & Instagram 0.56% CTR

Youtube 0.20% CTR



8:30 AM

Monsarrat Avenue
Monsarrat Ave.
Honolulu 96815

GET DIRECTIONS

Now that you've built up an appetite walk east on Monsarrat Avenue, right next to Diamond Head, for breakfast. There is a plethora of options, ranging from healthy to hearty.

Want a plant-based breaky? Hit up [Banān](#) or [Diamond Head Health Cove Bar](#) for an acai bowl. Looking for a more traditional American breakfast? Go to [Diamond Head Market and Grill](#) for a fried rice, breakfast meat, eggs and an exceptionally tasty blueberry scone. My wife and I usually go to [ARS Café](#) for avocado toast and cortados—it's a nice spot to read the newspaper and features a monthly art exhibit.

The newsletter you need
Get more Bourdain in your inbox.

Enter your email...



1. Diamond Head Market & Grill. / 2. Avocado toast at ARS Café and Art Gallery.



10:00 AM

KCC Farmer's Market
Kapi'olani Community College
4303 Diamond

Every Saturday there is arguably [the best farmer's market in Honolulu](#) at Kapi'olani Community College, known for the quality of its produce and variety of locally-produced food and drink. If you're here on the right day, walk east on Monsarrat Avenue until you reach it. Pick up some mangos from Ma'o Organic farms, and some poi lavosh from La Tour Cafe. Top the lavosh with honey from All Hawaiian Honey and you've got yourself a stellar mid-day

2024 MAUI RECOVERY PLAN

Curated Itineraries (IN PROGRESS)

Go (area of Maui) itineraries on the GoHawai'i landing page to include shopping, dining, and activities. (ex. Go Pā'ia)



2024 MAUI RECOVERY PLAN

Mālama Maui

Vertical format optimized for social media
incorporating natural sounds and quick cuts
inspired by similar City Guides



TRAVEL 808: O‘ahu Town

Hosted by ‘Iwalani Kūali‘i
Kaho‘ohanohano & Kamaka Pili
(IN PROGRESS)

Highlighting activities, dining, responsible travel, voluntourism, and shopping local. (7) 4-minute segments beginning distribution in March

QUALITY ASSURANCE PROGRAM

Since inception in September 2023, the QA Program has made strides in creating the most inclusive, comprehensive accreditation program in the travel industry.

THREE KEY COMPONENTS

- Inclusivity of all businesses in tourism. Most programs include 1-2 industry verticals.
- Comprehensive evaluation: qualifying criteria include a wider variety of community-focused topics.
- Community First. Kilohana reached out to the community before designing the program

QUALITY ASSURANCE PROGRAM

6 DISTINCT CRITERIA CATEGORIES

Cultural Support
Environment
Equity
Safety
Community
Guest Experience

QUALITY ASSURANCE PROGRAM

MARKETING PLAN

Announcement in May

Generate a demand-first environment where the program is immediately known, and has support from key inbound markets, stimulating local Hawaiian businesses to join in order to support their sales channels.

F/U with direct contact marketing and working with local groups and associations, provide regular press updates as partners get certified, as well as have a presence at trade events.

HTA will support by including information in their communications and outreach.

QUALITY ASSURANCE

PROGRAM TIMELINE

COMPLETE

Sep 2023	Workplan
Oct 2023	Community and Peer Input
Nov 2023	Categories and Criteria Built
Nov 2023	Advisory Committee Formed
Dec 2024	System Implementation Plan
Dec 2023	Branding Process Initiated
Jan 2024	Marketing Plan Built
Feb 2024	Committee Approves Criteria
Feb 2024	In House Testing
Mar 2024	Branding & Collateral
Apr 2024	Final Criteria Standards
Apr 2024	Committee and HTA Signoff
May 2024	Announcement
Jun 2024	Go Live

‘Umeke **COMMUNITY**
 **PROGRAM**

**PROGRAM
SUMMARY**

PROGRAM	NUMBER OF PROJECTS	AMOUNT AWARDED (\$)
Community Enrichment	80	\$1,885,000
Kahu ‘Āina	25	\$1,236,500
Kūkulu Ola	34	\$1,250,000
Resort Area Hawaiian Culture Initiative	4	\$385,000
Signature Events	21	\$2,850,000
Grand Total	164	\$7,606,500

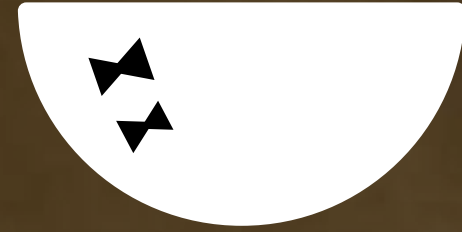
‘Umeke **COMMUNITY**
PROGRAM



ISLAND
SUMMARY

ISLAND	PROGRAMS	AMOUNT AWARDED (\$)
Hawai'i	28	\$1,228,000
Kaua'i	20	\$481,000
Maui	27	\$1,200,000
Moloka'i	3	\$102,500
O'ahu	57	\$2,719,700
Statewide	29	\$1,875,300
Grand Total	164	\$7,606,500

‘Umeke



COMMUNITY PROGRAM

2024 EVENT HIGHLIGHTS



Waimea Town
Celebration



Polynesian Football Hall
of Fame



I Le'a Ka Hula



74th Narcissus Festival

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**Report and Update by the
BUDGET, FINANCE, AND CONVENTION CENTER
STANDING COMMITTEE
of their Meeting Held on February 20, 2024**

10a

Discussion and/or Action on HTA's Financial Report for January 2024



The State of Hawai`i
Department of Business, Economic Development, and Tourism
Hawai`i Tourism Authority
Financial Statements
January 31, 2024

These financial statements have been prepared by HTA management (unless otherwise noted) for information purposes only. See notes to the financial statements.

Prepared by: Talon Kishi, CPA

Budget and Fiscal Officer HAWAII`I

TOURISM AUTHORITY

Hawaii Tourism Authority
January 31, 2024

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**Hawaii Tourism Authority
Balance Sheet
As of January 31, 2024**

	Tourism Funds	Convention Center Funds	Convention Center Roof Repairs	Tourism Emergency Special Fund	Federal Funds	Total Funds
Assets						
General funds	33,441,061	7,801,119	-	-	-	41,242,180
Special funds (restricted)	14,063,698	47,479,722	-	-	-	61,543,420
Federal grants	-	-	-	-	13,574,717	13,574,717
Generabl obligation bonds	-	-	14,871,000	-	-	14,871,000
Cash and cash equivalents	-	-	-	2,142,129	-	2,142,129
Investments	-	-	-	496,230	-	496,230
Accounts Receivable*	250,693					250,693
Total assets	47,755,452	55,280,841	14,871,000	2,638,359	13,574,717	134,120,369
Liabilities and Fund Balances						
Fund balances						
Encumbered - GOB	-	-	670,000	-	-	670,000
Encumbered - General funds	30,836,929	7,801,118	-	-	-	38,638,047
Encumbered - Special funds	7,605,480	3,540,999	-	-	6,000,345	17,146,824
Unencumbered	9,313,043	43,938,724	14,201,000	2,638,359	7,574,372	77,665,498
Total fund balances	47,755,452	55,280,841	14,871,000	2,638,359	13,574,717	134,120,369
Total liabilities and fund balances	47,755,452	55,280,841	14,871,000	2,638,359	13,574,717	134,120,369

Hawaii Tourism Authority
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Month Ended January 31, 2024
Ending Fund Balance as of January 31, 2024

	Tourism Funds	Convention Center Funds	Convention Center Roof Repairs	Tourism Emergency Special Fund	Federal Funds	Total Funds
Revenues						
Change in fair value	-	-	-	2,576	-	2,576
HCC operations	-	-	-	-	-	-
Interest and dividends, net	-	140,250	-	2,884	-	143,134
TAT	-	-	-	-	-	-
Other*	-	18,000	-	-	-	18,000
Total revenues	-	158,250	-	5,460	-	163,710
Expenditures						
Administrative	45,377	698,302	-	833	-	744,512
Branding	2,352,595	-	-	-	-	2,352,595
Destination management	1,190	-	-	-	-	1,190
Governance and org-wide*	51,251	-	-	-	-	51,251
HCC marketing	-	-	-	-	-	-
HCC operations	-	-	-	-	-	-
HCC repairs and maintenance	-	-	-	-	-	-
Natural resources	-	-	-	-	-	-
Perpetuating Hawaiian culture	147,433	-	-	-	-	147,433
Planning & evaluation	93,767	-	-	-	-	93,767
Resident and Industry Communications	30,250	-	-	-	-	30,250
Safety & Security	-	-	-	-	-	-
Salaries	75,767	-	-	-	-	75,767
Sports	-	-	-	-	-	-
Workforce	42,000	-	-	-	-	42,000
Total expenditures	2,839,630	698,302	-	833	-	3,538,765
Change in fund balances	(2,839,630)	(540,052)	-	4,627	-	(3,375,055)
Fund balances						
Beginning of month	50,595,082	55,820,893	14,871,000	2,633,732	13,574,717	137,495,424
Ending fund balance	47,755,452	55,280,841	14,871,000	2,638,359	13,574,717	134,120,369

* Refer to notes of the financial statements for more information.

Selected Management Disclosures

The Financial Reporting Entity

The Hawaii Tourism Authority (HTA or Authority) was established on January 1, 1999, by Act 156, Session Laws of Hawaii 1998. It was placed within the State of Hawaii, Department of Business, Economic Development, and Tourism, for administrative purposes only. The Authority is responsible for developing a strategic tourism marketing plan and developing measures of effectiveness to assess the overall benefits and effectiveness of the marketing plan and progress toward achieving the Authority's strategic plan goals. In addition, effective July 1, 2000, control and management of the Hawaii Convention Center (HCC) were transferred to the Authority from the Convention Center Authority (CCA) by Executive Order No. 3817. Effective July 1, 2002, the Center, by statute, became the responsibility of the Authority. The Center opened to the public in June 1998 and is used for various events, including conventions and trade shows, public shows, and spectator events. The Center offers approximately 350,000 square feet of rentable space, including 51 meeting rooms.

The Authority is governed by a board of directors comprising 12 voting members, including those recommended by the State Legislature. The Governor of the State appoints the 12 voting members.

Funds

The Authority's major funds are as follows:

Tourism Funds:

- **Tourism Special Fund (TSF)** –The Tourism Special Fund accounts for functions related to developing and promoting the tourism industry. Effective January 1, 2022, pursuant to Act 1 Special Legislative Session 2021, the TSF was sunset and discontinued the ability to expend any new funds. Funds encumbered as of June 30, 2021, can be spent. Included in the TSF's encumbered fund balance is \$5,948,568 for the Center for Hawaiian Music and Dance.
- **General Funds** – The 2023 State legislature did not provide HTA an operating budget for fiscal year 2024. As such, the Governor approved the transfer of \$60,000,000 in general funds from Section 5 of Act 164, SLH 2023, to HTA on July 1, 2023. Funds will lapse on June 30, 2024.

Convention Center Funds:

- **Convention Center Enterprise Special Fund (CCESF)** – Under Section 201B-8, the Convention Center Enterprise Special Fund accounts for functions related to the operation and management of the Hawaii Convention Center (HCC). Unencumbered funds are unavailable to spend because the 2023 Hawaii State Legislature did not provide the CCESF an expenditure ceiling to fund the operations of the HCC.
- **General Funds (operations)** – The 2023 State legislature did not provide the HCC an operating budget for fiscal year 2024. As such, the Governor approved the transfer of \$11,000,000 in general funds from Section 5 of Act 164, SLH 2023, for the HCC on July 1, 2023. Funds will lapse on June 30, 2024.
- **General Funds (CIP)** - Pursuant to Act 164, SLH 2023, \$64,000,000 of general funds were provided for long-term repairs of the HCC rooftop terrace deck. Per Executive Memorandum 23-08, dated October 30, 2023, the Department of Budget and Finance (B&F) transferred HTA's

Hawaii Tourism Authority

January 31, 2024

\$64,000,000 operating appropriation to B&F for the Maui wildfires. The Legislature should reappropriate the funds as general obligation bonds for fiscal year 2025.

- **General Obligation Bonds** – Pursuant to Act 248, SLH 2022, \$15,000,000 of general obligation bond funds were provided for the temporary repairs of the HCC roof repair and other items. The Governor authorized the release of funds on February 22, 2023. The funds will lapse on June 30, 2024. HTA has encumbered \$670,000 to date. Unused funds will lapse on June 30, 2024.

Tourism Emergency Special Fund:

- **Tourism Emergency Special Fund** – The Tourism Emergency Special Fund accounts for functions related to maintaining a tourism emergency fund. Per Section 201B-10, revenues prescribed by Section 237D-6.5(b) and all investment earnings are credited to the fund's assets. Funds are currently held at the Bank of Hawaii. Funds must be exclusively used to respond to a tourism emergency under Section 201B-9. On August 19, 2023, the governor declared a tourism emergency in the sixth emergency proclamation relating to the Maui wildfires. The Governor extended the tourism emergency in the ninth emergency proclamation dated January 5, 2024. The Authority has spent approximately \$251,000 on Maui wildfire response efforts. To date, the Authority has spent \$2,340,000 on an emergency marketing campaign for Maui.

Federal Funds:

- **Economic Development Administration (EDA) Tourism Grant** – Official Name: ARPA-EDA Tourism Grant (Non-Competitive ARPA State Tourism Grant for the State of Hawaii) – The Authority was awarded \$14,024,372 on December 8, 2021. Grant rules required the approval of the Grant Administration Plan (GAP) before the commencement of work. EDA approved the Authority's GAP on March 21, 2023. The Authority will share approximately \$7,200,000 of the grant with the Department of Land and Natural Resources (DLNR) to enhance and develop Hawaii's outdoor recreational assets. All work must be completed by May 31, 2027, and money spent by September 30, 2027. To date, the Authority has spent approximately \$449,000.

Basis of Accounting

The Governmental Funds' financial statements are reported using the modified-accrual basis of accounting.

Governance & Org-Wide Expenditures

Governance and organization-wide expenditures primarily consist of board meeting costs - including board member inter-island travel, audit expenses for the Authority and the HCC, and HCC facility insurance.

Encumbrances

Generally, encumbrances are obligations in the form of purchase orders, contracts, or other commitments that only become liabilities once the performance of the conditions stated in the commitment is completed.

Transient Accommodations Tax (TAT)

Under Section 237D-6.5, \$11,000,000 shall be allocated to the Convention Center Enterprise Special Fund annually. The annual \$11,000,000 TAT distribution was completed in December 2023.

Hawaii Tourism Authority

January 31, 2024

Investments

The Authority's investments are reported at fair value.

The TSF and CCESF participate in the State's investment pool program directed by B&F.

Employees' Retirement System of the State of Hawaii (ERS)

On June 30, 2023, management estimated the net pension liability of approximately \$6,063,000 for its proportionate share of the State's net pension liability. An actuarial valuation determined the net pension liability as of June 30, 2022.

For the year ended June 30, 2023, the Authority recognized pension expenses of approximately \$335,000. On June 30, 2023, management estimated the deferred outflows and deferred inflows of resources related to pensions of approximately \$576,000 and (\$571,000), respectively.

Hawaii Employer-Union Health Benefits Trust Fund (EUTF)

On June 30, 2023, management estimated the net other post-employment benefits (OPEB) liability of approximately \$4,808,000. An actuarial valuation measured the net OPEB liability as of July 1, 2022.

For the year ended June 30, 2023, the Authority recognized OPEB expenses of approximately \$18,000. On June 30, 2023, management estimated the deferred outflows and deferred inflows or resources related to OPEB of approximately \$227,125 and (\$535,695), respectively.

Accrued Vacation

On June 30, 2022, management estimated the accrued vacation liability was approximately \$413,000, with a current liability of approximately \$129,000. Based on last year's accrued vacation liability, management estimates accrued vacation as of June 30, 2023, to be approximately \$420,000, with a current liability of approximately \$130,000.

Use of Estimates

Preparing these financial statements required management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

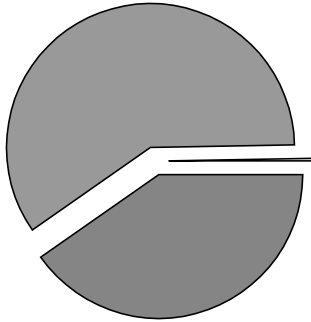
Other Matters

HTA expects to be reimbursed by the Federal Emergency Management Agency (FEMA) for approximately \$251,000 for expenditures related to the immediate response to the Maui wildfires. All funds reimbursed by FEMA will be deposited to the General Fund.

The Authority earned \$18,000 for distributed antennae system services at the HCC.

Summary Of Investments

Investment Allocation



0.3%	CASH	3,537.54
59.3%	CASH EQUIVALENTS	729,366.33
40.4%	FIXED INCOME	496,230.00
100.0%	TOTAL	1,229,133.87

Investment Summary

	Market Value	%	Estimated Income	Current Yield
CASH	3,537.54	0.29	0	0.00
CASH EQUIVALENTS	729,366.33	59.34	38,000	5.21
FIXED INCOME	496,230.00	40.37	11,250	2.27
Total Fund	1,229,133.87	100.00	49,250	4.01

Schedule Of Investments

UNITS	DESCRIPTION	BOOK VALUE	MARKET VALUE	% OF CATEGORY
	CASH	694.13	694.13	19.62
	ACCRUED INCOME	2,843.41	2,843.41	80.38
	TOTAL CASH	3,537.54*	3,537.54*	100.00*
	CASH EQUIVALENTS			
	CASH MANAGEMENT			
729,366.33	DREYFUS TREASURY OBLIGATIONS CASH MANAGEMENT FUND	729,366.33	729,366.33	100.00
	FIXED INCOME			
	U S TREASURY OBLIGATIONS			
500,000	US TREASURY NOTES 2.25% 04/30/2024	497,754.55	496,230.00	100.00



Statement Period
Account Number

01/01/2024 through 01/31/2024
BANK OF HAWAII
AGENT U/A DATED 10/31/2018 FOR
HAWAII TOURISM AUTHORITY -
TOURISM EMERGENCY TRUST
FUND

Schedule Of Investments

UNITS	DESCRIPTION	BOOK VALUE	MARKET VALUE	% OF CATEGORY
	Total Fund	1,230,658.42*	1,229,133.87*	100.00*



Statement of Account

Last statement: December 31, 2023
This statement: January 31, 2024
Total days in statement period: 31

Account: 0091-585227
Page 1 of 1
Number of Enclosures: (0)



00003581-TDBSAD11400201980375-LETTER02-000000 0
HAWAII TOURISM AUTHORITY
TOURISM EMERGENCY SPECIAL FUND
1801 KALAKAUA AVE 1ST FL
HONOLULU HI 96815

Direct inquiries to:
888 643-3888

BANK OF HAWAII
111 S KING ST
HONOLULU HI 96813

Bank of Hawaii

HAPPY NEW YEAR FROM BANK OF HAWAII! WE APPRECIATE YOUR BUSINESS AND HOPE THAT YOU AND YOUR FAMILY HAD A JOYOUS HOLIDAY SEASON! MEMBER FDIC.

Analyzed Business Checking

Account number	0091-585227	Beginning balance	\$1,409,224.12
Low balance	\$1,409,224.12	Total additions	.00
Average balance	\$1,409,224.12	Total subtractions	.00
		Ending balance	\$1,409,224.12

**** No activity this statement period ****

MEMBER FDIC

EQUAL HOUSING LENDER

Hawaii Convention Center
Consolidated Balance Sheet
December 31, 2023 and December 31, 2022
(In Whole Numbers)

	Unaudited 12/31/23	Audited 12/31/22
Assets		
Current Assets		
Cash	42,239,178	36,503,735
Accounts Receivable, Net	2,191,916	23,544,851
Prepaid	130,253	223,254
Deposits	0	0
Total Current Assets	44,561,347	60,271,840
Fixed Assets		
Building Improvements	1,044,164	167,290
Furniture & Fixtures	85,480	0
Machinery & Equipment	295,277	0
Computer Equipment	62,787	29,090
Work in Progress	1,954,061	111,745
Total Fixed Assets	3,441,769	308,125
Total Assets	48,003,116	60,579,965
Liabilities		
Current Liabilities		
Accounts Payable	989,865	869,655
Accrued Expenses	2,374,637	1,200,525
Advance Deposits	2,046,325	2,081,645
Total Current Liabilities	5,410,827	4,151,825
Equity		
Funds Remitted	(218,462,342)	(214,859,910)
Funding Received	413,590,488	423,154,765
Retained Earnings	(154,471,462)	(149,771,767)
Net Income (Loss)		
HCC Facility	2,397,787	(1,657,786)
HCC Sales & Marketing	(462,182)	(437,162)
Total Net Income (Loss)	1,935,605	(2,094,948)
Total Equity	42,592,289	56,428,140
Total Liabilities and Equity	48,003,116	60,579,965

Hawaii Convention Center

Cash
As of 12/31/2023
(In Whole Numbers)

As of 12/31/2023

Cash	
Cash Operating-Facility	71,790
Cash Operating-Sales & Marketing	395,673
Cash Revenue	2,046,325
Cash Repairs & Maintenance Fund	39,718,890
Petty Cash	4,000
Change Fund Parking	2,500
Total Cash	<u>42,239,178</u>

Hawai'i Convention Center

Accounts Receivable Aging

December 31, 2023

(In Whole Numbers)

Facility			
Time	Amount	%	1/14/2024
Current	143,444	7%	116,319
Over 30	1,527,128	70%	64,273
Over 60	128,709	6%	113,619
Over 90	392,635	18%	392,618
	<u>2,191,916</u>	<u>100%</u>	<u>686,829</u>

Over 90:

119,601	American Red Cross-Shelter Assistance	In contact with agency
47,458	DEBDT-FEMA COMM CENTER	In contact with agency
40,518	DBEDT-DBEDT COMM CENTER	In contact with agency
39,944	AAU Global Games	In contact with client
16,449	HPE HTA Tourism Conference	In collections, contractor paying slowly.
8,052	Hawai'i Conservation Alliance	In contact with client
7,140	DBEDT-DBEDT COMM CENTER	In contact with agency
6,365	HVCB	In contact with partner
3,901	RNDC	In contact with client
332	Destiny MMA	In contact with client
308	Southeastern Delegation of the AMA	In contact with client
80	American College of Obstetricians	In contact with client
58	Punahou School	In contact with client
<u>290,205</u>		
<u>(9,224)</u>	Allowance for doubtful accounts	
<u>280,980</u>		

Hawaii Convention Center

Statement of Cash Flows

As of 12/31/2023

(In Whole Numbers)

	<u>Current Month</u>	<u>Year-To-Date</u>
Cash Flow from operating activities		
Net Income/(Loss)	(767,545)	1,935,604
Accounts Receivable	319,415	716,980
Deposits and other assets	89,425	(51,026)
Accounts payable	154,733	(618,195)
Accrued expenses	1,175,657	1,365,215
Advance deposits	883	(179,240)
Total Cash Flow from operating activities	<u>972,568</u>	<u>3,169,338</u>
Cash Flow from investing activities		
Capital Assets	<u>(284,779)</u>	<u>(2,085,956)</u>
Total Cash Flow from investing activities	<u>(284,779)</u>	<u>(2,085,956)</u>
Cash flows from financing activities		
Contributions received from the State of Hawaii	0	2,500,580
Funds remitted to the State of Hawaii	<u>(1,231,407)</u>	<u>(3,372,459)</u>
Total Cash flows from financing activities	<u>(1,231,407)</u>	<u>(871,879)</u>
Net increase/(decrease) in cash and cash equivalents	<u>(258,839)</u>	<u>2,297,458</u>
Cash and cash equivalents at beginning of period	42,782,796	42,027,677
Cash and cash equivalents at end of period	<u><u>42,239,178</u></u>	<u><u>42,239,178</u></u>

Hawaii Convention Center
Facility
Income Statement
From 12/01/2023 Through 12/31/2023
(In Whole Numbers)

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
Direct Event Income								
Rental Income (Net)	194,471	260,149	(65,678)	229,467	1,939,465	1,568,866	370,599	1,293,950
Service Revenue	47,424	32,660	14,764	129,710	1,068,284	502,465	565,819	665,165
Total Direct Event Income	241,894	292,809	(50,914)	359,177	3,007,750	2,071,331	936,418	1,959,114
Direct Service Expenses	207,091	161,553	(45,538)	158,837	1,785,061	1,275,499	(509,562)	1,029,598
Net Direct Event Income	34,803	131,256	(96,452)	200,340	1,222,689	795,832	426,857	929,516
Ancillary Income								
Food and Beverage (Net)	191,774	228,684	(36,910)	170,533	6,251,462	3,581,292	2,670,170	2,321,509
Event Parking (Net)	66,810	85,116	(18,306)	95,510	541,028	601,322	(60,294)	428,591
Electrical Services	2,497	1,000	1,497	1,000	170,025	93,600	76,425	25,905
Audio Visual	26,256	17,880	8,376	30,185	356,278	202,030	154,248	247,028
Internet Services	3,849	0	3,849	493	63,310	0	63,310	1,831
Rigging Services	1,500	500	1,000	480	46,222	15,500	30,722	50,117
Business Center	0	0	0	0	0	0	0	0
Security Commissions	0	0	0	0	0	0	0	0
First Aid Commissions	0	0	0	0	0	0	0	0
Total Ancillary Income	292,685	333,180	(40,495)	298,202	7,428,325	4,493,744	2,934,581	3,074,982
Total Event Income	327,489	464,436	(136,947)	498,541	8,651,014	5,289,577	3,361,437	4,004,498
Other Operating Income								
Non-Event Parking	60	433	(373)	828	1,000	2,598	(1,598)	2,672
Other Income	174,508	10,042	164,466	9,396	659,362	60,252	599,110	62,546
Total Other Operating Income	174,568	10,475	164,093	10,224	660,362	62,850	597,512	65,218
Total Gross Income	502,057	474,911	27,146	508,766	9,311,376	5,352,427	3,958,949	4,069,716
Net Salaries & Benefits								
Salaries & Wages	469,443	526,916	57,473	359,175	3,009,995	3,228,185	218,190	2,162,367
Payroll Taxes & Benefits	153,949	155,908	1,959	135,613	847,124	933,318	86,194	628,771
Labor Allocations to Events	(64,210)	(46,447)	17,763	(35,299)	(544,606)	(376,286)	168,320	(319,263)
Total Net Salaries & Benefits	559,182	636,377	77,195	459,489	3,312,512	3,785,217	472,705	2,471,876
Other Indirect Expenses								
Net Contracted Services	95,356	38,707	(56,649)	59,032	331,508	236,041	(95,467)	359,610
Operations	14,008	13,099	(909)	10,914	134,523	78,594	(55,929)	64,372
Repair & Maintenance	100,332	110,021	9,689	131,372	524,460	660,126	135,666	517,597
Operational Supplies	28,611	58,121	29,510	54,560	432,531	447,365	14,834	279,949
Insurance	19,637	23,935	4,298	20,021	172,995	176,644	3,649	125,684
Utilities	246,109	229,400	(16,709)	218,695	1,552,078	1,491,931	(60,147)	1,505,591
Meetings & Conventions	189	954	765	3,783	16,321	12,974	(3,347)	10,224
Promotions & Communications	0	6,266	6,266	2,887	0	37,596	37,596	16,362
General & Administrative	58,518	35,103	(23,415)	29,474	222,805	226,013	3,208	187,837
Management Fees	19,433	19,433	(0)	19,033	116,600	116,598	(2)	114,200
Other	67,842	4,733	(63,109)	17,899	97,256	28,398	(68,858)	74,200
Total Other Indirect	650,035	539,772	(110,263)	567,670	3,601,077	3,512,280	(88,797)	3,255,626
Net Income (Loss) before CIP Funded Expenses	(707,160)	(701,238)	(5,922)	(518,393)	2,397,786	(1,945,070)	4,342,857	(1,657,786)
CIP Funded Expenses	67,005	0	67,005	0	67,605	0	67,605	384
Net Income (Loss) from Operations	(640,155)	(701,238)	61,083	(518,393)	2,465,392	(1,945,070)	4,410,462	(1,657,402)
Fixed Asset Purchases	0	25,000	25,000	0	70,602	150,000	79,398	100,969
Net Income (Loss) After Fixed Asset Purchases	(640,155)	(726,238)	86,083	(518,393)	2,394,790	(2,095,070)	4,489,860	(1,758,371)

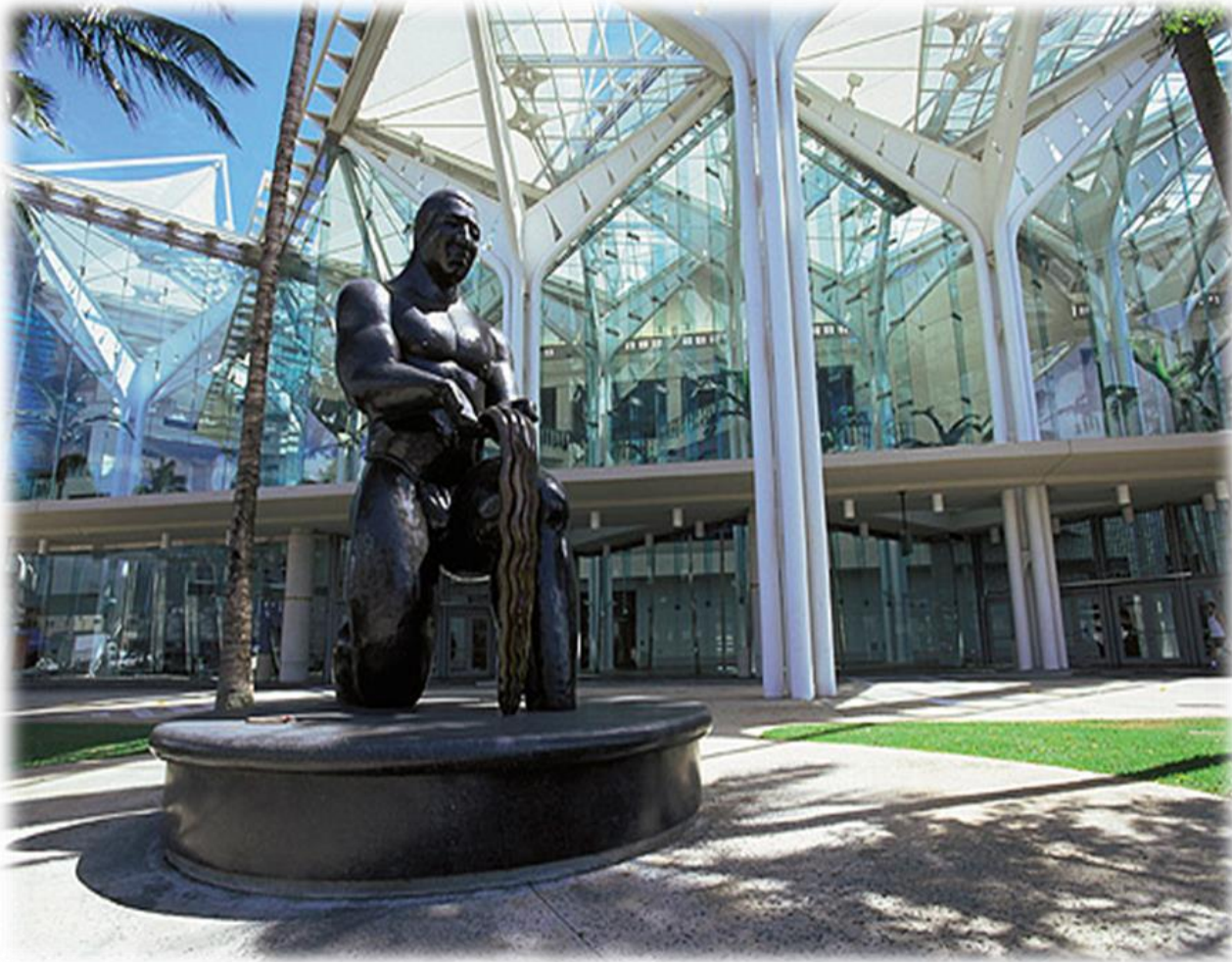
Hawaii Convention Center
 Facility
 Income Statement
 From 12/01/2023 Through 12/31/2023
 (In Whole Numbers)

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
Revenues								
Food & Beverage	476,733	428,917	47,816	497,097	9,615,515	6,787,620	2,827,895	3,994,688
Facility	532,838	420,744	112,095	508,851	4,927,084	3,156,740	1,770,344	2,865,970
Total Revenues	<u>1,009,571</u>	<u>849,661</u>	<u>159,911</u>	<u>1,005,948</u>	<u>14,542,599</u>	<u>9,944,360</u>	<u>4,598,239</u>	<u>6,860,658</u>
Expenses								
Food & Beverage	462,994	392,791	(70,203)	487,001	4,762,848	4,514,119	(248,729)	2,490,896
Facility	1,253,738	1,158,108	(95,630)	1,037,339	7,381,965	7,375,311	(6,654)	6,027,548
Total Expenses	<u>1,716,732</u>	<u>1,550,899</u>	<u>(165,833)</u>	<u>1,524,340</u>	<u>12,144,813</u>	<u>11,889,430</u>	<u>(255,383)</u>	<u>8,518,444</u>
Net Income (Loss) before CIP Funded Expenses	<u>(707,160)</u>	<u>(701,238)</u>	<u>(5,922)</u>	<u>(518,393)</u>	<u>2,397,786</u>	<u>(1,945,070)</u>	<u>4,342,856</u>	<u>(1,657,786)</u>
CIP Funded Expenses	<u>67,005</u>	<u>0</u>	<u>67,005</u>	<u>0</u>	<u>67,605</u>	<u>0</u>	<u>67,605</u>	<u>384</u>
Net Income (Loss) from Operations	<u>(640,155)</u>	<u>(701,238)</u>	<u>61,083</u>	<u>(518,393)</u>	<u>2,465,391</u>	<u>(1,945,070)</u>	<u>4,410,461</u>	<u>(1,657,402)</u>
Fixed Asset Purchases	<u>0</u>	<u>25,000</u>	<u>25,000</u>	<u>0</u>	<u>70,602</u>	<u>150,000</u>	<u>79,398</u>	<u>100,969</u>
Net Income (Loss) after Fixed Asset Purchases	<u><u>(640,155)</u></u>	<u><u>(726,238)</u></u>	<u><u>86,083</u></u>	<u><u>(518,393)</u></u>	<u><u>2,394,789</u></u>	<u><u>(2,095,070)</u></u>	<u><u>4,489,859</u></u>	<u><u>(1,758,371)</u></u>

10b

**Discussion and/or Action on the
Hawai'i Convention Center's January
Financial Report and Update on the Hawai'i
Convention Center's 6-Year Repair and
Maintenance Plan**

Hawai'i Convention Center



Update for
January 2024
For
(February 2024 meeting)

FY 2024 (July 2023 – June 2024) Citywide Events



REPORT - PACE - CW - DEFINITES ON THE BOOKS - FY

Created By: Test User
Created On: 02/01/2024

Fiscal Year: Contract Room Block Begin	Total Bookings	Total Contract Rooms	Total Attendees	Total EEI Value	Tax Generation
2024	20	114615	58000	\$370,327,874.18	\$43,328,361.28
2025	12	85513	47250	\$289,126,424.41	\$33,827,791.66
2026	11	125878	46800	\$322,029,359.56	\$37,677,435.07
2027	6	62194	28200	\$205,714,043.53	\$24,068,543.09
2028	4	18122	12700	\$76,611,872.74	\$8,963,589.11
2029	1	3031	3200	\$18,913,205.09	\$2,212,845.00
2030	2	14274	8500	\$59,868,034.80	\$7,004,560.07
2031	3	53585	16500	\$108,550,531.09	\$12,700,412.14
2033	1	19550	6500	\$41,075,194.39	\$4,805,797.74
2036	1	40829	7000	\$53,244,980.15	\$6,229,662.68
Grand Totals	61	537591	234650	\$1,545,461,519.94	\$180,818,997.83

FY 24	
Total Bookings	20
Total Contract Rooms	114,615
Total Attendees	58,000
Total EEI Value	\$370,327,874.18
Total Tax Generation	\$43,328,361.28

Source: February 2024 Meet Hawai'i Pace "Definites on the Books FY" Report



Definite Local Bookings for next 3 months

	Start Date	End Date	Description	Forecast Attendance
1	02/02/24	02/02/24	Professional Community Day 3	150
2	02/02/24	02/04/24	2024 Hawaiian Islands Mission Conference	300
3	02/03/24	02/04/24	Aloha Region President's Tournament	1,500
4	02/05/24	02/05/24	2024 HIDEOE/AMLE Middle Level Summit	2,000
5	02/08/24	02/08/24	YP Program Launch Party	75
6	02/14/24	02/25/24	LOKAHI SPRING WORLD MUSIC FESTIVAL - SPRING GALA CONCERT	2,500
7	02/15/24	02/15/24	Symphony of the Hawaii Forests	2,000
8	02/17/24	02/17/24	Micronesian Youth Summit	800
9	02/19/24	02/22/24	Pacific Water Conference	800
10	02/20/24	02/20/24	Second Look Meeting	1,200
11	02/23/24	02/23/24	Joy of Sake	1,000
12	02/24/24	02/24/24	Slammedenuff Hawaii Car Show	800
13	02/24/24	02/25/24	Feather Artwork Workshop #9	20
14	02/26/24	02/29/24	Annual Pacific Rim International Conference on Disability and Diversity	750
15	02/27/24	02/28/24	Hawaii State Judiciary Bar Exams	250
16	02/27/24	02/27/24	EOEL Pre-K Induction - Day 1	100

Cont...

Definite Local Bookings for next 3 months

	Start Date	End Date	Description	Forecast Attendance
1	03/01/24	03/02/24	King's Runner 10K Packet Pick Up	2,600
2	03/01/24	03/03/24	Tax Lien Code Workshop	150
3	03/02/24	03/03/24	Paradise Tournament Series: Spam Slam	1,500
4	03/02/24	03/02/24	Submission Battleground	1,750
5	03/02/24	03/02/24	Parokya Ni Edgar (PNE) & Ez Mil Concert	1,500
6	03/07/24	03/07/24	Fuel Tank Advisory Committee (FTAC) Meeting	200
7	03/08/24	03/10/24	Honolulu Festival 2024	15,000
8	03/08/24	03/08/24	Hawaii Student Success Institute	1,000
9	03/09/24	03/09/24	World Wide Dream Builders Regional Rally	1,100
10	03/12/24	03/12/24	EOEL Pre-K Induction - Day 2	100
11	03/13/24	03/13/24	Aloha Trees	100
12	03/13/24	03/13/24	Hawaii-Philippines Sister-Province Symposium	200
13	03/14/24	03/20/24	PSI Seminars	400
14	03/16/24	03/17/24	Aloha Region Spring Break Madness 2024	1,500
15	03/19/24	03/22/24	2024 SPED Conference	600
16	03/22/24	03/22/24	Aloha State Choral Festival	300
17	03/24/24	03/24/24	Memorial of Christ Death	300
18	03/24/24	03/24/24	Kaimuki Congregation of Jehovah's Witnesses - Annual Memorial	600
19	03/24/24	03/24/24	Kwojkwojin Keememej Mej eo an Jesus / Achechchemen Maloon Jises	200
20	03/24/24	03/24/24	Palolo Congregation of Jehovah's Witnesses - Memorial of Jesus' Death	300
21	03/24/24	03/24/24	Memorial of Christ Jesus Death	230
22	03/29/24	03/31/24	Kawaii Kon 2024	18,000
23	03/29/24	03/30/24	Hawaii Royale Spring '24	2,500

Cont...

Definite Local Bookings for next 3 months

	Start Dat	End Date	Description	Forecast Attendance
1	04/02/24	04/02/24	EOEL Pre-K Induction - Day 3	100
2	04/03/24	04/03/24	UH College of Engineering Annual Banquet	800
3	04/03/24	04/03/24	2024 Transition Centers Best Practices Conference	150
4	04/04/24	04/05/24	Hawaii STEM Conference 2024	1,000
5	04/04/24	04/05/24	Iolani School Theater Production - Advanced Program	450
6	04/04/24	04/04/24	Hawaii Governor's Hurricane Tabletop Exercise	120
7	04/05/24	04/05/24	Professional Community Day 4	150
8	04/05/24	04/05/24	Honolulu Board of REALTORS Agent Forum April	300
9	04/06/24	04/07/24	Paradise Tournament Series: The Shave Ice Cup	1,500
10	04/06/24	04/06/24	2024 Pacific Southwest Symposium	1,000
11	04/07/24	04/11/24	21st International Hawaii Summit on Preventing, Assessing & Treating Trauma Across the Lifespan	1,400
12	04/11/24	04/13/24	Hapalua Marathon Registration	7,000
13	04/11/24	04/11/24	ACTE Breakout Sessions	500
14	04/13/24	04/13/24	HSTA Annual Conference	300
15	04/13/24	04/13/24	Arts in Motion	2,000
16	04/13/24	04/13/24	Hearts & Home IV Gala by The Shelter	300
17	04/23/24	04/25/24	Communities of Practice	200
18	04/23/24	04/23/24	EOEL Pre-K Induction - Day 4	100
19	04/24/24	04/24/24	Tsuruda Organizational Open	225
20	04/25/24	04/25/24	20th Annual Chopsticks and Wine	1,000
21	04/25/24	04/25/24	Yamamoto Organizational	350
22	04/25/24	04/28/24	WWWS Level 5 Mentoring Seminar	350
23	04/26/24	04/28/24	Jam On It Aloha Challenge 2024	1,200
24	04/26/24	04/27/24	Court Interpreter Basic Orientation Workshop	100
25	04/27/24	04/28/24	Aloha Region Regionals	1,500
26	04/27/24	04/27/24	Kinder Kids Spring Concert	200

Recent Events @ Hawai'i Convention Center

- Hawai'i Dental Convention, Jan 25-26, 3,000 attendees
- Hawaiian AAU Grand Prix 2024, Feb 17-19, 4,000 attendees (CW)
- Joy of Sake, Feb 23, 1,000 attendees



Upcoming Local/Citywide Events

- King's Runner 10K Packet Pick Up, March 1-2, 2,600 attendees
- NDIA 2024 Pacific Operational Science and Technology Conference, March 2-7, 1,700 attendees (CW)
- Kawaii Kon 2024, March 29-31, 18,000 attendees

**2024 Pacific Operational
Science & Technology
(POST) Conference**



Carbon Offset Program

- This is a first-of-its-kind Carbon Offset Program that provides meeting organizers with the opportunity to offset the carbon footprint of their meeting.
- Participating events include:
 - 2024 Transpacific Volleyball Championship (10 trees)
 - 2024 Sony Open Gala Dinner (9 trees)
 - CHEST 2023 (42 trees)
 - 2023 International Conference on Machine Learning (36 trees)
 - 2023 Okinawan Festival (11 trees)



ICML
International Conference
On Machine Learning



Repair, Maintenance and Replacement Projects Update

New F&B Equipment



Mogogo Banquet Stations



Coffee Dispensers



Beverage Dispensers

Completed projects in January 2024

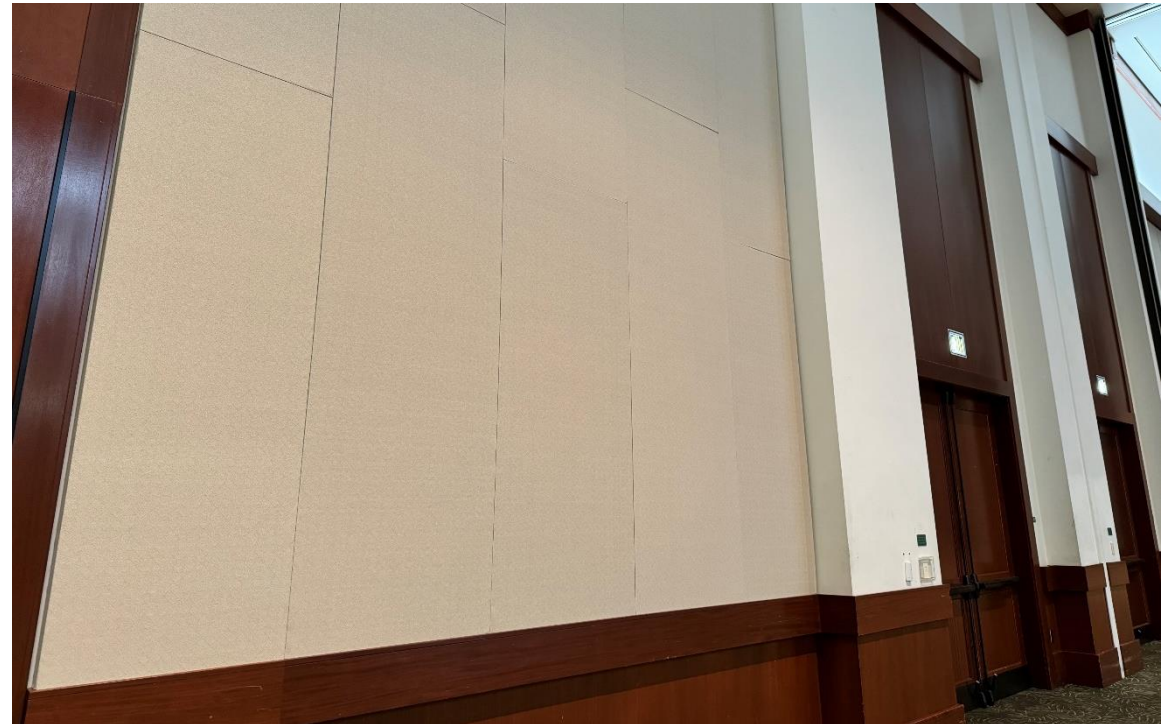
Transformer Replacement Project

Four of our building's original transformers were recently replaced with updated Powersmiths energy efficient Transformers. We are working with Hawai'i Energy on receiving energy credits.



Ballroom Wallpaper

Ballroom wallpapers have been replaced to match our meeting rooms, making it easier for our team to hold inventory of only one pattern of wallpaper.



Completed projects in January 2024

Exterior Security Camera Upgrade

New exterior security cameras have been installed around the perimeter of HCC



Repair, Maintenance and Replacement Projects

6-Year Plan (page 1)

Project Number	Project Title	Estimated Project Cost	Priority	Prior Expenses to Dec 23	FY24	FY25	FY26	FY27	FY28	FY29	Total
001	Rooftop Terrace Deck Full Repair	\$ 64,000,000	1	\$ -	\$ 2,000,000	\$ 30,000,000	\$ 32,000,000				\$ 64,000,000
011	Ballroom Gutter, Foyer Transom Glass Roof Repair and Soffit R	\$ 7,706,791	1	\$ 71,071	\$ 7,635,720						\$ 7,706,791
013	Ballroom Roof Repairs	\$ 2,271,093	1	\$ 29,519	\$ 2,241,574						\$ 2,271,093
012	Parapet Roof Repairs	\$ 3,066,470	1	\$ 25,555	\$ 3,040,915						\$ 3,066,470
003	Kalākaua Kitchen Exterior Wall Repair	\$ 2,440,752	1	\$ 313,460		\$ 2,127,292					\$ 2,440,752
007	Kitchen Hood Control Panel Replacement	\$ 341,407	1	\$ 18,770	\$ 322,636						\$ 341,406
008	Pantry 348 Walk-in Refrigerator Replacement	\$ 135,443	1	\$ 54,637	\$ 80,806						\$ 135,443
009	Slate Tile Repair	\$ 2,142,108	1	\$ 150,018	\$ 1,992,090						\$ 2,142,108
010	Chiller Replacement	\$ 6,909,252	1	\$ 180,912	\$ 6,728,340						\$ 6,909,252
014	Lobby Water Feature	\$ 1,086,810	3	\$ 3,932			\$ 1,082,878				\$ 1,086,810
015	House Sound Audio System Upgrade	\$ 2,973,864	1	\$ 38,020	\$ 2,935,843						\$ 2,973,863
022	Chill Water Pipe Reinsulation	\$ 677,894	1	\$ 306,864	\$ 371,030						\$ 677,894
023	Air Wall Repairs	\$ 282,058	1	\$ 16,155	\$ 265,903						\$ 282,058
024	Roll-up Door Replacement	\$ 225,000	2	\$ 23,656		\$ 201,344					\$ 225,000
025	Ballroom and Meeting Room Wallpaper Replacement	\$ 203,531	1	\$ 147,721	\$ 55,810						\$ 203,531
026	IT Network Upgrades	\$ 125,000	3	\$ -		\$ 55,000	\$ 70,000				\$ 125,000
027	Ice Machines Replacement	\$ 500,000	1	\$ -	\$ 500,000						\$ 500,000
028	Theatre 310 and 320 Furnishings Upgrade	\$ 750,000	3	\$ -			\$ 375,000	\$ 375,000			\$ 750,000
029	Theatre 310 and 320 Seating Upgrade	\$ 500,000	3	\$ 155			\$ 249,845	\$ 250,000			\$ 500,000
030	FB China and Equipment Upgrade	\$ 5,300,000	1	\$ -	\$ 2,500,000	\$ 2,800,000					\$ 5,300,000
031	Ala Wai Waterfall Repair	\$ 1,071,501	3	\$ 2,362			\$ 1,069,139				\$ 1,071,501
036	Water Intrusion Remediation	\$ 400,000	1	\$ 166,165	\$ 233,835						\$ 400,000
037	Exterior Security Camera Upgrade	\$ 231,348	1	\$ 155,504	\$ 75,844						\$ 231,348
041	Children's Courtyard Repair	\$ 329,162	1	\$ -			\$ 329,162				\$ 329,162
042	Kahakai/Atkinson Drywell Rehabilitation	\$ 351,113	1	\$ -	\$ 351,113						\$ 351,113
043	Air Handler Unit 9 and 10 Replacement	\$ 401,382	2	\$ 377		\$ 401,005					\$ 401,382
044	Fire Sprinkler Line Refurbishment	\$ 343,394	1	\$ -	\$ 100,000	\$ 125,000	\$ 118,394				\$ 343,394
045	Escalator Modernization	\$ 15,865,737	1	\$ 9,058	\$ 6,900,000	\$ 2,640,000	\$ 6,316,678				\$ 15,865,736
046	LED Light Upgrade	\$ 4,781,506	1	\$ 68,293	\$ 4,713,213						\$ 4,781,506

Current project
Cumming-managed project
HCC-managed project
CM/PM - to be assigned

Repair, Maintenance and Replacement Projects

6-Year Plan (page 2)

Project Number	Project Title	Estimated Project Cost	Priority	Prior Expenses to Dec 23	FY24	FY25	FY26	FY27	FY28	FY29	Total
048	Electrical Harmonics Testing	\$ 100,000	3	\$ -			\$ 100,000				\$ 100,000
049	Main Kitchen Dishwasher Replacement	\$ 421,315	1	\$ 219,521	\$ 201,794						\$ 421,315
050	Main Kitchen Flooring Replacement	\$ 600,000	1/3	\$ 19,019	\$ 200,000	\$ 380,981					\$ 600,000
051	PBX System Replacement	\$ 90,505	1	\$ -	\$ 90,505						\$ 90,505
052	Ride-on Sweeper Replacement	\$ 55,000	1	\$ 100	\$ 54,900						\$ 55,000
054	Boardroom Upgrade	\$ 1,099,549	3	\$ 73,263			\$ 1,026,286				\$ 1,099,549
055	Elevator #2 Upgrade	\$ 250,000	3	\$ -			\$ 250,000				\$ 250,000
058	Kitchen Hood Fire Suppression System Replacement	\$ 341,407	1	\$ 18,770	\$ 322,636						\$ 341,406
060	Lobby Sail Repair and Maintenance	\$ 179,000	1	\$ 41,196	\$ 61,021	\$ 76,783					\$ 179,000
061	ADA Lift (#320) Replacement	\$ 165,000	1	\$ 387	\$ 164,613						\$ 165,000
064	F&B Equipment	\$ 1,266,870	1	\$ 12,640	\$ 1,254,230						\$ 1,266,870
065	Transformer Replacement	\$ 140,297	1	\$ 294	\$ 140,002						\$ 140,296
066	Kitchen Boiler Replacement	\$ 130,000	1	\$ -	\$ 130,000						\$ 130,000
068	3rd Floor Planter Repair and Exterior Planter Repair	\$ 11,048,647	1	\$ 34,545	\$ 4,415,590	\$ 6,598,512					\$ 11,048,647
069	Parking System Equipment Upgrade / Parking Flooring Sealing	\$ 616,515	1	\$ 28,382	\$ 20,000	\$ 568,133					\$ 616,515
070	Parking Garage Floor Sealing	\$ 250,000	1	\$ -		\$ 250,000					\$ 250,000
071	Access Control Upgrade	\$ 2,000,000	2	\$ -		\$ 1,000,000	\$ 1,000,000				\$ 2,000,000
072	Ride-on Scrubber Replacement	\$ 82,400	1	\$ -	\$ 82,400						\$ 82,400
073	Common Area Furniture Upgrade	\$ 200,000	1	\$ -		\$ 200,000					\$ 200,000
074	Ice Rink and Equipment	\$ 500,000	1	\$ -	\$ 500,000						\$ 500,000
075	Exterior Building Painting	\$ 2,416,382	1	\$ -	\$ 1,188,316	\$ 1,228,066					\$ 2,416,382
076	Main Kitchen Freezer Repair	\$ 500,000	1	\$ -	\$ 500,000						\$ 500,000
077	Interior Building Painting	\$ 7,000,000	1	\$ -	\$ 7,000,000						\$ 7,000,000
078	Pot Wash Machine Replacement	\$ 180,000	1	\$ -	\$ 180,000						\$ 180,000
079	Digital Signage Upgrade	\$ 6,150,000	1	\$ 20,390	\$ 30,000	\$ 6,099,610					\$ 6,150,000
081	Facility Equipment Replacement	\$ 1,000,000	1	\$ -	\$ 500,000	\$ 500,000					\$ 1,000,000
082	Escalator and Elevator Repairs	\$ 1,000,000	1	\$ 131,376	\$ 300,000	\$ 568,624					\$ 1,000,000
	Legal Retainer	\$ 151,094		\$ 112,768	\$ 38,326						\$ 151,094
	GRAND TOTAL	\$163,346,597		\$ 2,494,855	\$60,419,005	\$ 55,820,350	\$43,987,382	\$ 625,000	\$ -	\$ -	

Repair, Maintenance and Replacement Projects

Major Project Update

Exterior Painting

- Contractor submitted work and access plan, incorporating around HCC events

Chiller Replacement

- Contractor completing internal repairs and connections
- Crane lift planned for end March; remove 2 old units, install 2 new units

LED Lighting Upgrade

- Awarded contract
- Scheduling mock-up room to fine tune new fixtures and controls

Escalator Modernization

- Proposers requested additional site visits
- Proposals due early March

Issuing solicitation for

- Architectural Firm for design, bid, build projects
- Food and Beverage China and Equipment
- Parapet Roof Repairs

Repair, Maintenance and Replacement Projects

CUMMING GROUP Priority Projects

- *Kitchen Hood Control Panel and Fire Suppression Upgrade*
- *Slate Tile Repair*
- *Chiller Replacement*
- *Main Kitchen Dishwasher Replacement*
- *Ballroom Roof Repairs*
- *House Sound Audio Upgrade*
- *Ballroom Gutter, Foyer Transom Glass and Soffit Repair*
- *3rd floor and Exterior Planters Repair*
- *LED Lighting Upgrade*
- *Walk-in Refrigerator Replacement*
- *Main Kitchen Flooring Replacement*
- *Exterior Building Painting*
- *Kalākaua Kitchen Wall Repair and Atkinson Drywell Replacement*
- *Main Kitchen Freezer Repair*
- *Interior Building Painting*
- *Pot Wash Machine Replacement*
- *Parking Garage Equipment Upgrade and Floor Sealing*

Repair, Maintenance and Replacement Projects Completed (since 2020)

COMPLETED 2020

- *Gutter Trough, Roof Repairs; \$8.3M*
- *Boiler Replacement; \$585k*
- *Ala Wai Waterfall Repairs; \$185k*
- *Chiller 4 Repairs; \$55k*
- *#320 Roof Repairs; \$1.4M*
- *Banquet Chairs/Tables Upgrade; \$2.25M*

COMPLETED 2021

- *Cooling Tower Replacement; \$3.2M*
- *Theatre LED Lighting Upgrade; \$77k*
- *Roof Overflow Drain Repairs; \$16k*
- *Jockey Chiller Repairs; \$28k*
- *ADA Lift Replacement; \$71.5k*
- *Emergency Generator Repairs; \$32k*
- *Window Repairs – Vandalism; \$177k*

COMPLETED 2022

- *Leak Repairs – 12/21-1/22; \$396k*
- *Chiller Repairs; \$69.3k*
- *Trellis Renovation; \$4.7M*
- *Lobby Glass Replacement; \$25k*
- *New Security Camera, Access Control; \$1.56M*
- *Kitchen AC Compressor Replacement; \$16.5k*

COMPLETED 2023

- *Event Stage ADA Ramp; \$41k*
- *Escalator #1 Handrail Replacement; \$64k*
- *Exterior Sign Refurbishment; \$50k*
- *Leak Repair Remediation; \$168k*
- *Forklift Replacement; \$175k*

COMPLETED 2024

- *Water Intrusion Remediation; \$400k*
- *Ballroom Wallcovering; \$200k*
- *Exterior Security Camera; \$225k*
- *Transformer Replacement; \$131k*



Mahalo Nui Loa

12

**Presentation and Discussion Regarding an
Update of the Meetings, Conventions and
Incentives Market Activity and Pace Report, and
Hawai'i Convention Center Activity and Local
Sales**



Global MCI SALES UPDATE

Regular Meeting of the Hawai'i Tourism Authority

February 22, 2024

GLOBAL MCI UPDATES - Jan '24

Questions from Jan Meeting

Staffing Updates

Repeat vs. New Business			
	# of Events	New	Repeat
2024	16	75%	25%
2025	15	47%	53%

Citywide Sales

- **HIRED:** East Coast/Europe Seller starts April 8th
- Posted: Seller to focus on short term Corporate

Single Property Sales

- **HIRED:** Senior DOS, Single Property-Laurie Ihara starts February 20th
- West Coast Seller – Position Posted

Client Services

- Coordinator - Interviewing
- Client Service Manager - Interviewing

Definition:

- **New:** First time meeting at HCC.
- **Repeat:** Has held meeting at HCC in the past.

GLOBAL MCI UPDATES - Jan '24

ON THE ROAD - Highlights

- Professional Convention Management Association's Convening Leaders
- Independent Planner Education Conference (IPEC) South Carolina
- HCC Presentation for incentive organizers – joint promotion with H.I.S.
- Hawai'i Kai Workshop - Fukuoka



GLOBAL MCI UPDATES - Jan '24

Strategic Partnership Activations – Highlights

Site Global - Society for Incentive Travel Excellence

- 2500 members | 90 countries
- **E-Book – Hawai'i Spotlight** – Socially Responsible Incentive Travel. Distributed via social media channels. Distribution continues through March.
- **Webinar** - 170 attendees representing 33 countries



“More topics on how to incorporate more of destination's culture into a program (always so much to learn about and appreciate).”

“I love the examples that were presented — real experiences and use of resources / partners. This is needed!”

site
SITE
13,516 followers
1w · 🌐

Have you downloaded our latest ebook? [Meet Hawaii](#), and the islands' residents, welcome you to mālama (care for) their home, as you would your own.

Get your copy: <https://lnkd.in/eE4VPyTC>



SALES PRODUCTION UPDATE

Citywide & Single Property

CITYWIDE PRODUCTION

DEFINITIONS

Sales Production

- New events and room nights booked in the year and for any future year.

Consumption

- On the Books (OTB)
- Events and room nights in the year they occur.

CITYWIDE SALES PRODUCTION

January 2024 Year-to-Date (YTD)

Citywide Room Nights	Jan 2024	Jan 2023	Variance	2024 YTD	2023 YTD	Variance
Citywide Definite RN	6,781	3,060	+122%	6,781	3,060	+122%
Citywide Tentative RN	4,583	66,106	-93%	4,583	66,106	-93%
#Citywide Booked Events	1	2	-50%	1	2	-50%

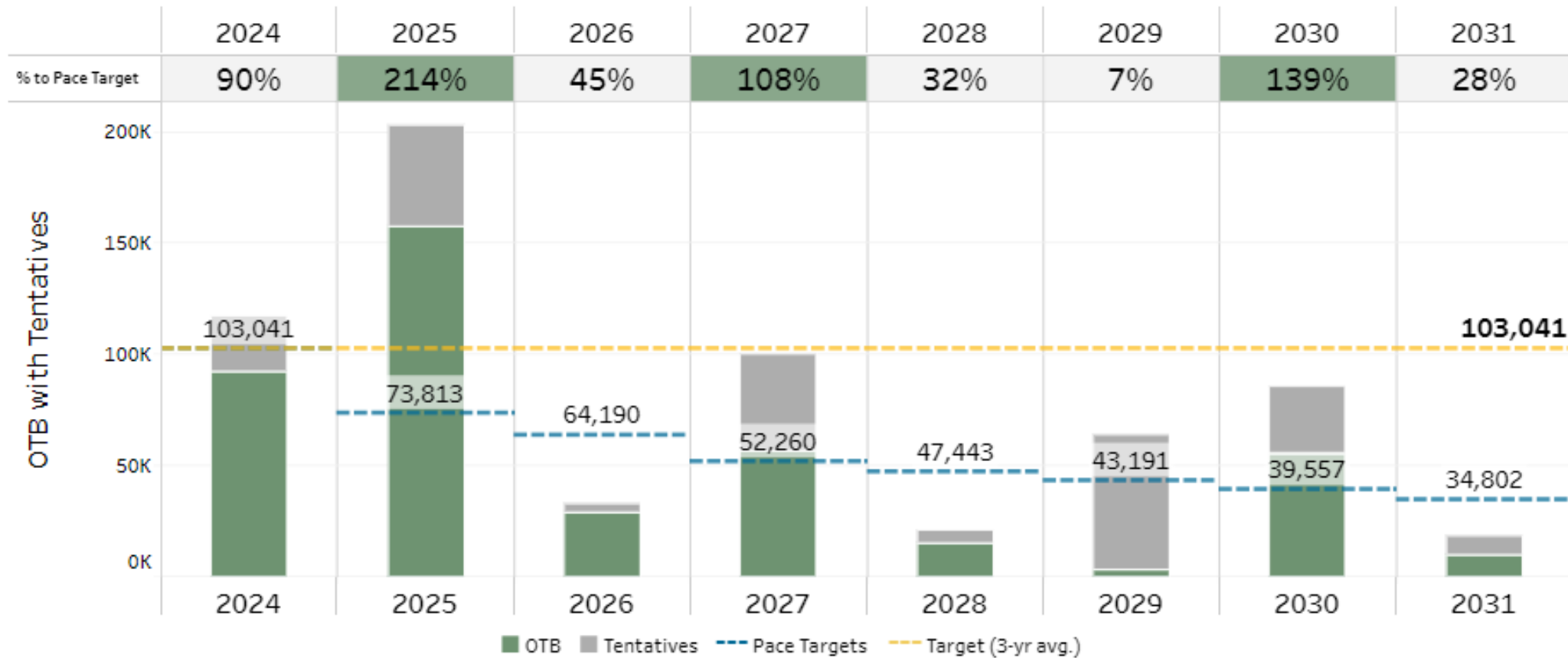
As reported in Meet Hawai'i Global draft MCI Status Report – January 2024

FUTURE PACE (Consumption | Arrivals)

Citywide Events Booked at HCC

Hawai'i 8 Year Future Pace for Citywide

Number of events and room nights on the books against a 3-year average target.



Future Pace Definite Events

Hawai'i Eight Year Future Pace Citywide

CY	EVENTS OTB	EVENTS TARGET	EVENTS VARIANCE	% VARIANCE	Events LTB	EVENTS TENTATIVE	EVENT GOAL
2025	15	14	1	7%	13	8	28
2027	6	6	0	0%	22	5	28
2029	1	4	(3)	-75%	27	3	28
2031	1	2	(1)	-50%	27	1	28

As reported in Meet Hawai'i Global draft MCI Status Report – January 2024

SINGLE PROPERTY PRODUCTION

SINGLE PROPERTY SALES PRODUCTION

January 2024 Year-to-Date (YTD)

Single Property Room Nights	Jan 2024	Jan 2023	Variance	2024 YTD	2023 YTD	Variance
Single Property Definite RN	567	1,128	-50%	567	1,128	-50%
Single Property Tentative RN	40,465	55,275	-27%	40,465	55,275	-27%
# Single Property Booked Events	1	1	+0%	1	1	+0%

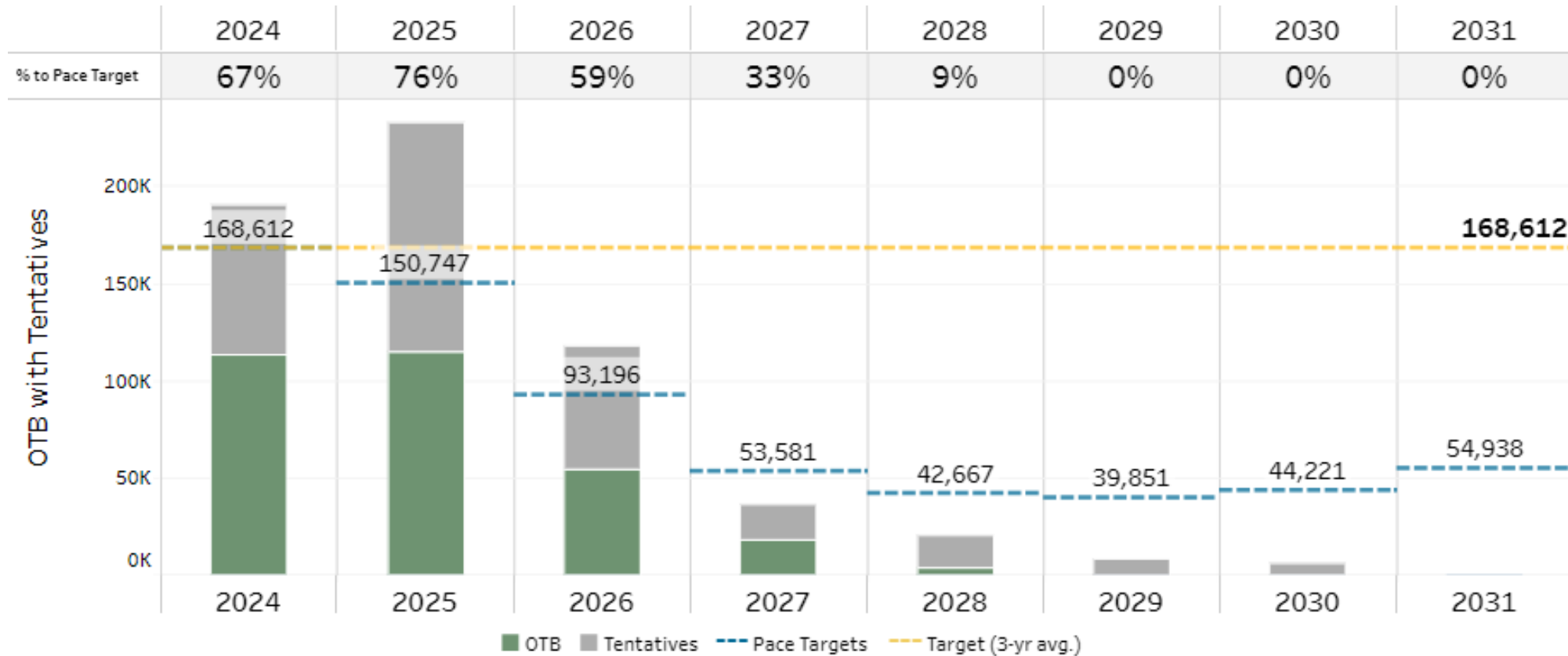
As reported in Meet Hawai'i Global draft MCI Status Report – January 2024

FUTURE PACE (Consumption | Arrivals)

Single Property Events Booked in Hawai'i

Hawai'i 8 Year Future Pace for Single Property

Number of events and room nights on the books against a 3-year average target.



SINGLE PROPERTY PRODUCTION BY ISLAND

	Tentative Rooms	Economic Impact	Definite Rooms	Economic Impact
Hawai'i	18,853	\$269M	0	\$0
Kaua'i	13,099	\$154M	0	\$0
Lāna'i	1,822	\$18M	0	\$0
Maui	24,468	\$402M	567	\$1.3M
O'ahu	34,818	\$867M	0	\$0

As reported in Meet Hawai'i Global draft MCI Status Report – January 2024

MAHALO