



**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, 28 MALAKI 2024, 9:30 AM
THURSDAY, MARCH 28, 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/89819703321>

*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: 898 1970 3321**

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 kāka'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 February 29, 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 Kūkā No Ka Ho'omohala Ala Mokulele – Routes America 2024*
Presentation and/or Discussion on Air Service Development – Routes America 2024
11. *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 March 21, 2024
 - a. *Kūkākūkā a Ho'oholo No Ka Mo'olelo Kālā*
Discussion and/or Action on HTA's Financial Report for February 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 February
Financial Report and Update on the Hawai'i Convention Center's 6-Year
Repair and Maintenance Plan**

12. *Hō'ike A ASM Global No Nā Au Kikowaena Hālāwai Me Ka Ho'ohui Me Legends*
**Presentation by Dan Hoffend, ASM Global, on Convention Center Trends and
Legends Acquisition**

13. *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**

14. *Hō'ike A Ke Kōmike Alowelo*
**Report and Update by the BRANDING STANDING COMMITTEE of their
Meeting Held on March 27, 2024**

a. *Hō'ike'ike a Kūkā no ka Nūhou a ka Hawai'i Tourism China*
Presentation and/or Discussion on HTC's China Market Updates

b. *Hō'ike'ike a Kūkā no ka Ho'olaha Hou a ka Hawai'i Tourism USA*
Presentation and/or Discussion on HTUSA's New Campaign

c. *Hō'ike'ike a Kūkā no ka Papahana Ho'okele Hikiāloa no ke Kūkulu Hokona*
**Presentation and/or Discussion on Planning for Long-Term Tourism
Marketing Strategy**

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
February 29, 2024 Regular Board Meeting**



**REGULAR BOARD MEETING
HAWAII TOURISM AUTHORITY
Thursday, February 29, 2024, 9:30 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), Kimberly Agas (Zoom), David Arakawa, Dylan Ching, Stephanie Iona (Zoom), Sherry Menor-McNamara (Zoom), Blaine Miyasato, James Tokioka (Ex Officio, DBEDT Director, Sig Zane (Zoom)

MEMBERS NOT PRESENT:

Mahina Paishon-Duarte (Vice Chair), James McCully, Mike White (Zoom)

HTA STAFF PRESENT:

Daniel Nāho'opi'i, Isaac Choy, Ilihia Gionson, Caroline Anderson, Jadie Goo, Iwalani Kaho'ohanohano, Maka Casson-Fisher, Carole Hagihara-Loo

GUESTS:

David Baronfeld, Kylie Butts, Jennifer Chun, Jeffrey Eslinger, Tyler Gomes, Erin Khan, Noelle Liew, Guillaume Maman, Tom Mullen, Teri Orton, Jessica Lani Rich, Mari Tait

LEGAL COUNSEL:

John Cole

1. Call to Order

Chair Hannemann called the meeting to order at 9:31 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 did the roll call, and members were in attendance except for Ms. Paishon-Duarte, Mr. McCully, and Mr. White, who were excused. Members who attended via Zoom were by themselves.

3. Opening Protocol

Mr. Casson-Fisher did the opening cultural protocol by explaining and elaborating what mākaukau and ho’o mākaukau (to be ready) means through chants.

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 of the January 25, 2024 Regular Board Meeting

Mr. Miyasato made a motion to approve the minutes. Mr. Ching seconded, and the motion passed unanimously.

6. CEO Report

Mr. Nāho’opi’i presented a detailed report on the activities of the past month. He began by reviewing the goals for 2024, which would continue to use marketing strategies to recover demand for Maui, especially for the U.S. and Canadian markets. It was important to shore up the international markets since economists expected a softening of the global economy, which required Hawai’i to encourage high-spending visitors. Mr. Nāho’opi’i expressed the hope that by 2025, the agency would have five additional positions for on-island destination managers. By the end of 2025, the goal was to fully integrate these destination managers into planning and implementing the agency’s goals.

Mr. Nāho’opi’i expected that by the end of the fifth year (2029), the agency should have successfully shifted the type of tourism offered to visitors towards a more regenerative model by working with technical assistance and training to develop community-based tourism. Community awards would fund programs that shifted towards contributing to the community-

based economy and residents and working with hotels and other businesses. This method of contributing to the economy and sustaining the environment and the entire destination would create a different mindset for residents and visitors.

The Board had previously approved emergency funding for Phase Two of the U.S. Maui marketing recovery program, to be carried out during the first half of 2024. Contracts for the Canadian recovery program had been awarded, and the program was in progress. The recovery program would support businesses and convey that Maui was open. A contract had been awarded to update GoHawaii.com with additional Maui businesses and new products in Maui. This would expose more Maui businesses to U.S. consumers. Several businesses had been funded to carry out a pop-up marketing program in New York with Mana Up, and West Coast activations would feature Maui businesses, especially those facing challenges. The intention was to support and encourage consistent messaging and outreach to Maui residents and industry stakeholders.

A consistent Mālama Maui message was to be given to visitors, and there was concern that visitors were not exposed to sufficient Maui-specific messaging after their arrival. An enhanced contract had been awarded to KiloHana, and the organization was working with Maui itineraries to enhance existing messaging. Support was to be given to small businesses based in Maui, not only resorts and hotels. The destruction of Lahaina had eliminated many outlets and venues for selling products. The HTA was now working with Maui County and the CNHA to set up outlets featuring Maui products for sale to visitors and residents. The expansion of tourism products in Maui was to be integrated into the U.S. Canadian marketing programs, along with the creation of new products in Maui now that conditions have improved.

The HTA was working with the CNHA to support improvements in long-term housing. The CNHA had been designated as the coordinator of temporary or short-term housing and was inviting residents and owners of transient vacation rentals (TVRs) to participate in the program, working with Lele Aloha to provide more information to residents about available resources, online sites, and contact with government agencies.

Additional funding for the Canadian and Japanese marketing programs had been authorized, and the programs were in progress. This will be explained at the Spring Tourism Update Forum to be held on Wednesday, March 6. Global support services were responsible for developing and managing the GoHawaii website and the GoHawaii app, along with media related to these outlets, sharing Aloha programs and air route development. The contract had been finalized, and only the final signatures were awaited. This program supported all the Hawai'i markets, both international and domestic.

During the previous Board meeting, a question had been asked about the corporate sales position for Meet Hawai'i. Mr. Nāho'opi'i informed the Board that the contract had been amended to include funding for a new position. A suitable candidate had been identified, and hiring was in progress.

Regarding destination stewardship, Kilohana will give information later in the meeting about programs awarded funding. Their press release cited more than 150 community-based organizations to receive funding for 2024. The representative of Kilohana would also describe their provision of post-arrival visitor education in airports, in-room video, and other venues.

The East Maui tourism program continued, with communities taking on the kuleana of stewarding, managing traffic, and supervising parking. Visitors arriving at one of the pull-off points would be greeted by stewards giving information about the area and advice about safety measures. These were local residents, so they had a lot of information and could explain the importance of visitors remaining respectful.

Ms. Anderson had finished the workforce development plan and developing a quality assurance program, which would be explained by Kilohana's representative later in the meeting. Quality assurance ensured that businesses followed certain standards so visitors would enjoy a high-quality experience aligned with regenerative and sustainable tourism practices. Kilohana had worked with community advisory groups, businesses, and residents to develop criteria for a quality experience and business operation in Hawai'i.

Mr. Nāho'opi'i explained that the HTA was in the process of hiring another brand manager out of the two that were required. Information was being submitted to the Department of Budget & Finance and the Governor's Office.

The Board had previously authorized a governance study, and the contract for this work had been awarded to Better Destinations LLC, which was already conducting interviews and meetings with communities. Its work plan had been presented to the Governance Permitted Interaction Group (PIG), and a survey would be distributed. Members of the Governance PIG would be part of the collaboration on each island for community meetings, but the consultants would eventually interview all Board members and the HTA staff. They would participate in local meetings during the following week but also schedule in-person or online meetings with Board members and the HTA staff. They would seek input on the best way to manage tourism in the State of Hawai'i, what form the supervisory agency should take, and perceived problems and proposed solutions for better operation.

Mr. Gionson presented some information about the HTA crisis response. As well as the continuing response to the wildfire disaster, in the past month, they had responded to the situation created by the grounding of Boeing 737 Max 9 airplanes, which affected flights to and

from Hawai'i. Working with airline partners, support was offered to visitors who were delayed. Secondly, Hilo airport was affected by a mechanical issue with screening equipment, which caused long lines and delays for passengers. The team contacted the airport staff to assist and inform visitors. Thirdly, the team stood by, ready to help visitors affected by the unexpected overnight closure of the single runway at Kona International Airport, an important gateway to Hawai'i. However, the airlines had diverted most flights to Honolulu and accommodated passengers where necessary. In collaboration with airport management, the HTA team did their best to keep those stuck at the airport as comfortable as possible.

Last year, the Spring Tourism Update was held in April, but it seemed more effective to place it with Tourism Day this year. Mr. Gionson explained that the Spring Tourism Update was scheduled for Wednesday, March 6, as a live stream from the HCC to provide the visitor industry and the local community with the latest updates. He stated that the entire HTA Global Marketing Team would be present on that day, to combine public updates with meetings with internal and industry partners. This would benefit members of the Global Marketing Team without a physical presence in Hawai'i and allow them to connect with industry partners. On Thursday, March 7, the O'ahu Business Bureau was to showcase new products. The Board was informed that on Friday, March 8, the HTA would partner with the HLTA, HVCB, CNHA, and the Native Hawaiian Hospitality Association to put on Tourism Day at the State Capitol. This was the annual opportunity for the HTA to showcase the latest in the visitor industry to lawmakers and interested members of the public.

Currently, the staff is tracking 135 measures of interest during the legislative session. Measures that were making progress included several which concerned modifications of destination management. Other advancing measures related to the marketing of the HCC, the naming rights for the HCC, enabling agricultural tourism, close monitoring of green fees, state funding of internships for aspiring hospitality leaders, planning for regenerative tourism, and the smart destination app. Other measures being considered involved the transfer of some cultural funding to the State Foundation of Culture and Arts.

Measures that were not making progress included licensing tourism guides, establishing a tourism liaison officer at the Governor's Office, restoring the Tourism Special Fund, and transferring the Convention Center to the Department of Accounting and General Services. A budget request for \$70 million had been made to fund additional staff positions. The Governor's package requested \$60 million and envisaged the existing 25 positions. The Board was informed that the vote on the confirmation of one of its members, Dir. Tokioka was taking place at that moment. Mr. Nāho'opi'i expressed the good wishes and congratulations of the entire HTA, appreciating the leadership which Dir. Tokioka had brought his hard work to DBEDT and to the HTA.

Dir. Tokioka thanked the Board and the HTA staff for their support during the confirmation hearings and looked forward to continuing the collaboration between DBEDT and the HTA. Mr. Nāho'opi'i asked whether the crisis response team intended to quantify all its recommendations. He suggested that the impact of the closure of the Kona airport runway could have been reduced if there had been liaison with the car rental agencies and if the airlines had been ready with a Plan B. The Hawai'i Emergency Management Agency had met with some industry leaders, airlines, and trucking associations. He suggested that the HTA could also reach out to HiEMA and coordinate with car rental agencies and hotels. He noted that the HTA worked with the State Emergency Management Agency when industry information was provided.

Concerning the Governance Study, the Board was informed that its baseline was the conditions that were currently available in the statutes. For instance, various scenarios for the status of the HTA could be considered as an independent organization. Models from other destinations and best practices could be discussed and would form part of the initial survey and interviews, which would be followed by a second round of interviews to create recommendations. It was to be noted that the HTA had made some modifications to the original plan proposed by SMS based on existing processes. The governance study would identify best practices and list all available resources, such as the Convention Center, airlines, and hotels, in one place to allow effective coordination.

Asked how Better Destinations, the consultant for the governance study, had been selected, Mr. Choy stated that it resulted from an RFP process, followed by evaluation by a committee that assigned scores to various parameters of each vendor. He noted that all the companies that submitted proposals had similar qualifications, but Better Destinations had proposed superior procedures. He informed the Board that Better Destinations LLC was a mainland company that hired local consultants. Local companies needed to pay attention to the RFPs. Mr. Nāho'opi'i clarified that the local company working with Better Destinations was a team member and informed the Board that the mainland-based members of the company would be in Hawai'i during the following week to conduct the work.

Mr. Arakawa agreed that local vendors should study the detailed issues in the contracts they were bidding. He noted that the vendor selected for the governance study was familiar with the issues faced by the HTA over the years and understood how they came about. All the vendors were given the opportunity to address the issues involved, but only the selected vendor addressed them directly. The other vendors were either unaware of the issues or responded, "We'll see what happens." The selected vendor had a surprising depth of knowledge.

Mr. Choy added that after the initial proposals, there was a second round of questions in which vendors could modify or improve their initial responses. The selected vendor was the book's author, and he looked forward to comparing the book with their work.

The Board asked about the Wai'oka project, which Mr. Gionson had discussed. Ms. Anderson replied that this was an East Maui tourism management pilot program for which an RFP had been issued in April 2023. Working with the HVCB, a selection had been made during the summer of 2023 consisting of four community organizations implementing various site management programs. These organizations were all from the local area, and this ensured that their stewardship would help tourists be respectful and avoid injury. It had come into operation during the previous month. Mr. Gionson contributed that the locations selected were from the DMAP list of hot spots and had been identified by community groups as suitable places to begin the practice of community stewardship. The partners who planned this project deserved congratulations.

Mr. Nāho'opi'i noted that a similar project was taking place on Hawai'i Island. He also reminded those participating in the Board meeting on Zoom that those who might wish to participate, listen in, or submit questions to the Spring Tourism Update on Wednesday, March 5, should log on to hawaiiauthority.org.

7. Board Chair Report

Chair Hannemann thanked Mr. Nāho'opi'i for his report and wished all the Board members a Happy Leap Day.

He reminded Board members that the Permitted Interaction Group (PIG) chaired by Vice-Chair Paishon-Duarte had recommended that the previous messages of Mālama should be complemented by the more proactive message that most Maui residents wanted to go back to work, and businesses wanted to be able to reopen. The HTA had obtained approval from Gov. Green, Mayor Bissen, and key state legislators to send out this positive message. A website had been developed that did more than replay advertisements; it also informed users that the HLTA was working individually or in partnership with other agencies to provide resources for businesses, West Maui community members, and visitors. It was time to reopen Maui.

Chair Hannemann shared a public service announcement being transmitted on all major television stations proclaiming increased resilience and sustainability. This advertisement represented all segments of the Maui community, including various businesses important to Maui recovery and individuals from different ethnic backgrounds. Radio and television stations were recipients of the HTA funding and were asked to give HTA air opportunities. Mr.

Nāho'opi'i and Mr. Gomes of Kilohana had participated in a radio discussion about regenerative tourism. A television station was to feature a live Sunday segment with workers sharing their own personal experiences and explaining why reopening Maui was important. Sen. DeCoite and Vice Chair Paishon-Duarte were also to take part in broadcasts. Chair Hannemann commended the efforts of Ms. Anderson and her staff to send out the HTA message on traditional media, radio, television, and social media.

Chair Hannemann encouraged all Board and staff members to contact colleagues and friends to spread this message. Mr. Ching, who was born and raised in Lahaina and still operated businesses there, was to participate in a television segment. It was important for everyone to understand that the HTA was ready and willing to work with the Governor, the Mayor of Maui, and the legislature.

Chair Hannemann encouraged Board members, staff, and Zoom participants to take time to share the Tourism Day at the State Capitol on March 8. All partner organizations were to be present to demonstrate the importance of tourism, and this would be an ideal opportunity to interact with legislators and answer their questions.

Chair Hannemann explained that the codification of destination management was an important issue, so what had been done in destination management and destination marketing could be solidified in statute form. The legislators were positive, and detailed contracts were given to the CNHA and Kilohana to work with the HTA, bringing over destination management staff at the HVCB.

One of the bills making its way through the legislature concerned workforce development to provide government funding for internships in the hospitality industry. The House Ways & Means Committee Chair had encouraged the HTA to be more active, and Ms. Anderson had developed a plan to present to the Board. This would provide an opportunity for the HTA to work with the Department of Labor on internships in the tourism industry, which had not been active in the past. There was a labor shortage, and it was important for the private sector to engage with the government to inform young people about career opportunities in the tourism industry. An example of this was the Ho'oilina program, in which the government provided full four-year scholarships for public school students to study for a degree in hospitality management at the Shidler School. This program, funded by the Department of Labor in collaboration with the Department of Education, was now in its third year. Local leaders were being trained in hospitality.

Regarding the naming rights for the Convention Center, Chair Hannemann informed the Board that two methods of approaching this had been passed to the legislature. One solution was to

partner with the Stadium Authority, which also hoped to sell naming rights, but this was deferred. The other was a stand-alone measure under discussion in the Senate, and the Chair had asked Ms. Orton and Mr. Nāho‘opi‘i to be available to answer questions about this. Chair Hanneman felt that this was an appropriate time to consider this measure, given the high revenue being generated by the HCC at present. Naming rights would confer an additional revenue stream. The Center was a suitable venue for indoor sports events, not only business events. This also highlighted the importance of executing and completing the roof repair project.

Chair Hanneman had taken part in a meeting with Better Destination, the contractor for the governance study. Eventually, the contractor would meet with all the Board members and leaders of committees. Ms. Agas and Vice-Chair Paishon would be kept informed. The governance study would allow sharing of ideas and input from various organizations. Board members should offer suggestions about the questions that should be asked. This study would demonstrate to the Governor, the Lieutenant Governor, the Mayors, the legislators, and DBEDT that the HTA aspired to exist in an environment where everyone’s concerns were addressed.

Ms. Agas reminded Board members that various agricultural entities, the Hawai‘i State Farm Bureau, the Department of Agriculture, and the Development Corps would all be present on Tourism Day. Kaua‘i-based farms would attend to show that food security was important. Tourism supports agriculture, and agriculture could become a voice for food security.

Mr. Arakawa supported all the issues mentioned by the Chair. He noted that during the previous year, the HLTA, HVCB, and the HTA had invited several major festivals. Regarding green fees and based on comments from leaders of the Maui tourism industry, he understood that site-specific tourism fees were acceptable since it was clear that DLNR, the State, or the County was responsible for maintaining tourism sites, but overall tourism fees were not supported by residents.

Mr. Arakawa also suggested that the HTA might work with the tourism industry of Maui to monitor the south Maui community plan.

Mr. Arakawa’s third suggestion was that the HTA should support beach restoration projects such as that at Ka‘anapali, where there had been collaboration with DLNR for about ten years. Beach restoration was a statewide issue that affected Waikīkī, and other beaches, and it was to be hoped that the HTA would work with them.

Chair Hannemann responded that he had long opposed general fees and believed any fees collected should go to a specific site as in the Mamala Bay model. There was support for this

model at the legislature. It was important to specify where a particular fee was to be sent and its intended purpose. Discussion of the environmental aspect needed to be more specific.

A bill was under discussion to increase the Transient Accommodations Tax (TAT), but Chair Hannemann opposed this. 10.25% went to the State, 3% to the County, and visitors paid the 4% general excise tax, making a total of almost 18%, not counting other taxes paid on car rental. Some believed that Hawai'i was the most heavily taxed state in the country where extracting fees from visitors was concerned. It was important to take a strong, solid position on this, although user impact fees might be open to discussion, and Tourism Day would be an opportunity for the opinion of the HTA to be heard.

Regarding beach restoration, Chair Hannemann pointed out that the HTA had recently launched a project in Maui with three pilot programs under destination management concerning waterfalls and beaches. This pilot project could be an avenue to delve into other issues needing more investment. He also kept close contact with the wishes of the governor and the mayor of Maui regarding the South Maui community plan.

Mr. Arakawa responded to the discussion on TAT and user impact fees by mentioning that he had received texts pointing out that our competitors, such as Mexico and South America, often commented on the level of taxation in Hawai'i. This was a marketing tool working against Hawai'i. The Mamala Bay model had been working effectively for several years, with the assistance of a strong local council.

Mr. Nāho'opi'i had already mentioned green fees and taxes, and an earlier board had passed a resolution for the HTA to continue to research and identify the issues involved. Many of the bills discussed in the legislature were related to different issues. Some bills referred to minimums, which might have an appreciable impact on an individual or local resident staying in a small property or in standard or deluxe hotel accommodation. Transparency was important to define how the fees were to be used, and this must relate to environmental remediation in a specific locality.

All Board members were encouraged to use their informal contacts and relationships to communicate with the legislators at all levels. From now until the end of April, everyone needed to be engaged. Board members were advised to consult the Chair or the HTA staff for additional clarification.

8. Update on the Services for Destination Stewardship Contract by Kilohana

Mr. Gomes gave a detailed presentation of the work being carried out by Kilohana on three of the five programs in their contract, with additional details in the information packet supplied to Board members.

Kilohana carried out visitor education and post-arrival marketing using airport baggage-claim advertisements, search engine optimization, and social media. Mr. Gomes informed the Board that Kilohana was ahead of every program's key performance indicators (KPIs), with higher engagement than expected. He presented a report on the number of current impressions while noting that there was a target for the total number of impressions registered up to December 2024.

Kilohana was working with Mr. Ka'anā'anā for the 2024 Maui recovery plans approved by the Board for \$300,000, beginning with curated itineraries specific to Maui in areas other than West Maui. Examples of these itineraries were included in the detailed report. In social media, Mālama Maui spots had been developed involving city guides and "a day in the life" items to keep traffic away from West Maui.

Kilohana was working on Travel 808, beginning with Oahu, comprising seven four-minute segments to be launched in March, and moving on to developing videos for the other islands with highlighted activities, items on dining, local breweries, and so on.

The second concern of Kilohana was quality assurance, and they worked with over 100 industry participants to develop what might be the most inclusive accreditation program in the world. The program did not qualify for GSCC because it was too extensive, whereas GSCC considered a limited set of sustainability initiatives. The challenge was to scale the program to consider larger and smaller at-home businesses. Some testing had been conducted over the previous two months to ensure the criteria were effective for different sizes of businesses.

The six criteria categories were cultural support, environment, equity, safety, community, and guest experience. There was no requirement to complete all the criteria but there were incentives for those who satisfied all six. Businesses might be asked to obtain one or more certifications to earn participation in other HTA activities. It was clear that the first year was the most critical time to achieve the award and global recognition, and the emphasis next year would be to obtain as much recognition as possible, regardless of the number of participants, to achieve acknowledgment of the breadth of criteria and creation of a strong brand. Branding and marketing were to be announced in May and live in June.

Mr. Gomes informed the Board that under 'Umeke, community funding opportunities had distributed \$7.6 million to 164 recipients. Many recipients had asked why their award was

lower this year than in previous years. This was due to the lower total amount available and the increased number of applicants. The detailed report supplied to Board members gave a breakdown of the awards by type of project and island.

Out of the 164 recipients, 92 had been funded previously and 72 were funded for the first time. Thirty-three of the recipients were programs operating for the first time this year. Three awards categories, resort area Hawaiian culture initiative, Kahu 'Āina, and Kūkulu Ola targeted native Hawaiian speakers.

Twenty-three awards, the highest number, were for nature and agriculture projects, sports had 21, native Hawaiian culture programs not included in the three categories mentioned above, 21, and culture programs for other cultures 17.

The detailed report listed events that had been completed, including some that had taken place before award recipients were designated, with contracts in place to acknowledge that awards came out later. Assignment of contracts for the remainder of the year was ongoing.

Mr. Ching thanked Mr. Gomes for his presentation and asked whether those who did not receive awards had followed up to find out why. Mr. Gomes responded that the selection committee had been made up of diverse individuals from all communities, but there were so many applicants that difficult decisions about the allocation of awards had to be made. Regardless of whether they had inquired, an email response had been sent to each unsuccessful applicant.

Chair Hannemann congratulated Kilohana and commented that the data seemed to show that the program was growing and becoming closer to what had been envisioned. The East Maui itineraries had been organized by destination managers. An article from Japan about geisha who were harassed when returning from work made him realize the importance of post-arrival visitor education. One of the subcontractors was a global trend-tracking company whose first report was issued in January. Efforts would be made to contact other entities which would share information.

Mr. Nāho'opi'i added that the HTA destination managers sat on the selection committees for the awards for the East Maui and stewardship programs.

Chair Hanneman commented that those who did not receive awards needed to be aware that this was due to the funding limitation and made it clear that if the HTA's efforts to obtain additional funding from legislators were successful, more organizations could receive assistance. The legislature had been asked to give an additional \$10 million, and the Chair invited the Board and the online audience to support their efforts to obtain this.

Dir. Tokioka congratulated Mr. Gomes and his team for achieving so much quickly and applauded their willingness to work with Mr. Choy and Mr. Kishi to set up a structure to account for the transfer of funds from one organization to another.

Mr. Nāho'opi'i reminded the Board that these community awards were award programs, not outright grants. Kilohana provided services such as technical assistance and capacity-building to the recipient organizations. Organizations that had not been successful and organizations that were considering future projects would be given support for technical assistance and product development. This would not be the case if the awards were straight grants.

Chair Hannemann thanked Mr. Gomes for making himself available and appreciated the new partnership between the HTA and Kilohana. He looked forward to partnering with the CNHA and pointed to the importance of transparency to demonstrate that these partnerships were effective. He was grateful that Kilohana had always been available when he contacted them about a need.

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

A detailed report was made available to Board members in their information packet, and it was also available on the HTA website.

Ms. Chun presented the highlights of this report. She stated that arrivals in January had been lower than in January 2023 and January 2019. Expenditure by visitors had been lower than in January 2023 but higher than in January 2019. The exceptions were Japan and Canada, for which expenditure had been higher than in January 2023 but lower than in January 2019. Per person, per day spending had been higher, but the lower volume meant the total expenditure was lower.

Analyzing the revenue by island, O'ahu had been higher than in January 2019 but lower than in January 2023. The only islands in which expenditure was higher than in January 2023 were Kaua'i and Hawai'i Island, probably because they benefited from the lower visitors to Maui. Only O'ahu had a higher number of visitors for January 2024 than for January 2023.

Regarding hotel performance, Ms. Chun stated that in January occupancy was at 75.4% and the average daily rate (ADR) was \$378, which was lower than in 2023, but the overall RevPAR was similar due to the higher occupancy rate. Occupancy was lower for the vacation rental market, but ADR was slightly higher than in January 2023. The demand for hotels was higher than that for rentals.

Transient Accommodations Tax (TAT) collection for January was \$82.7 million. For the entire fiscal year 2024 (FY24), total TAT was slightly lower than FY23, a reduction of 4.7% to \$485.5 million.

Fewer air seats had been available overall in January 2024 than in January 2023, and also lower than in January 2019. During February, there were slightly more seats, and during February, March, and April, there were more increases in international seat availability. The pace for six-month air ticket booking for all markets for February, March, and April was also lower.

The U.S. market was lagging behind the pre-pandemic booking pace but was expected to improve during the summer. Japan was expected to improve in the summer, and Canada and Korea seemed to be doing better in July 2024 than in July 2019.

Chair Hannemann asked why Japan was doing better in terms of arrivals but worse in terms of spending. Arrivals were better for January 2024 than for January 2023 because of the larger number of seats, but the number of arrivals was lower than for January 2019.

Mr. Nāho'opi'i asked the Board to take note that January was the sixth consecutive month with arrivals and total expenditure lower than in the previous year. Ms. Chun replied that it was not entirely due to the Maui fires. Mr. Nāho'opi'i stated that this showed the need for continued marketing and management to stabilize demand, balancing the international visitors who were higher spenders with the domestic U.S. market.

Chair Hanneman agreed that this was not the time to stop marketing, and it was important for Hawai'i to be active in the marketplace in the face of outside competition. Tourism was an economic revenue generator for the State. Mr. Miyasato pointed out that adding more capacity and seats did not necessarily translate to results and marketing; awareness and promotion of the destination were all vital. Chair Hannemann noted that the number of seats was the limit for the maximum number of arrivals, and capacity was not the problem.

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

The Chair of the Budget, Finance, and Convention Center Standing Committee, Mr. Arakawa, introduced two items upon which the Board was to vote. He also listed several issues the committee had discussed that would affect the budget and legislative proposals.

A: The information packet supplied to Board members contained a report on the status of the Tourism Emergency Fund.

- B: House Chair Quinlan had issued a response to and comments on the FY 24 operating budget. It had taken several months for the Board to receive this document from the staff, and it took the staff several months to respond. The Board had not reviewed the response before sending it to the House Chair. The budget committee would review it in future meetings and would later discuss procedures to be followed when budget questions were received from legislators.
- C: The committee discussed the update on campaign effectiveness, cost-benefit ratio, and return on investment (ROI) for the incremental budget requests in response to the Maui wildfire. Mr. Arakawa thanked Mr. Nāho'opi'i, Mr. Choy and the HTA staff. This update was available for review online.
- D: The status of the HTA past-due accounts had been reviewed, and Mr. Arakawa was happy to report that while initially, the total arrears stood at \$4 million, they were now up to date. Mr. Nāho'opi'i, Mr. Choy, and the HTA staff implemented policies and procedures to ensure prompt payment of all invoices.
- E: The committee had reviewed the status of the contracts and payments for incremental requests about the wildfires. Most contracts had been completed, and invoices had been submitted for payment.
- F: The status of employment contracts and bonuses was to be reported on by the Administrative & Audit Standing Committee.
- G: The committee had considered policy and practices regarding outside requests about the budget, including the legislature, for example, an article about funding for the visitor assistance program.
- H: The committee was to consider travel policies and procedures. Mr. Choy had given some information but was to follow up regarding criteria for who was to travel where and for what purpose. Mr. Arakawa stated that the reporting program after official travel was good at the moment.
- I: One of the HTA consultants had not complied with their contract requirements, and a suggestion was made to waive the contract requirement, but this was not acceptable. Methods were to be devised to ensure that vendors complied with contract requirements.
- J: The committee discussed the status of the unused funds in the Tourism Special Fund. The HTA staff presented a detailed report, which could be viewed online.
- K: The 2023/2024 budget would be examined at the next meeting of the committee.

a. Discussion and/or Action on HTA’s Financial Report for January 2024

Mr. Arakawa proposed a motion to approve HTA’s Financial Report for January 2024. The motion was seconded by Ms. Agas.

Mr. Choy thanked Mr. Arakawa for his many suggestions upon which the HTA staff was working. The staff always took time to respond to his questions, and some of his comments led to policy changes. Mr. Choy also informed the Board that Mr. Kishi had qualified as a Chartered Public Accountant (CPA). This meant that the financial administration of the HTA was now at a high level, even though they still needed an additional three staff positions.

The detailed financial report was part of the information packet supplied to Board members. No questions were received from Board members or online participants.

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 January Financial Report and Update on the Hawai’i Convention Center’s 6-Year Repair and Maintenance Plan

Mr. Arakawa informed the Board that the audit of the Hawai’i Convention Center for 2023 had been issued and was being reviewed. The audit resulted in a clean opinion.

Mr. Arakawa proposed a motion to approve the Convention Center’s January Financial Report and Update on the Hawai’i Convention Center’s 6-year Repair and Maintenance Plan. The motion was seconded by Ms. Agas.

Ms. Orton presented the January financial statement for the Hawai’i Convention Center. During January, the center hosted 15 licensed events as proposed in the budget. One of these was a citywide sporting event, the Transpacific Volleyball Championships, and the remainder were local events.

The total revenue for January 2024 had exceeded \$1.2 million, and the forecast projected that by the end of the financial year in June, the total gross revenue would approach \$25 million, the highest annual total in the center’s history, as opposed to the budget figure of \$18.5 million. This included \$1.5 million in interest, listed as “Other.” A net loss of \$186,400 versus the budgeted net loss of \$5.3 million was expected. The Convention Center was on trend to save the State \$5.1 million and was expected to break even by June. Food and beverage revenues had been stronger than expected. It was hoped that this trend would also continue during the next financial year.

The center was to host a total of 220 local events as well as 20 citywide events. Ms. Orton reported that the Visitor Bureau worked hard to create short-term interest in citywide events into 2026. A year ago, only two citywide events had been booked for 2026, but there are now five. Many site inspections had taken place, and several leads were coming through.

Mr. Choy congratulated the Convention Center team, and Chair Hannemann commented that the timing was right for naming rights.

Ms. Orton responded that an important factor was the Convention Center's impact on the State's economy. The 20 citywide's to be hosted during FY24 were likely to generate \$370.3 million in economic impact due to the offshore business passing through the center. By June the expected tax revenue would be \$43.3 million, a valuable contribution to the State general fund from the Convention Center and the Visitor Bureau team. Since the start of FY24, for every dollar spent on the center, \$15.33 had been returned to the state from the eleven citywide events that had already taken place.

Nine more citywide events were scheduled during the next four months, the next being NDIA, starting on March 2 with 1700 delegates. Ms. Orton's report detailed a list of recent and upcoming events to be hosted at the Convention Center.

The center participated in a carbon offset program, which has resulted in planting 272 trees to date and a total of 265.4 metric tons of carbon dioxide offset.

Ms. Tait provided detailed information about repairs and maintenance projects, with photographs of some recent items of equipment that had been replaced. New food and beverage equipment included new meeting presentation tables, Mogogo banquet tables that could be set up in different configurations, and new coffee and beverage dispensers. The center contained 30 electrical transformers that were originally built in the building. Four had been replaced, and energy savings were expected. The center was working with Hawai'i Energy on credits for this project and hoped to replace all the transformers gradually. The ballroom wallpaper had been replaced, and the same wallpaper was used in the meeting rooms to simplify management and inventory.

In early February, the exterior security camera system was enhanced by installing high-definition cameras. Ms. Orton had reported to the budget committee meeting that vandalism had been a recurring problem, starting when DLNR was housed in the building. Passengers in passing vehicles projected ball bearings at the windows. The cost of window replacement was nearly \$200,000, since the cost of replacing each window was between \$15,000 and \$20,000, depending on its location, since the upper story windows had to be installed using a crane. Various solutions had been proposed to solve this problem, including treating the glass with a

protective film, but this was judged instead to be more dangerous since a damaged window would then fall as a whole with a weight of up to 500 pounds.

Soon after the cameras were installed, a window-breaking incident occurred at 2 a.m., and the vehicle's license plates, make, color, and model were clearly seen. The video had been turned over to the police, but they have reported that the evidence was insufficient for them to open a case. The mayor's office was to be contacted to encourage further action by the police. Even if no perpetrator could be convicted, at least awareness of the security system would be created.

Ms. Tait presented spreadsheets for the six-year plan and reviewed some major projects' highlights. A contractor had been selected for the exterior painting, and they were to work closely with the center administration to avoid disruption to scheduled events. This contract was still in the scheduling phase. The chiller replacement project was progressing well, and the new chillers were to be installed by the end of March, with completion in May. This also represented an improvement in the use of energy and sustainability.

A contract for the upgrade of the LED lighting was underway, and the next stage would be to set up a mockup to examine the impact in different rooms. This would also assist in energy usage.

The escalator modernization project was still in the procurement phase, and five contractors showed interest and took part in site visits. Proposals were expected during March.

Solicitation was taking place for the first two qualifications for architect firms with a design bid approach. Proposals for food and beverage equipment were being evaluated. The RFP for the parapet roof repairs was issued this week. A list of other priority projects formed part of the information packet supplied to Board members.

Mr. Arakawa noted that all these projects had been discussed at the budget committee level and could be reviewed in the minutes of the last meeting.

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

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

Chair Hanemann informed the Board that this agenda item would not be discussed during the present meeting.

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

Ms. Whitehead gave a presentation on meetings, conventions, and incentives market activity and pace report and stated that January had been a robust month. Referring to a question during the January Board meeting, she reported that out of 16 events in 2024, 75% were new, and 25% were repeat events. Of events already booked for 2025, 46% would be new, and repeat events 53%. She commented that it was important to increase the percentage of repeat business.

She thanked Mr. Nāho'opi'i and others who had campaigned for funding for the newly approved position. Several candidates were already being reviewed. Ms. Whitehead's replacement for the East Coast position had just been hired and would start work on April 8. The manager for single property sales, Ms. Laurie Ihara, started work on February 20, and positivity was already being noticed in this market. Ms. Whitehead had received five or six resumes from candidates and hoped to report more about staffing during the next Board meeting. Interviews were underway for a client services manager, and there was much interest in this position.

Ms. Whitehead reported on various initiatives that had taken place during January, including a meeting of the Professional Convention Managers' Association. This was a global organization, more than half of whose members were meeting planners. There was also participation in the Independent Planner Education Conference, which brought together independent planners who were not affiliated with larger organizations. During January, a Hawai'i Convention Center presentation was given at a meeting of strategic media planners in Japan. About 80 participants were divided equally between HIS salespeople and corporate meeting planners. There was also involvement in the Hawai'i Kai Workshop, based in Japan, and quarterly meetings, consisting of wholesalers in the Japanese market, stakeholders, and hotel management.

The Society for Incentive Travel Excellence (SITE global) was a strategic partnership that helped to deliver incentive business to Hawai'i and provided about 28% of our business. SITE Global was in the process of distributing an eBook. A webinar was held last month, with another in March, with about 170 participants representing 33 countries and focusing on Mālama activities and Maui. This webinar shifted the message towards resilience versus recovery. Ms. Whitehead looked forward to more future webinars for the incentive market.

Ms. Whitehead presented detailed figures on citywide production and consumption. She referred to booking cycles and mentioned that despite the shortage of team members, 2023 had been successful, and she hoped to build up momentum in 2024. She commented that it was normal for there to be a slump in January but stated that there were several tentative bookings, and the citywide team was working on several proposals.

Ms. Whitehead's report showed a similar future pace of consumption and arrivals, but she stated that several groups were about to confirm their bookings for 2024, and she expected that by the end of the year, consumption would be 100%. 2026 was a concern because of the expected roof repair contract, and she was waiting for information from the Convention Center team. It was clear that the booking cycle was now shorter than previously, and given the buildup in 2024 and 2025 bookings, there was less concern about future years.

The Japan team was seeing an increase in group demand despite a general downturn in leisure. An event was planned in August with between 6,000 and 7,500 participants, and a contract was in place for a group event from Japan with 2,500 participants.

Single property production showed a similar situation, but there were many tentative bookings. The future pace for single property showed a strong short-term cycle, and the team worked on 2024 and 2025 bookings. Ms. Whitehead commented that she saw single property as a significant means to drive short-term business to long-haul destination islands. Her report analyzed single property booking by island, in which only Maui had definite bookings. In January 2023, there had been 1,000 definite rooms overall and strong tentative rooms. Ms. Whitehead hoped that the single-property marketing team would be fully staffed by April or May and expected that this would improve sales.

Mr. Arakawa thanked Ms. Whitehead for her report and stated that he hoped that funding for the roof repair project would soon be available, with construction dates expected to be late 2025 or early 2026. Ms. Whitehead worked with the Convention Center staff and met with Ms. Orton and her team every Friday. It was important to confirm the roof construction date so clients could be informed, and events would not have to be canceled or postponed.

Chair Hannemann thanked Ms. Whitehead for her report and appreciated the work done by herself and Ms. Orton. He also thanked HVCB for their support.

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

The Administrative & Audit Standing Committee Chair, Mr. White, could not be present. As Vice-Chair of this committee, Chair Hannemann gave the report.

a. Update on the Legislative Audit

Chair Hannemann and Vice-Chair Paishon-Duarte met with the State Auditor, Mr. Kondo, to better understand what would be involved in the State Audit and to clarify procedures to be put in place to define how the audit would proceed. There had been a useful meeting with Mr. Nāho'opi'i and Mr. Choy, and a coordinated and well-executed plan would involve Mr. Arakawa as Chair of the Budget Committee and Mr. White as Chair of the Administration Committee. The HTA would participate and cooperate with the auditors, even if questions had to be posed to clarify issues. The intention was to be transparent and open. Mr. Nāho'opi'i had a follow-up discussion with Mr. Kondo, and the Board would be fully informed.

All the paperwork requested had been delivered, some staff had already been interviewed, and others would be interviewed in the following days. The auditors were already reviewing documents.

Mr. Arakawa was happy that the HTA was cooperating, even though there might be questions about necessary clarifications. Mr. Nāho'opi'i would coordinate with the auditors in consultation with Board members and the chairs of the standing committees.

In response to a question from Mr. Miyasato, the Chair explained that Mr. Kondo had stated that this audit had no financial aspect but was purely a management audit.

b. 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

Chair Hanneman stated that there had been no clear understanding of how bonus provisions were implemented. This was the responsibility of the Administrative & Audit Standing Committee.

Mr. Arakawa proposed a motion to amend the Employment Agreements for the Chief Administrative Officer, Chief Brand Officer, and Public Affairs Officer to remove performance bonus provisions, and Mr. Miyasato seconded the motion.

Chair Hannemann informed the Board that the three individuals concerned had come forward to say that they were willing to suspend the bonus provisions and remove them from their contracts. The Chair thanked them for their cooperation in taking the first step even though a

prior administration had approved their contracts. They had seen that this was the right thing to do.

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

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

Chair Hannemann had been the Chair of the Branding Standing Committee, assisted by Mr. Zane as Vice-Chair. However, it was not appropriate for Mr. Hannemann to continue as Chair of this committee. This would be an important committee as marketing continued to be vital even as the HTA concerned itself with destination stewardship and management. It was necessary to continue to ensure that the right kind of traveler would visit Hawai'i.

Chair Hannemann proposed a motion that Mr. Miyasato should replace Mr. Hannemann as Chair of the Branding Standing Committee, and the motion was seconded by Ms. Agas.

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

15. Adjournment

Chair Hannemann stated that the meeting was adjourned. The meeting adjourned at 12:13 p.m.

Respectfully submitted,



Sheillane Reyes
Recorder

6

CEO Report



HTA CEO REPORT

MARCH 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 February 2024 in support of the organization's overall mission, its strategic plan, and the community-led Destination Management Action Plans.

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 now centralized in a section under the Office of the President & CEO's report. As of Governor Josh Green's tenth emergency proclamation related to the fires issued on March 5, the tourism emergency declaration issued pursuant to §201B-9 is in effect until May 4, 2024.

Office of the President & CEO: The office continues to work 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.

Destination Stewardship: February proved to be another dynamic month with stewardship team members working on significant programs and contracts. The team prepared for the Spring Tourism Update, reviewed various procurements that are pending release in March and early April, and continued our monitoring of DMAP implementation and stewardship programs with HVCB and Kilohana, respectively. Maui Recovery Visitor Education & Post-arrival marketing campaign as part of HTA's larger recovery initiatives in response to the Maui Wildfires is underway and we are adjusting the content to meet the needs from what we are hearing on the ground. Lastly, program staff are continuing to revise extensions of our Kāhea Harbor Greetings program contracts across the state.

Brand and Marketing: The Brand team has executed its Global Support Services (CON 24018), supplemental 3 for Meet Hawai'i (CON 22003), and Supplemental 1 for US Market (CON 23003) contracts. The Campaign Effectiveness study with SMARInsights concluded wave 4 and is moving into the final ROI phase of the study. Brand Managers are working closely with IDBMMS and GMT for Mana Up Aloha Market on the East Coast in April, and in May, the Healdsburg Food & Wine Experience and IPW on the West Coast in May as well as HTC's mission.

Planning & Evaluation: The Planning and Evaluation team focused efforts on the coordination of the Mākaukau Maui Resident Campaign which launched on February 15. Staff has also been working with Kilohana in the development of the Tourism Quality Assurance Program and capacity building needs assessment. In the area of workforce, staff has been in discussions with ClimbHI in its execution of the LEI (Lead. Explore. Inspire) events – a career motivator program targeted and high school and college students held on the islands of O’ahu, Maui, Kaua’i and Hawai’i island.

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

Maui Wildfires Recovery

Overview of Tourism Emergency Fund Utilization

Guided by the Maui tourism recovery plan, staff has been working on executing various actions called forth in that plan as approved by the board. The below table shows the status of our current efforts utilizing the Tourism Emergency Fund pursuant to HRS §201B-3(a)(23) during this gubernatorially-declared tourism emergency pursuant to HRS §201B-9, which is in effect until May 4, 2024.

Action	Tourism Emergency Funding	Vendor	Status
1a. In early 2024, increase the visibility and call to action for travel to Hawai’i targeting high-potential markets.			
US Maui Recovery Marketing Program #2	\$900,000	HT USA	Ongoing
Canada Maui Recovery Marketing Program #1	---	HT Canada	Ongoing
1b. Support businesses to continue providing a consistent message that Maui is open for visitors.			

Enhancement of the gohawaii.com site	\$250,000	HT Global Support	Ongoing
HTA-subsidized booth space or reduced participation fees at certain domestic roadshows or travel trade events.	\$200,000	HT Global Support	Ongoing
2. Support and encourage consistent messaging and outreach to Maui residents, visitor industry stakeholders and businesses.			
Develop and air local messages that share that many Maui residents want to return to work full-time and it is a path to economic recovery (TV, social, radio - Maui Focus) (Makaukau)	\$350,000	Kinetic TV & Radio Stations	Ongoing
2b. Support and encourage consistent Mālama Maui message to visitors.			
Increase post-arrival visitor communication and education that is Maui site-specific and addresses changes post-disaster.	\$350,000	Kilohana MVCB	Ongoing
3. Support Maui small businesses that are experiencing significant reductions in sales because of lower number of visitors on island.			
Support Maui small businesses and Maui Made products. Promotion of "Maui Made" products during West Coast saturation visits.	\$100,000	County of Maui	In Development <i>Lahaina Mākeke Scheduled to Open May 2024</i>
	Promotion of Maui Made products through US Maui Recovery Marketing Program #2		Ongoing
4. Expand tourism product on Maui to provide new activities for visitors and support Maui businesses.			
Create opportunities that allow potential visitors to explore different parts of Maui to see what is available.	Hawai'i Tourism USA Campaign #2		Ongoing
Encourage and support capacity building for small businesses	Kilohana Technical Assistance		In Development <i>Conducting Needs Assessment, Scheduled for Launch Q3 2024</i>
5. Support providing longer-term housing for wildfire-impacted households living in visitor-type accommodations by appealing to TVR owners.			
Increase communication efforts encouraging out-of-state owners to rent to displaced Lahaina residents.	\$50,000	---	Scoping

Mākaukau Maui 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. While the fire-affected sections of Lahaina Town remain 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 Mākaukau Maui campaign was featured on a number of shows including Talk Story: Mākaukau Maui with McKenna Maduli (airdates on March 3 (K5), 4 (K5), 5 (KGMB), 7 (KHNL), 9 (K5), 10 (KHNL), 31 (K5)), HI Now Daily (every Friday from 2/16-3/29), and KITV's Island Life Live (every Thursday from 3/14-4/25). The campaign runs through the end of April.

Communications

- Coordinated and assisted with the following interviews and statements, including:
 - Plain Dealer/Cleveland.com, Susan Glaser: Shared inquiry with MVCB for upcoming vacation on Maui and recommendations pertaining to touring West Maui. (February 1)
 - Bloomberg, Nikki Ekstein: Provided information on Gov. Green/Mayor Bissen's "Maui Interim Housing Plan," update on tourism recovery, and HTA's six-month action plan for 2024. (February 2)
 - KHON, Bryce Moore: Provided information on the U.S. Maui Marketing Recovery Plans, of which the second is underway. (February 8)
 - Boston Globe, Pamela Wright: Assisted Leanne Pletcher of MVCB with responses on impact of wildfires on tourism, how visitors can travel with respect and compassion, and post-disaster travel. (February 20)
- Drafted talking points focused on HTA and tourism's support of Maui's continued recovery for Gov. Green's February 8 press conference, six months following the August wildfires.
- Updated Maui Recovery section on HTA website with resources and information geared toward visitors, businesses, employees, and community members throughout the month.

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 March HTA still had five vacant positions. A candidate for one Brand Manager position has been selected and authorization to hire has been transmitted to the Governor for approval. We also await Governor's approval to fill the second vacant Brand Manager position. 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 redescribing the positions for Chief Brand Officer and Planner are still being reviewed. Working with the Deputy AG on amending the employment contracts to remove the bonus structure as approved by the Board.

Governance Study

Better Destinations, LLC has been contracted to complete the Governance Study. The contractor submitted a draft report and situational analysis based on their findings and observations from the following activities:

1. Five Co-creation Labs (Oahu, Maui, Kauai, Kona, and Hilo). Facilitate meetings with invited stakeholders and community members.
2. Face-to-face interviews with government leaders and key stakeholders
3. Desktop research to review HTA plans DMAPs, legislation, statutes, news reports and other sources to assess HTA's current structure, roles, and relationship with governing bodies
4. Project website: HawaiiTourismGovernance.com
5. Benchmark interviews to develop case studies for U.S. states and international destinations.

They are currently fielding a statewide survey to capture a broader range of commentary and conducting in-depth interviews with HTA staff. They will next proceed to interview board members.

Public Affairs

Industry and Community Relations

- Spring Tourism Week
 - Planning continued 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
- Drafted and distributed e-blast and registration form encouraging the public to attend the virtual Spring Tourism Update. (February 22)
- Drafted and distributed e-blast encouraging the public to attend Tourism Day at the Capitol and for industry members to participate as exhibitors. (February 29)
- Secured audiovisual services provider (‘Ōlelo Community Media) to support the production of the virtual Spring Tourism Update.
- Secured photographer and videographer to capture Tourism Day.
- Pitched media interviews as part of outreach efforts.
- Added event information on HTA’s website.
- HTA E-Bulletin
 - Finalized and distributed February 2024 HTA e-Bulletin. (February 9)
 - Drafted copy, edited, compiled images, and created layout for March 2024 HTA e-Bulletin.
- East Maui Tourism Management Pilot Program
 - Liaised with Hāna Productions which secured a Maui-based shooter for HTA’s video news release and photos of the Mālama Maui Hikina stewards engaging with visitors at the East Maui sites. Reviewed fees and terms with HTA and Hāna Productions. (February 5-9)
 - Drafted talking points for Meagan DeGaia. (February 12)
 - Reviewed video footage and photos, pulled photo selects to accompany news release. (February 16)
- Made in Hawai‘i E-Commerce Conference
 - Drafted and distributed e-blast encouraging Hawai‘i companies to attend this DBEDT event to learn best practices and insights from successful e-commerce platforms. (February 16)
- Honolulu Festival
 - Drafted tourism-focused talking points for Makana McClennan, who spoke on behalf of Gov. Green, DBEDT and HTA, during the festival’s February 29 press conference. (February 27)
 - Previously supplied welcome letter to attendees from Chair Hannemann and Interim President & CEO Nāho‘opi‘i.

Communications

News Releases/Reports/Announcements

- Report: Hawai‘i Hotel Performance Report for January 2024 (February 20)

- Report: Hawai'i Vacation Rental Performance Report for January 2024 (February 27)
- News Release: Hawai'i Tourism Authority Partnering with Community Organizations on East Maui Tourism Management Pilot Program (February 27)
- News Release: Hawai'i Tourism Authority Supports 'Āina-based Training and Stewardship Program on Hawai'i Island (February 29)
- HTA Message: Visitor Arrivals, Spending Down in January 2024 – Highlighting HTA's KPI of visitor spending and the Mākaukau Maui campaign. (February 29)

News Bureau

- Coordinated and/or assisted with the following interviews and statements, including:
 - a. KHON Empowered Hawai'i: Daniel Nāho'opi'i (DN), Chair Hannemann and Kilohana's Tyler Gomes on the state's efforts to manage tourism, support Maui in its recovery, and prioritize natural resource preservation. Drafted talking points for each speaker. (February 28)
 - b. Honolulu Star-Advertiser, Allison Schaefer: DN and Chair Hannemann on HTA's support of the Honolulu Festival and importance of the Japan visitor market. Drafted talking points. (February 29)
- Assisted with the following media relations:
 - c. Zinc Media, Cathryn Peterson (London): Passed on media inquiry to HTE team. (February 6)
 - d. Wall Street Journal, Allison Pohle: Provided HTUSA with HTA's latest February 8 testimony on the topic of visitor impact fees. (February 12)
 - e. SFGate.com, Lester Black: IG provided background information regarding potential impacts of legalizing marijuana on tourism. (February 14)

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 LinkedIn and Threads into our social media presence and will begin reporting once established.

Platform	Facebook	Instagram	Twitter/X
Followers	28,627	10,625	43,448
Engagements	1,545	786	163
Posts	15	12	11

Internal Communications

- Managed 2024 Communications Calendar on an ongoing basis.
- Conducted weekly communications coordination calls with HTA leadership and Anthology.

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, in addition to our budget request. 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.”

No significant updates for the month of February.

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.

No significant updates for the month of February.

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. As we near the June arrival dates we encourage those interested in learning more to visit: <https://www.festpachawaii.org/>

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.

No significant updates for the month of February.

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.

No significant updates for the month of February. Below is a list of CEP events for the month of February:

Event Name	Organization	Island	Award Amount	Summary

<p>Waimea Town Celebration: Heritage of Aloha</p>	<p>Historic Waimea Theater and Cultural Arts Center</p>	<p>Kaua'i</p>	<p>\$50,000</p>	<p>The Waimea Town Celebration is an annual festival held in Waimea, Kaua'i, Hawai'i. It provides 8 days of culturally diverse events (15) for visitors and kama'aina to discover, experience, and honor Hawai'i's cultures.</p> <p>These events cover a range of elements and engage diverse demographics. This week-long event, deeply rooted in Hawaiian traditions, showcases the unique blend of local history, art, music, cuisine, and sports, attracting both local residents and international tourists.</p>
<p>Mahina 'Ōlelo Hawai'i</p>	<p>PA'I Foundation</p>	<p>O'ahu</p>	<p>\$30,000</p>	<p>PA'I Foundation celebrates Mahina 'Ōlelo Hawai'i (Hawaiian Language Month) in February 2024 with a series of events that feature daily workshops on 'ōlelo Hawai'i leading up to an evening showcase featuring 'ōlelo Hawai'i, mele, oli, and hula compositions.</p>

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.

February Stats:

County	No. of Cases Handled	No. of visitors served	Primary Visitor Market(s) Served	Industry \$\$ Contributions
Hawai'i	18	35	US East & West	\$8,880.00 (In-Kind)
Honolulu	42	88	US West	\$250.00 (cash) \$17,154.95 (In-Kind)
Kaua'i	7	18	US West	\$425.00 (In-Kind)
Maui	10	21	US E & W, Canada & Europe	\$4,200.00 (In-Kind)

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 who present Hawaiian experiences, entertainment, and music in resort areas.

No significant updates for the month of February.

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 a contract with Kilohana/CNHA.

Tourism Workforce Development Plan

A tourism workforce development plan was developed to move this area forward. The four areas that the HTA will focus on are:

- Position Hawai'i's visitor industry as a desirable career choice;
- Increase awareness of and access to existing programs;
- Strengthen the current visitor industry workforce; and
- Prepare the next generation for a successful career in Hawai'i's visitor industry.

One of the first initiatives under this Plan is the funding of ClimbHI's LEI (Leadership, Exploration, Inspiration) program, which is designed to inspire Hawai'i's high school and college students to pursue a career in Hawai'i's visitor industry. There will be four all-day events occurring in the month of April – April 4 (Maui), 9-10 (Hawai'i Island), 16 (Kaua'i) and 22 (O'ahu). More than 1,000 students and 100 businesses are expected to participate in the program's 12th year. Students will engage industry leaders and participate in activities that provide an overview of the hospitality industry. They also discussed topics such as resident sentiment, the importance of the hospitality industry, and Hawai'i's cultural values. This includes an Exposure Fair, where students will network with businesses and organizations in the visitor industry.

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 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's marketing efforts are making an impression. Forty-two percent of targeted consumers recall the Q4 advertising, which is the highest among the four waves of research done in our Campaign Effectiveness study with SMARInsights. The advertising also continues to communicate its intended messages effectively and, in turn, impact decisions to visit Hawai'i. A majority of the communication and impact attributes are rated well above SMARInsights' benchmark for the top 10 percent of all ads we have tested. Not only do the ads continue a trend of excellence, but they also broaden the overall image of the destination as indicated by a lift in the image attributes for the lesser-known qualities of the state. In combination, these impacts affect consumers' decisions to travel as denoted by the 24-point lift in likelihood to visit.
- HTUSA has developed a new campaign, which welcomes U.S. visitors to Hawai'i. The campaign highlights activities and experiences that are attractive to mindful travelers while sharing their kuleana as visitors in a way we've seen works with recent Mālama Hawai'i and Mālama Maui messaging. The campaign begins with new social media messaging starting at the end of March and continues with additional social and digital messaging rolling out throughout the spring culminating with long-form digital video content in June.
- CON 24017 – As a part of the ongoing US marketing Maui recovery plan, HTUSA will support the Mana Up x Shopify Aloha Market on the East Coast in April and then in May, the Healdsburg Food & Wine Experience on the West Coast. Partners have been confirmed for each event, who will also help to showcase a variety of other Maui-made products and businesses with the intent to inspire and educate attendees, including high-value travelers and top-tier media, on the importance of respectful travel to Maui. There will also be a dinner held at the Healdsburg Food & Wine Experience to raise money for the Maui Strong Fund. In addition to the over 2,000 attendees joining in person, the Healdsburg Food & Wine Experience will draw dozens of national Media garnering the following projected Media impressions: 10,000,000 (online), 500,000 (broadcast), 2,000,000 (print), and 95,000,000 via the wire press release of the event.

Canada Major Market Area

- Maui Wildfire update:
 - HTCAN has ensured that consumer and trade media have the most recent updates on the Lahaina wildfire by proactively sharing releases.
 - Maintained consistent and open lines of conversation with HTA.
 - Looking for opportunities for interviews with HTA where relevant.
 - Ensuring that Maui is included in existing public relations plans where possible to continue the momentum of positive media placements.
 - Facilitating press trips as part of the Maui recovery budget, including Nancy Macdonald (The Globe and Mail) and Tim Johnson (freelance – The Toronto Star)
- In February, HTCAN maintained its organic social media presence with a focus on Hawaiian language and culture. Throughout the month, a series of posts showcased various Hawaiian words and their meanings, shedding light on the richness and significance of the language. Emphasizing the importance of the 'okina in traditional Hawaiian language was a key highlight, underscoring the nuances and intricacies of this unique linguistic heritage.
- HTCAN has received numerous emails and inquiries about the current situation in Maui, with travelers eager to return to the island and book accommodations, car rentals, and other activities. Weddings and honeymoons are also part of the inquiries, indicating a desire for special occasions in Maui. Canadians are ready to travel back to Maui.

Japan Major Market Area

- HTJ completed the HAWAII Expo 2024 briefing with 29 companies (80 people in attendance). As of March 4, a total of 31 exhibitors (24 industry partners and 6 Made in Hawaii vendors) applied to participate in HAWAII Expo 2024.
- HTJ and HIS jointly organized a “Mālama Trainer FAM” in February. 12 HIS staff members who had completed the Hawaii Specialist test participated in the FAM. The itinerary included hotel inspections, optional tours, Genki Ball, and a trash cleanup in Waikīkī.
- HTJ conducted a webinar exclusively for Hawaii Specialists of Aloha Program in February. The webinar theme was ‘Ōlelo Hawaii in honor of Hawaiian Language Month. There were 176 participants who watched the live broadcast.

Oceania Major Market Area

- This February marked the Visit USA and Brand USA travel trade expos across key cities in Australia and Aotearoa - New Zealand. Amidst the bustling atmosphere,

HTO stood out with their active presence, participating in events in Auckland, Christchurch, Melbourne, Brisbane, and Sydney. Jennifer Gaskin took part in sustainable tourism panels held in Sydney, Melbourne, and Brisbane, underscoring HTO's commitment to responsible travel practices and highlighting Mālama Hawai'i. With 600 agents across three events and additional engagement in the annual B2B event, HTO seized the opportunity to network and foster meaningful connections with 29 buyers. Meanwhile, in New Zealand, parallel expos in Christchurch and Auckland organized by Brand USA provided further avenues for interaction and collaboration within the travel industry.

- In February, the Travel Associates Showcase also took place on the Gold Coast. There were over 200 Travel Associates travel agents in attendance. HTO was a gold sponsor, meaning they could present for 15 minutes to groups of travel agents in the main theatre and take part in the expo.
- HTO presented at the Flight Centre Trade Day in Auckland, providing an opportunity to talk to Flight Centre travel consultants throughout the country. The format included booth sessions throughout the day with a focus on helping consultants choose the best island to match their clients' travel preferences.

Korea Major Market Area

- HTK is working with Yellow Balloon to share Mālama Hawai'i/Mālama Maui messaging that includes online search ads, SNS, and city tour bus wrap with Mālama Hawai'i images on three routes.
- In collaboration with Asiana Airlines, HTK will host a FAM tour to O'ahu and Maui in March and encourage travel agents to learn more about the islands and develop new tour products. Asiana Airlines has committed to supporting the airline tickets.
- HTK is preparing a filming itinerary to feature Maui attractions, agritourism programs, and local eateries in its Mālama Hawai'i 3D showroom in support of Maui recovery.

China Major Market Area

- HTC shared short videos from a Key Opinion Leader, Pipi on the Blue Planet, showcasing her recent journey through O'ahu, Maui and Hawai'i Island. The videos highlighted Mālama Hawai'i activities such as working with Friends of Volcanoes National Park, removing invasive species Himalyan ginger, planting trees, learning Hula, Lauhala weaving, and enjoying farm to table at Ke Alaula Farms.
- HTC attended U.S. Consulate Shenyang Roadshow and delivered a presentation on the Hawaiian Islands. More than 200 individuals from the Shenyang travel industries attended the event.

- HTC team continues to finalize details and recruit participants to the China Travel Mission scheduled for May 27-31. To date, ten industry partners have committed to participating.

Europe Major Market Area

- HTE launched its first digital consumer campaign, “Discover Hawai‘i,” in Germany, Switzerland, and the UK. The campaign is designed to re-build Hawai‘i’s brand as well as to drive engagement and conversion. The campaign distributes creative content across the themes, Food, Culture, Nature, and Adventure, to relevant audience segments. Throughout the year, a series of tour operator partners will be included within the tactical elements of the campaign driving engagers to book their trip to Hawai‘i.
- HTE arranged an interview for the editor of Wanderlust magazine to speak with the Jeninne Heleloa, executive director of the Hawaiian Music Perpetuation Society and Ku‘uipo Kumukahi, Director of Hawaiian Culture & Community Relations at Hyatt Regency Waikīkī Beach Resort & Spa. Interview topics were centered on Hawaiian music and Hawaiian Culture.
- During the month of February, HTE conducted 21 travel trade calls/meetings and 16 media calls/meetings to reconnect with key tour operators and media and discuss current businesses and upcoming features.

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.

Sales & Marketing Efforts:

- Meet Hawai‘i is still in the process of filling vacant positions.

- A more efficient approval process for Marketing Flexibility Fund requests has been implemented.

- **List of January Sales Activities:**
 - Client promotional events
 - February 20-23, 2024 – ASTCT Promo Trip – San Antonio, TX
 - February 22, 2024 – ‘Ohana Lunch – Sydney, AU
 - Educational events and trade shows
 - February 5, 2024 - American Hospital Association Partnership Meeting – Illinois
 - February 13, 2024 – American Bar Association Annual Presentation – Illinois
 - February 19-21, 2024 – Asia Pacific Incentive and Meetings Event (AIME)/ Post AIME Dinner Meeting
 - February 26-27, 2024 – CESSE CEO Meeting – Savannah, GA
 - February 26-29, 2024 – Meet NY & NJ Sales Calls – New Year/New Jersey
 - Sales blitzes
 - None to report for this month.
 - February Major site visits and familiarization (FAM)
 - None to report for this month.

- Regarding the Hawai‘i Convention Center, during the month ended January 2024, the Hawai‘i Convention Center (HCC) hosted 15 licensed event, which were as many as budgeted. This included 1 city-wide sporting event – the Transpacific Volleyball Championships – and the balance were local events. Total facility revenue for the month exceeded \$1.2 million, which was \$342,500 more than budgeted, and HCC posted a net loss of \$422,900, which was \$239,200 less than planned. For the month ended January 2024, occupancy is short -11 percent of the 30% target, however, all other performance measurements have met or 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 successfully supported the HTA with education about The Hawaiian Islands brand at the Tourism Day at the Capitol on March 8, 2024. The Island Visitor Bureaus prepared talking points and gifts from each of their respective islands to share at the event in an effort to support local businesses. On both March 7 and 8, OVB put together FAM activities for the HTA and its partners to see new offerings from industry partners that also tied into the theme of being a part of the Pacific in preparation for FestPAC in June.
- IDBMMS also concluded its update of the annual FAM Protocol & Toolkit for FAM participants and presented it at HTA's internal meeting of the Spring Tourism Update. The team will continue to provide training as needed.
- In May, IDBMMS is preparing to support the HTC Mission and, as mentioned in last month's CEO Report, IPW in Los Angeles.

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 contract (CON 24018) has been executed.
- The HTA and GSS team has met with its partners at the Spring Tourism Update internal meeting to identify needs and challenges that could be addressed via this contract. HTA had a follow-up meeting with the GSS team to coordinate these findings with the contract scope and deliverables. Training for each platform with its users is being scheduled for April.

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.

- **February Event Partnerships**

- The Eddie Big Wave Invitational in Memory of Eddie Aikau: (TBD)
- World Surf League Billabong Pro Pipeline: Jan. 29 – Feb. 10
- World Surf League Hurley Sunset Pro: Feb. 11 – Feb. 23

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.

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 March with the advisory committees to conduct the final review of the criteria that businesses will be evaluated.
- Meetings were also held between Kilohana and HTA staff to come up with the branding and naming of the Quality Assurance program so that it resonates with visitors, businesses and the community at large.

Technical Assistance Needs Assessment

The purpose of the needs assessment is to gather input from Hawai'i businesses and organizations on the current needs, barriers, and opportunities in working within and partnering with the visitor industry. Insights will help to inform future efforts, including the development of technical assistance (TA) and capacity building programs in the areas of foundational TA, community stewardship, and new regenerative experiences. This is also part of CNHA/Kilohana contract. A quantitative survey was issued in the beginning of January and is being closed on March 24. Interviews (qualitative research) was also conducted in beginning of February. A draft report is due to HTA at the end of March 2024.

EDA's Noncompetitive Travel, Tourism & Outdoor Recreation Grant

Work continues with DLNR in managing and monitoring their contract for the 7 projects. The contract with HVCB for the brand marketing campaign has been executed using the EDA grant funds. Staff has been finalizing the projects for the Urban Trail Program and the Agritourism Collaborative.

X. FINANCE BRANCH

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

Contract No.	Contractor	Description	Contract Amount	Total Contract Value	Start Date	End Date
Ø24017	Hawai'i Visitors and Convention Bureau	US Marketing Maui Recovery Plan 2	\$2,950,000.00	\$2,950,000.00	2/1/2024	6/30/2024

Θ24016	Council for Native Hawaiian Advancement	Maui Recovery Visitor Education & Post-Arrival Marketing Campaign	\$300,000.00	\$300,000.00	2/14/2024	5/31/2024
22003 S3	Hawai'i Visitors and Convention Bureau	Global MCI Marketing Services for the Hawaiian Islands	\$5,350,000.00	\$16,050,000.00	2/26/2024	12/31/2025
24019	CLIMBHI	High School Education Program for Visitor Industry	\$99,480.00	\$99,480.00	2/27/2024	5/31/2024
Contract Type: • Sole Source † Procurement Exemption Θ Emergency			\$8,699,480.00			

Other activities related to procurement, contracts, Hawai'i Convention Center, and Legislative Audit will be reported in the Budget, Finance, and Convention Center Standing Committee report at the HTA board meeting.

XI. APPENDICES

10

**Presentation and/or Discussion on
Air Service Development – Routes American 2024**

HAWAII AIR SERVICE UPDATE

Jeffrey Eslinger
Senior Director Market Insights & CRM

March 28, 2024

HAWAII TOURISM
AUTHORITY

ROUTES AMERICAS 2024

BOGOTA

Scheduled Appointments - Airlines

WestJet

Hawaiian

Condor

Omni

Alaska

American

Delta

Southwest

Emirates

Sun Country

Scheduled Appointments – Airports

Las Vegas – Harry Reid Int’l Airport

San Francisco Int’l Airport

Seattle/Tacoma Int’l Airport

Austin Int’l Airport

Metropolitan Washington Airports Authority

Phoenix Sky Harbor

Calgary Airport Authority

Oakland International Airport

Ontario Int’l Airport

Atlanta Jackson Int’l Airport

Highlights

- **Aircraft availability continues to impact**
- **U.S. and Canadian seats will remain flat to down for the remainder of the year**
- **Strength of the USD and impacts for Hawai'i**
- **Demand among Canadians to Hawai'i**
- **Increasingly competitive landscape in the U.S West, especially Mexico**
- **Booking window remains tight, although starting to get longer**
- **Concerns about accommodations on Maui**
- **Perception of anti-tourism sentiment across the state**
- **Relocation of Hawai'i visitors from the West to other parts of the U.S.**
- **Demand for premium seats continues for Hawai'i not only from U.S., but all markets**



MAHALO

Jeffrey Eslinger
Senior Director Market Insights
Hawai'i Tourism Global Support Services

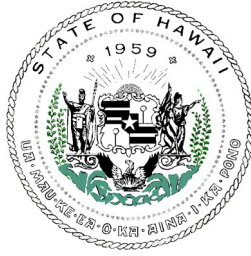
jeslinger@hvcb.org

11

**Report and Update by the
BUDGET, FINANCE, AND CONVENTION CENTER
STANDING COMMITTEE of their Meeting Held on
March 21, 2024**

11a

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



The State of Hawai`i
Department of Business, Economic Development, and Tourism
Hawai`i Tourism Authority
Financial Statements
February 29, 2024

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

A handwritten signature in black ink, appearing to read "Talon Kishi".

Prepared by: Talon Kishi, CPA

Budget and Fiscal Officer

HAWAII TOURISM AUTHORITY

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**Hawaii Tourism Authority
Balance Sheet
As of February 29, 2024**

	Tourism Funds	Convention Center Funds	Convention Center Roof Repairs	Tourism Emergency Special Fund	Federal Funds	Total Funds
Assets						
General funds	27,940,252	7,801,119	-	-	-	35,741,371
Special funds (restricted)	14,176,338	47,602,165	-	-	-	61,778,503
Federal grants	-	-	-	-	13,574,717	13,574,717
General obligation bonds	-	-	14,871,000	-	-	14,871,000
Cash and cash equivalents	-	-	-	1,885,206	-	1,885,206
Investments	-	-	-	497,460	-	497,460
Accounts Receivable*	225,623	-	-	-	-	225,623
Total assets	42,342,213	55,403,284	14,871,000	2,382,666	13,574,717	128,573,880
Liabilities and Fund Balances						
Fund balances						
Encumbered - GOB	-	-	670,000	-	-	670,000
Encumbered - General funds	26,338,918	7,801,118	-	-	-	34,140,036
Encumbered - Special funds	7,150,307	3,540,999	-	-	6,000,345	16,691,651
Unencumbered	8,852,988	44,061,167	14,201,000	2,382,666	7,574,372	77,072,193
Total fund balances	42,342,213	55,403,284	14,871,000	2,382,666	13,574,717	128,573,880
Total liabilities and fund balances	42,342,213	55,403,284	14,871,000	2,382,666	13,574,717	128,573,880

Hawaii Tourism Authority
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Month Ended February 29, 2024
Ending Fund Balance as of February 29, 2024

	Tourism Funds	Convention Center Funds	Convention Center Roof Repairs	Tourism Emergency Special Fund	Federal Funds	Total Funds
Revenues						
Change in fair value	-	-	-	1,230	-	1,230
HCC operations	-	-	-	-	-	-
Interest, net	166,074	122,443	-	3,913	-	292,430
TAT	-	-	-	-	-	-
Other*	(25,070)	-	-	-	-	(25,070)
Total revenues	<u>141,004</u>	<u>122,443</u>	<u>-</u>	<u>5,143</u>	<u>-</u>	<u>268,590</u>
Expenditures						
Administrative	37,228	-	-	836	-	38,064
Branding	4,201,834	-	-	260,000	-	4,461,834
Communications	-	-	-	-	-	-
Destination management	618,003	-	-	-	-	618,003
Governance and org-wide*	7,076	-	-	-	-	7,076
HCC marketing	-	-	-	-	-	-
HCC operations	-	-	-	-	-	-
HCC repairs and maintenance	-	-	-	-	-	-
Natural resources	-	-	-	-	-	-
Perpetuating Hawaiian culture	205,000	-	-	-	-	205,000
Planning & evaluation	171,217	-	-	-	-	171,217
Resident and Industry Communications	48,957	-	-	-	-	48,957
Safety & Security	32,500	-	-	-	-	32,500
Salaries	232,428	-	-	-	-	232,428
Sports	-	-	-	-	-	-
Workforce	-	-	-	-	-	-
Total expenditures	<u>5,554,243</u>	<u>-</u>	<u>-</u>	<u>260,836</u>	<u>-</u>	<u>5,815,079</u>
Change in fund balances	<u>(5,413,239)</u>	<u>122,443</u>	<u>-</u>	<u>(255,693)</u>	<u>-</u>	<u>(5,546,489)</u>
Fund balances						
February 1, 2024	47,755,452	55,280,841	14,871,000	2,638,359	13,574,717	134,120,369
February 29, 2024	<u>42,342,213</u>	<u>55,403,284</u>	<u>14,871,000</u>	<u>2,382,666</u>	<u>13,574,717</u>	<u>128,573,880</u>

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

Hawaii Tourism Authority
Statement of Revenues, Expenditures, and Changes in Fund Balances
Year to Date February 29, 2024
Ending Fund Balance as of February 29, 2024

	Tourism Funds**	Convention Center Funds	Convention Center Roof Repairs	Tourism Emergency Special Fund*	Federal Funds	Total Funds
Revenues						
Change in fair value*	-	-	-	52,667	-	52,667
General fund appropriation transfer*	59,748,268	11,000,000	-	-	-	70,748,268
HCC operations	-	1,223,284	-	-	-	1,223,284
Interest, net*	245,487	374,311	-	69,949	-	689,747
Other*	225,623	765,445	-	-	-	991,068
TAT*	-	11,000,000	-	-	-	11,000,000
Total revenues	60,219,378	24,363,040	-	122,616	-	84,705,034
Expenditures						
Administrative	199,565	-	-	-	-	199,565
Branding	18,991,156	-	-	2,600,000	-	21,591,156
Destination management	8,552,459	-	-	-	449,655	9,002,114
Governance and org-wide*	196,623	-	-	-	-	196,623
HCC marketing	2,000,000	567,230	-	-	-	2,567,230
HCC operations	-	926,701	-	-	-	926,701
HCC repairs and maintenance	-	1,933,350	-	-	-	1,933,350
Perpetuating Hawaiian culture	800,447	-	-	-	-	800,447
Planning & evaluation	489,800	-	-	-	-	489,800
Resident and Industry Communications	424,534	-	-	-	-	424,534
Safety & Security	67,500	-	-	250,693	-	318,193
Salaries	1,272,529	-	-	-	251,732	1,524,261
Sports	500,000	-	-	-	-	500,000
Workforce	46,000	-	-	-	-	46,000
Total expenditures	33,540,613	3,427,281	-	2,850,693	701,387	40,519,974
Transfer to B&F*	-	-	-	-	36,833,291	36,833,291
Change in fund balances	26,678,765	20,935,759	-	(2,728,077)	(37,534,678)	7,351,769
Fund balances						
July 1, 2023	15,663,448	34,467,525	14,871,000	5,110,743	51,109,395	121,222,111
February 29, 2024	42,342,213	55,403,284	14,871,000	2,382,666	13,574,717	128,573,880

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

Selected Management Disclosures

1. Summary of Significant Accounting Policies

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 funds are as follows:

Tourism Funds:

- **Tourism Special Fund (TSF)** –The Tourism Special Fund accounted 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. The TSF's encumbered fund balance includes \$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

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

- **General Obligation Bonds** – Under 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:

- 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 per 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 \$2,850,693 on Maui wildfire response efforts. More information can be found in the Other Matters section of these footnotes.

Federal Funds:

- **American Rescue Plan Act (ARPA)** – Official Name: Coronavirus State Fiscal Recovery Fund (CSFRF) Subaward. The former Governor authorized \$106,000,000 of ARPA funds to support HTA's and HCC's fiscal years 2022 and 2023 operations. HTA and HCC received \$95,000,000 and \$11,000,000, respectively. In total, for the two years ended June 30, 2023, \$59,156,304 and \$10,011,197 was spent on HTA and HCC operations, respectively. The Authority returned \$36,833,291 to the Department of Budget and Finance (B&F) on July 31, 2023.
- **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.

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.

Governance & Org-Wide Expenditures

Governance and organization-wide expenditures include board member inter-island travel, meeting minutes, and audit expenses for the Authority and the HCC.

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.

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.

Per HRS 40-90 (b), “All encumbrances for contracts shall become void after five years from the end of the fiscal year of the original encumbrance; provided that the comptroller may grant an exemption from this subsection if the comptroller finds that there is sufficient justification to extend a contract encumbrance.”

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.

2. Equity in Cash and Cash Equivalents and Investments in the Tourism Emergency Special Fund

The following is a summary of changes in the Tourism Emergency Special Fund during the seven-month period ended February 29, 2024:

	Fair Value		Change in Fair			Fair Value
	July 1, 2023	Interest Income	Value	Expenses	Transfers	February 29, 2024
BOH Trust Fund	5,110,743	76,613	52,667	(6,664)	(4,000,000)	1,233,359
BOH Checking	-	-	-	(2,850,693)	4,000,000	1,149,307
Total TESF	5,110,743	76,613	52,667	(2,857,357)	-	2,382,666

3. Accrued Vacation Liability

On June 30, 2023, management estimated the accrued vacation liability of approximately \$339,000, with a current liability of approximately \$132,000.

4. Retirement Benefits

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

At June 30, 2023, management reported a 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.

Hawaii Tourism Authority
February 29, 2024

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 of resources related to OPEB of approximately \$227,000 and (\$536,000), respectively.

5. Other Matters

- a. The first two pay periods in fiscal year 2024 were paid with ARPA funds. As such, funds provided by the Governor from Section 5 of Act 164, SLH 2023, were reduced accordingly by \$251,732.
- b. HTA expects to be reimbursed by the Federal Emergency Management Agency (FEMA) for approximately \$250,693 for expenditures related to the immediate response to the Maui wildfires. All funds reimbursed by FEMA will be returned to the State.
- c. The Hawaii Convention Center earned \$765,445 in other revenue in the current fiscal year, consisting of \$723,445 in employee retention tax credits (ERTC) and \$42,000 in distributed antennae service (DAS) income.
- d. Tourism Emergency Special Fund Spending to Date for the Maui Wildfire:

Maui Recovery - Tourism Emergency Special Fund Spending to Date			
Program	Budget	Paid to Date	Unspent
USA Recovery Marketing #1	2,600,000	2,600,000	-
USA Recovery Marketing #2	1,350,000	-	1,350,000
Maui Resident Communications Campaign	349,307	-	349,307
Visitor Education Post-Arrival Marketing	300,000	-	300,000
Immediate Wildfire Response	250,693	250,693	-
Maui Street Market	100,000	-	100,000
Long-term Housing	50,000	-	50,000
Total	5,000,000	2,850,693	2,149,307

Hawaii Tourism Authority
 Budget Statement - Tourism Funds
 General Funds and Tourism Special Funds (TSF)
 Year to Date February 29, 2024

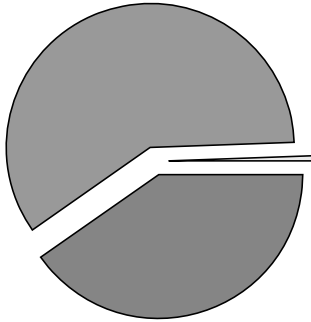
Account Code	Account Title	Budget	Paid to Date	Unspent
901	General and Administrative	250,000	160,744	89,256
998	Travel - Admin	50,000	7,139	42,861
901	General & Administration (TSF)	107,509	31,682	75,827
Subtotal	Admin	407,509	199,565	207,944
306	Island-Based International Marketing	670,000	250,000	420,000
318	gohawaii.com (formerly Online Website Coordination)	62,000	-	62,000
320	Island Chapters Staffing and Admin	2,400,000	1,539,651	860,349
321	US (formerly North America)	14,125,000	8,356,927	5,768,073
322	Canada	1,858,180	649,006	1,209,174
323	Japan	8,370,002	5,560,002	2,810,000
324	Korea	1,159,360	867,272	292,088
325	Oceania	1,080,000	740,000	340,000
326	Europe	518,180	200,000	318,180
339	Global Digital Marketing Strategy	20,000	-	20,000
350	Global Mkt Shared Resources	1,718,000	525,000	1,193,000
380	Marketing Opportunity Fund	74,000	-	74,000
398	Travel - Branding	50,000	10,362	39,638
397	Memberships and Dues - Branding	150,000	27,511	122,489
329	China (TSF)	938,224	265,425	672,799
Subtotal	Branding	33,192,946	18,991,156	14,201,790
014	Pono Travel Education Program	1,100,000	854,419	245,581
201	Kukulu Ola	1,239,382	1,239,382	-
218	Hawaiian Culture Festivals and Events	600,000	-	600,000
219	Hookipa Malihini Initiative	1,010,000	-	1,010,000
402	Kahu 'āina	1,200,000	1,149,824	50,176
409	Tour Guide Certification Licensure Program	21,000	21,000	-
653	Hotspot Mitigation	1,541,000	70,000	1,471,000
655	Community Engagement	160,000	-	160,000
656	Community Tourism Collaborative	1,256,500	296,730	959,770
657	Tourism Excellence Accreditation	360,000	20,875	339,125
700	Signature Events	1,385,000	1,119,824	265,176
701	Community Enrichment Program	1,341,905	1,341,905	-
702	Community Product Capacity Building (formerly Workshops)	380,166	-	380,166
718	Resort Area Hawaiian Cultural Initiative	1,118,500	1,118,500	-
802	Current Workforce Development (Industry Career Dev)	350,000	-	350,000
201	Kukulu Ola (TSF)	175,000	175,000	-
402	Kahu 'āina (TSF)	175,000	175,000	-
406	Visitor Impact Program (TSF)	1,306,000	970,000	336,000
Subtotal	Destination Management	14,719,453	8,552,459	6,166,994
915	Organization-Wide	425,000	189,958	235,042
919	Governance - Gen Board/Others	150,000	6,665	143,335
Subtotal	Governance & Org-Wide	575,000	196,623	378,377
317	Convention Center Sales & Marketing - City Wide	1,825,000	1,100,000	725,000
319	MCI MFF	200,000	-	200,000
331	Meetings, Convention & Incentives	1,150,000	900,000	250,000
Subtotal	Hawai'i Convention Center Marketing	3,175,000	2,000,000	1,175,000
202	Hawaiian Culture Initiative	444,980	-	444,980
203	Ma'ema'e HTA	30,020	30,020	-
204	Market Support	50,000	15,527	34,473
206	Kahea Program - Harbor Greetings	191,500	24,900	166,600
207	Kahea Program - Airport Greetings	700,000	630,000	70,000
214	Legacy Award Program	50,000	-	50,000
216	Olelo Hawaii	425,000	100,000	325,000
298	Travel - Hawaiian Culture	10,000	-	10,000
374	Surfing	50,000	-	50,000
Subtotal	Perpetuating Hawaiian Culture	1,951,500	800,447	1,151,053
004	Cruise Infrastructure Improvements and Arrival Experience	100,000	55,242	44,758
010	HTUS/HTJ Campaign Effectiveness Study	260,000	94,000	166,000
506	Infrastructure Research (Accommodations and Air seats)	62,351	62,351	-
509	Tourism Strategic Plan Update (Governance Study)	300,000	-	300,000
652	Planning Tools and Assessments	45,166	-	45,166
654	Program Evaluation	162,148	147,753	14,395
698	Travel - Planning	30,000	537	29,463
731	Community-Based Tourism - Oahu	100,000	-	100,000
732	Community-Based Tourism - Maui County	434,660	80,690	353,970
733	Community-Based Tourism - Hawaii Island	100,000	-	100,000
734	Community-Based Tourism - Kauai	110,000	-	110,000
512	Visitor Arrivals and Departure Surveys (TSF)	85,374	49,227	36,147
Subtotal	Planning and Evaluation	1,789,699	489,800	1,299,899

Hawaii Tourism Authority
 Budget Statement - Tourism Funds
 General Funds and Tourism Special Funds (TSF)
 Year to Date February 29, 2024

Account Code	Account Title	Budget	Paid to Date	Unspent
101	Community-Industry Outreach & Public Relations Svcs	640,000	228,837	411,163
102	Hawai'i Tourism Summit	250,000	175,440	74,560
103	hawaiitourismauthority.org (formerly HTA web/Global Social)	150,000	-	150,000
101	Community-Industry Outreach & Public Relations Svcs (TSF)	49,168	20,257	28,911
Subtotal	Resident and Industry Communication & Outreach	1,089,168	424,534	664,634
601	Visitor Assistance Programs	520,000	67,500	452,500
Subtotal	Safety & Security	520,000	67,500	452,500
930	State Employee Salaries - Admin	2,600,000	1,272,529	1,327,471
Subtotal	Salaries	2,600,000	1,272,529	1,327,471
312	PGA Tour Contracts	2,000,000	-	2,000,000
343	LPGA	-	-	-
346	Sport Opportunity Fund	500,000	500,000	-
378	UH Athletics Branding Partnership	166,000	-	166,000
Subtotal	Sports	2,666,000	500,000	2,166,000
803	Future Workforce Development (LEI)	150,000	-	150,000
805	Scholarship Program (TSF)	144,000	46,000	98,000
Subtotal	Workforce	294,000	46,000	248,000
Total	Tourism Funds	62,980,275	33,540,613	29,439,662

Summary Of Investments

Investment Allocation



0.5%	CASH	6,755.44
59.1%	CASH EQUIVALENTS	729,227.13
40.4%	FIXED INCOME	497,460.00
100.0%	TOTAL	1,233,442.57

Investment Summary

	Market Value	%	Estimated Income	Current Yield
CASH	6,755.44	0.55	0	0.00
CASH EQUIVALENTS	729,227.13	59.12	37,920	5.20
FIXED INCOME	497,460.00	40.33	11,250	2.26
Total Fund	1,233,442.57	100.00	49,170	3.99

Schedule Of Investments

UNITS	DESCRIPTION	BOOK VALUE	MARKET VALUE	% OF CATEGORY
	CASH	3,015.74	3,015.74	44.64
	ACCRUED INCOME	3,739.70	3,739.70	55.36
	TOTAL CASH	6,755.44*	6,755.44*	100.00*
	CASH EQUIVALENTS			
	CASH MANAGEMENT			
729,227.13	DREYFUS TREASURY OBLIGATIONS CASH MANAGEMENT FUND	729,227.13	729,227.13	100.00
	FIXED INCOME			
	U S TREASURY OBLIGATIONS			
500,000	US TREASURY NOTES 2.25% 04/30/2024	497,754.55	497,460.00	100.00



Statement Period
Account Number

02/01/2024 through 02/29/2024
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	1,233,737.12*	1,233,442.57*	100.00*

Last statement: January 31, 2024
 This statement: February 29, 2024
 Total days in statement period: 29

Page 1 of 2
 Number of Enclosures:

Click here for inserts:
www.boh.com/agreements

Direct inquiries to:
 888 643-3888

HAWAII TOURISM AUTHORITY
 TOURISM EMERGENCY SPECIAL FUND
 1801 KALAKAUA AVE 1ST FL
 HONOLULU HI 96815

BANK OF HAWAII
 111 S KING ST
 HONOLULU HI 96813

Bank of Hawaii

*EFFECTIVE AS OF 2/1/2024, FEES FOR THE FOLLOWING ARE DISCONTINUED:
 TRANSACTION HISTORY PRINT OUT, MINI-STATEMENTS (BANK OF HAWAII ATM),
 AND BALANCE INQUIRIES (QUALIFIED ATMS). FOR MORE INFORMATION, PLEASE
 CALL US AT 1-808-643-3888(HAWAII), 1-877-553-2424(GUAM AND SAIPAN), OR
 1-680-488-3338(PALAU).*

Analyzed Business Checking

Account number	0091-585227	Beginning balance	\$1,409,224.12
Low balance	\$1,149,224.12	Total additions	.00
Average balance	\$1,283,706.88	Total subtractions	<u>260,000.00</u>
		Ending balance	\$1,149,224.12

CHECKS

<u>Number</u>	<u>Date</u>	<u>Amount</u>	<u>Number</u>	<u>Date</u>	<u>Amount</u>
1007	02-16	260,000.00			

DAILY BALANCES

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
01-31	1,409,224.12	02-16	1,149,224.12		

Hawaii Convention Center
Consolidated Balance Sheet
February 29, 2024 and February 28, 2023
(In Whole Numbers)

	Unaudited 2/29/24	Unaudited 2/28/23
Assets		
Current Assets		
Cash	38,574,415	34,701,424
Accounts Receivable, Net	1,967,739	26,062,560
Prepaid	275,398	366,704
Deposits	0	0
Total Current Assets	40,817,552	61,130,688
Fixed Assets		
Building Improvements	1,763,981	190,740
Furniture & Fixtures	91,255	0
Machinery & Equipment	315,759	49,530
Computer Equipment	71,695	35,206
Work in Progress	4,043,571	365,600
Total Fixed Assets	6,286,261	641,076
Total Assets	47,103,813	61,771,764
Liabilities		
Current Liabilities		
Accounts Payable	1,034,321	1,232,333
Accrued Expenses	701,628	859,040
Advance Deposits	2,204,397	2,157,894
Total Current Liabilities	3,940,346	4,249,267
Equity		
Funds Remitted	(218,462,342)	(215,089,882)
Funding Received	414,881,914	425,395,192
Retained Earnings	(154,471,462)	(149,771,767)
Net Income (Loss)		
HCC Facility	1,815,388	(2,473,962)
HCC Sales & Marketing	(600,031)	(537,084)
Total Net Income (Loss)	1,215,357	(3,011,046)
Total Equity	43,163,467	57,522,497
Total Liabilities and Equity	47,103,813	61,771,764

Hawaii Convention Center

Cash

As of 2/29/2024

(In Whole Numbers)

As of 2/29/2024

Cash

Cash Operating-Facility	(1,696,216)
Cash Operating-Sales & Marketing	224,646
Cash Revenue	2,833,157
Cash Repairs & Maintenance Fund	37,206,328
Petty Cash	4,000
Change Fund Parking	2,500
Total Cash	<u><u>38,574,415</u></u>

Hawaii Convention Center
Statement of Cash Flows
As of 2/29/2024
(In Whole Numbers)

	<u>Current Month</u>	<u>Year-To-Date</u>
Cash Flow from operating activities		
Net Income/(Loss)	(262,818)	1,215,355
Accounts Receivable	(523,921)	941,157
Deposits and other assets	50,404	(196,171)
Accounts payable	170,887	(573,739)
Accrued expenses	(20,431)	(307,794)
Advance deposits	<u>219,153</u>	<u>(21,168)</u>
Total Cash Flow from operating activities	<u>(366,726)</u>	<u>1,057,639</u>
Cash Flow from investing activities		
Capital Assets	<u>(2,428,613)</u>	<u>(4,930,447)</u>
Total Cash Flow from investing activities	<u>(2,428,613)</u>	<u>(4,930,447)</u>
Cash flows from financing activities		
Contributions received from the State of Hawaii	422,870	3,792,006
Funds remitted to the State of Hawaii	<u>0</u>	<u>(3,372,459)</u>
Total Cash flows from financing activities	<u>422,870</u>	<u>419,547</u>
Net increase/(decrease) in cash and cash equivalents	<u>56,145</u>	<u>1,477,186</u>
Cash and cash equivalents at beginning of period	40,946,884	42,027,677
Cash and cash equivalents at end of period	<u><u>38,574,415</u></u>	<u><u>38,574,415</u></u>

Hawaii Convention Center
Facility
Income Statement
From 2/01/2024 Through 2/29/2024
(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)	302,939	274,929	28,011	161,553	2,550,566	2,124,902	425,663	1,768,186
Service Revenue	81,958	46,745	35,213	23,101	1,257,817	607,780	650,037	829,125
Total Direct Event Income	384,897	321,674	63,223	184,653	3,808,382	2,732,682	1,075,700	2,597,310
Direct Service Expenses	204,842	135,972	(68,870)	97,331	2,173,007	1,553,613	(619,394)	1,312,005
Net Direct Event Income	180,055	185,702	(5,646)	87,322	1,635,376	1,179,069	456,306	1,285,306
Ancillary Income								
Food and Beverage (Net)	407,718	218,078	189,640	185,874	6,891,887	4,024,053	2,867,834	2,749,819
Event Parking (Net)	104,427	89,869	14,558	69,589	716,371	751,622	(35,251)	586,566
Electrical Services	4,904	4,000	904	3,584	182,464	104,800	77,664	36,780
Audio Visual	36,414	19,280	17,134	19,764	406,899	229,290	177,609	276,636
Internet Services	0	0	0	0	63,310	0	63,310	1,831
Rigging Services	0	0	0	14,785	65,822	29,500	36,322	66,952
Total Ancillary Income	553,463	331,227	222,236	293,596	8,326,753	5,139,265	3,187,488	3,718,583
Total Event Income	733,518	516,928	216,590	380,918	9,962,128	6,318,334	3,643,794	5,003,888
Other Operating Income								
Non-Event Parking	0	433	(433)	15	1,000	3,464	(2,464)	3,573
Other Income	162,975	10,042	152,933	11,148	998,465	80,336	918,129	86,228
Total Other Operating Income	162,975	10,475	152,500	11,163	999,465	83,800	915,665	89,801
Total Gross Income	896,493	527,403	369,090	392,081	10,961,594	6,402,134	4,559,459	5,093,690
Net Salaries & Benefits								
Salaries & Wages	489,257	528,681	39,424	356,608	4,009,024	4,287,440	278,416	2,778,715
Payroll Taxes & Benefits	168,046	155,482	(12,564)	116,239	1,173,130	1,244,282	71,152	853,988
Labor Allocations to Events	(57,396)	(38,612)	18,784	(16,213)	(658,954)	(457,513)	201,441	(382,379)
Total Net Salaries & Benefits	599,907	645,551	45,644	456,634	4,523,200	5,074,209	551,009	3,250,324
Other Indirect Expenses								
Net Contracted Services	61,386	39,962	(21,424)	76,070	450,760	312,031	(138,729)	489,312
Operations	9,094	13,099	4,005	12,311	154,062	104,792	(49,270)	85,978
Repair & Maintenance	74,674	110,021	35,347	105,127	680,270	880,168	199,898	718,562
Operational Supplies	68,847	57,281	(11,566)	45,052	564,383	563,216	(1,167)	389,397
Insurance	23,073	23,794	721	18,060	262,126	224,728	(37,398)	160,568
Utilities	190,299	223,293	32,994	159,899	1,933,412	1,917,484	(15,928)	1,894,367
Meetings & Conventions	3,315	804	(2,511)	3,070	22,641	15,982	(6,659)	18,351
Promotions & Communications	0	6,266	6,266	4,087	0	50,128	50,128	24,253
General & Administrative	28,943	35,138	6,195	70,384	283,052	300,303	17,251	300,241
Management Fees	19,433	19,433	(0)	19,033	155,467	155,464	(3)	152,266
Other	13,470	4,733	(8,737)	501	116,836	37,864	(78,972)	84,032
Total Other Indirect	492,535	533,824	41,289	513,595	4,623,008	4,562,160	(60,848)	4,317,327
Net Income (Loss) before CIP Funded Expenses	(195,950)	(651,972)	456,022	(578,147)	1,815,386	(3,234,235)	5,049,621	(2,473,961)
CIP Funded Expenses	479	0	479	301	71,186	0	71,186	685
Net Income (Loss) from Operations	(195,471)	(651,972)	456,501	(577,846)	1,886,572	(3,234,235)	5,120,807	(2,473,276)
Fixed Asset Purchases	(4,358)	25,000	29,358	39,153	105,766	200,000	94,234	154,177
Net Income (Loss) After Fixed Asset Purchases	(191,113)	(676,972)	485,859	(616,999)	1,780,806	(3,434,235)	5,215,041	(2,627,453)

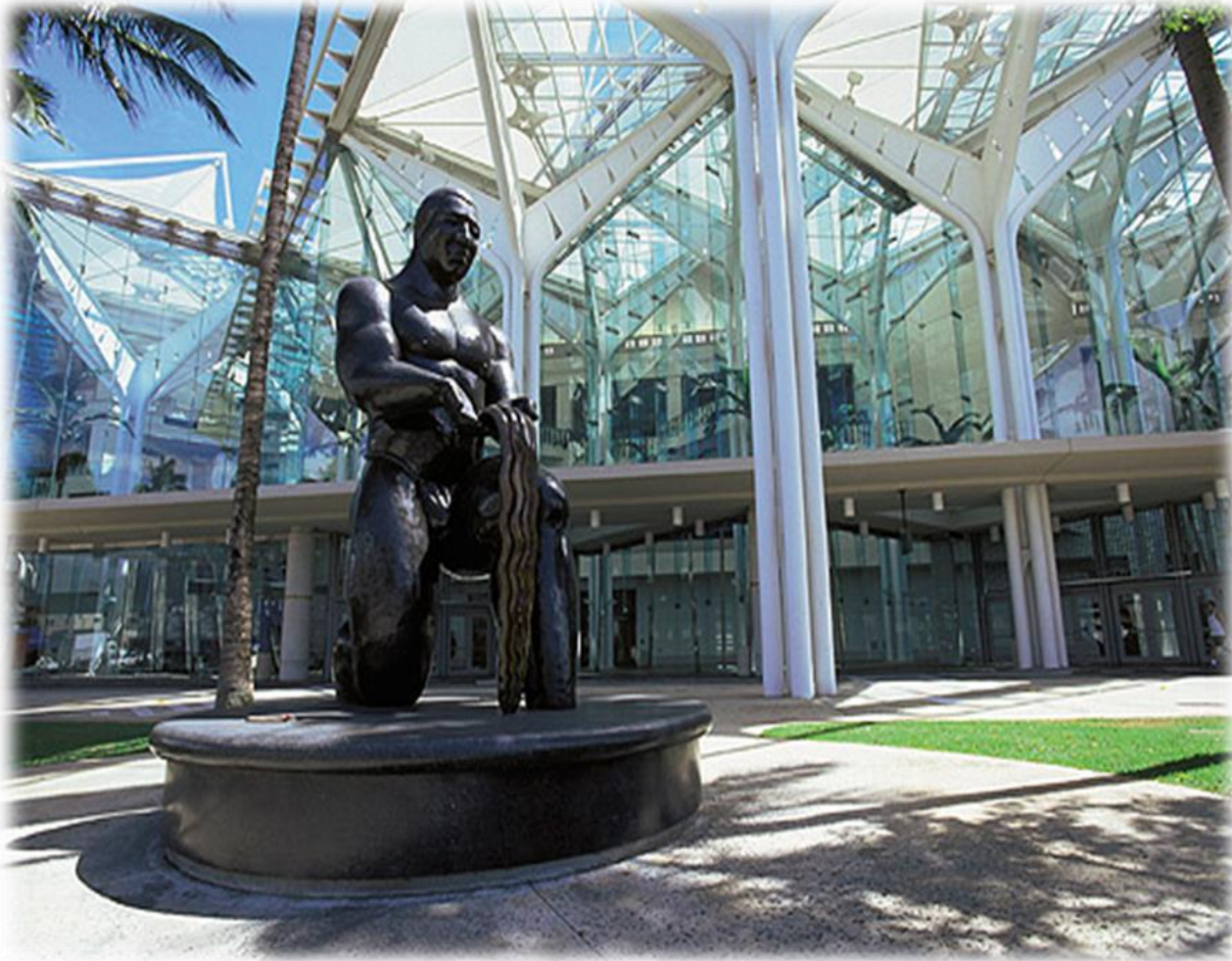
Hawaii Convention Center
Facility
Income Statement
From 2/01/2024 Through 2/29/2024
(In Whole Numbers)

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
Revenues								
Food & Beverage	766,038	414,750	351,288	375,865	10,926,607	7,670,849	3,255,758	4,853,689
Facility	707,474	459,605	247,869	310,279	6,352,785	4,068,612	2,284,173	3,760,499
Total Revenues	1,473,512	874,355	599,157	686,144	17,279,391	11,739,461	5,539,931	8,614,188
Expenses								
Food & Beverage	584,591	388,784	(195,807)	361,607	5,894,107	5,344,860	(549,247)	3,259,178
Facility	1,084,871	1,137,542	52,672	902,684	9,569,898	9,628,835	58,937	7,828,971
Total Expenses	1,669,462	1,526,326	(143,135)	1,264,291	15,464,005	14,973,695	(490,310)	11,088,150
Net Income (Loss) before CIP Funded Expenses	(195,950)	(651,972)	456,022	(578,147)	1,815,386	(3,234,235)	5,049,621	(2,473,962)
CIP Funded Expenses	479	0	479	301	71,186	0	71,186	685
Net Income (Loss) from Operations	(195,471)	(651,972)	456,501	(577,846)	1,886,572	(3,234,235)	5,120,807	(2,473,277)
Fixed Asset Purchases	(4,358)	25,000	29,358	39,153	105,766	200,000	94,234	154,177
Net Income (Loss) after Fixed Asset Purchases	(191,113)	(676,972)	485,859	(616,999)	1,780,806	(3,434,235)	5,215,041	(2,627,454)

11b

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

Hawai'i Convention Center HTA Board Meeting Update



*Update for
February 2024
For
(March 2024 meeting)*

Financial Update

	Feb-24 Actual	Feb-24 FYTD Actual	FY 2024 Rereforecast	FY 2024 Budget	Variance	FY 2023 Actual	FY 2022 Actual
Facility Number of Events	17	166	255	225	30	273	213
Facility Operating Revenue	\$1,310,500	\$16,279,900	\$23,511,600	\$18,354,500	\$5,157,100	\$14,310,800	\$7,178,200
Facility Other Income	\$163,000	\$999,500	\$1,609,700	\$125,700	\$1,484,000	\$135,700	\$78,500
Facility Total Revenue	\$1,473,500	\$17,279,400	\$25,121,300	\$18,480,200	\$6,641,100	\$14,446,500	\$7,256,700
Facility Operating Expenses	-\$1,664,600	-\$15,498,600	-\$25,087,200	-\$23,812,600	-\$1,274,600	-\$18,412,200	-\$11,842,500
Facility Net Income/(Subsidy)	-\$191,100	\$1,780,800	\$34,100	-\$5,332,400	\$5,366,500	-\$3,965,700	-\$4,585,800
Local S&M Operating Expenses	-\$66,900	-\$600,000	-\$1,223,700	-\$1,223,700	\$0	-\$959,400	-\$522,600
HCC Net Income/(Subsidy)	-\$258,000	\$1,180,800	-\$1,189,600	-\$6,556,100	\$5,366,500	-\$4,925,100	-\$5,108,400

FY 2024 (July 2023 – June 2024) Citywide Events ROI

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

Created By: Test User
Created On: 03/01/2024

Fiscal Year: Contract Room Block Begin	Total Bookings	Total Contract Rooms	Total Attendees	Total EEI Value	Tax Generation
2024	21	116350	60500	\$387,637,211.41	\$45,353,553.74
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	62	539326	237150	\$1,562,770,857.17	\$182,844,190.29

FY 24	
Total Bookings	21
Total Contract Rooms	116,350
Total Attendees	60,500
Total EEI Value	\$387,637,211.41
Total Tax Generation	\$45,353,553.74

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



ROI February 2024 FYTD

HCC Revenue + State Revenue
 +Tax Revenue
 = \$272.8 M

HCC Expense + HVCB MCI
 Expense = \$19.6 M

***ROI = For every dollar spent,
 \$13.94 returned to the State***

	<u>FYTD 2024 ROI</u>		<u>CW's FYTD</u>
	07.23-02.24	\$13.94	(12)
	07.23-01.24	\$15.33	(11)
	07.23-12.23	\$17.79	(10)
	07.23-11.23	\$20.63	(10)
	07.23-10.23	\$23.16	(8)
	07.23-09.23	\$18.62	(6)
	07.23-08.23	\$25.91	(5)
	07.23	\$30.74	(4)
	<u>FY 2023 ROI</u>		
	07.22-06.23	\$4.19	(7)

ROI February 2024 FYTD Calculation

ROI Calculation	Feb-24 FYTD
HCC Facility Revenue	\$17,279,400
CW Economic Impact	\$228,788,909
CW Tax Generation	\$26,768,302
Total Revenue	\$272,836,611
HCC Facility Expenses	\$15,498,600
HCC Local S&M Expenses	\$600,000
Total HCC Expenses	\$16,098,600
HVCB MCI Expenses*	\$3,466,700
Total Expenses	\$19,565,300
ROI	\$13.94

Definite Local Bookings for next 3 months

	March 2024			
	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	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	03/09/24	03/09/24	Spring Into GX	300
11	03/12/24	03/12/24	EOEL Pre-K Induction - Day 2	100
12	03/13/24	03/13/24	Aloha Trees	100
13	03/13/24	03/13/24	Hawaii-Philippines Sister-Province Symposium	200
14	03/14/24	03/20/24	PSI Seminars	400
15	03/15/24	03/15/24	NCIS film shoot	30
16	03/16/24	03/17/24	Aloha Region Spring Break Madness	1,500
17	03/16/24	03/16/24	World Financial Group Business Meeting	325
18	03/19/24	03/22/24	2024 SPED Conference	600
19	03/21/24	03/22/24	Aloha State Choral Festival	300
20	03/24/24	03/24/24	Memorial of Christ Death	300
21	03/24/24	03/24/24	Kaimuki Congregation of Jehovah's Witnesses - Annual Memorial	800
22	03/24/24	03/24/24	Kwojkwojin Keememej Mej eo an Jesus / Achechchemen Maloon Jises	200
23	03/24/24	03/24/24	Palolo Congregation of Jehovah's Witnesses - Memorial of Jesus' Death	300
24	03/24/24	03/24/24	Memorial of Christ Jesus Death	230
25	03/24/24	03/24/24	Honolulu Spanish Congregation Annual Memorial	200
26	03/29/24	03/31/24	Kawaii Kon 2024	18,000
27	03/29/24	03/30/24	Hawaii Royale Spring '24	2,500

Cont...

Definite Local Bookings for next 3 months

	April 2024			
	Start Date	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
			21st International Hawaii Summit on Preventing, Assessing & Treating	
11	04/07/24	04/11/24	Trauma Across the Lifespan	1,400
12	04/10/24	04/11/24	2024 Hawaii ACTE Conference	500
13	04/11/24	04/13/24	Hapalua Marathon Registration	7,000
14	04/12/24	04/12/24	Santa Clara University Bronco Meet Up: Hawaii	100
15	04/13/24	04/13/24	HSTA Annual Conference	300
16	04/13/24	04/13/24	Hearts & Home IV Gala by The Shelter	300
17	04/22/24	04/22/24	LEI Project HTA Workforce Development 2024	500
18	04/23/24	04/25/24	Communities of Practice	200
19	04/23/24	04/23/24	EOEL Pre-K Induction - Day 4	100
20	04/23/24	04/23/24	Yadao Organizational Open	300
21	04/24/24	04/24/24	Tsuruda Organizational Open	225
22	04/25/24	04/25/24	20th Annual Chopsticks and Wine	1,000
23	04/25/24	04/25/24	Yamamoto Organizational	350
24	04/26/24	04/28/24	Jam On It Aloha Challenge 2024	1,200
25	04/26/24	04/27/24	Court Interpreter Basic Orientation Workshop	100
26	04/26/24	04/27/24	Feather Artwork Workshop #10	20
27	04/27/24	04/28/24	Aloha Region Regionals	1,500
28	04/27/24	04/27/24	Kinder Kids Spring Concert	200

Cont...

Definite Local Bookings for next 3 months

	May 2024			
	Start Date	End Date	Description	Forecast Attendance
1	05/02/24	05/05/24	American Youth Soccer Organization Expo	200
2	05/04/24	05/05/24	Oceanic Open	1,500
3	05/05/24	05/05/24	HPU Commencement	2,000
4	05/05/24	05/06/24	Hula Wahine Hoike	600
5	05/05/24	05/05/24	X Static Dance Studio 12th Year Anniversary Celebration	200
6	05/10/24	05/12/24	Jump Hawaii 2024	1,500
7	05/10/24	05/10/24	College of Engineering Convocation	1,000
8	05/11/24	05/11/24	HCC Mother's Day Brunch & Show	800
9	05/11/24	05/11/24	Sneaker Con 2024	3,000
10	05/18/24	05/19/24	Aloha Region Aloha Summer Classic	1,500
11	05/18/24	05/18/24	Second Look Meeting	1,200
12	05/19/24	05/19/24	'Iolani Stage Band Spring Concert	300
13	05/20/24	05/20/24	Hawaii Technology Academy Commencement Ceremony	2,000
14	05/20/24	05/24/24	Department of the Prosecuting Attorney Training	100
15	05/22/24	05/22/24	2024 Kailua High School Commencement	4,000
16	05/24/24	05/27/24	HCC Dock Parking for Shinnyo-en USA	1
17	05/24/24	05/24/24	Hawaii Baptist Academy Commencement	2,000
18	05/26/24	05/26/24	JAMES CAMPBELL/Pearl City High School Graduation	8,000
19	05/26/24	05/26/24	James Campbell/PEARL CITY High School Graduation	8,000
20	05/30/24	05/30/24	Aiea High School Commencement	5,570

Recent Events @ Hawai'i Convention Center

- 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)
- Honolulu Festival, March 8-10, 24,157 attendees



Upcoming Local/Citywide Events

- Kawaii Kon 2024, March 29-31, 18,000 attendees
- Paradise Tournament Series: The Shave Ice Cup, April 6-7, 1,500 attendees (Sports)
- Hapalua Marathon Registration, April 11-13, 7,000 attendees
- AAG 2024 (American Association of Geographers), April 13-20, 8,500 attendees (CW)



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)



2024 Mother's Day Brunch & Show

Mother's Day Brunch & Show Featuring **JOSH TATOFI**



SATURDAY, May 11, 2024
Hawai'i Convention Center



Special Guest:
Manalani English-Souza
(Miss Aloha Hula 2013)

Tickets: [HawaiiConvention.com](https://www.hawaii-convention.com)

HAWAII
CONVENTION CENTER
Where Business and Aloha Meet

Repair, Maintenance and Replacement Projects Update



Recently Completed Projects

- F&B Equipment delivery
- Ride-on Sweeper delivery
- Walk-in Refrigerator Installation
- Lobby Window Replacement
- Kitchen Flooring Replacement



CURRENT PROJECTS

IMPROVE GUEST EXPERIENCE

- New F&B China, Banquet Displays, Service Equipment
- New Speakers and Equipment to upgrade sound in meeting rooms
- Upgrade Screens and add Surround Sound in Theatres
- Replace Escalators - start with Esc 1, 2 and 3
- Repair Meeting Room Air Walls
- New Wallpaper in Ballroom
- New Wheelchair Lift in Theatre 320
- New Facilities Equipment

IMPROVE OUR BUILDING

- Paint Entire Building Exterior and Interior
- Repair Leaks
 - Kalākaua Kitchen
 - Ballroom Roof
 - Lobby and Ballroom Foyer Ceiling
 - Planters – 3rd floor, Grand Staircase, Intermediate level
- New Air Conditioning Chillers
- Replace Green Slate Tile – 3rd floor and Ala Wai Patio
- Upgrade all Lighting to LED lights
- Install Solar panels for Energy Savings

IMPROVE DEPARTMENT EFFICIENCY – New Equipment

- New Walk-in Refrigerator, Pantry 348
- New Dishwasher in Main Kitchen
- New Pot Wash and Glass Wash Machines
- New Boilers in Kalākaua Kitchen
- New Parking System and Equipment
- New Housekeeping Ride-on Sweeper and Scrubber machines

Repair, Maintenance and Replacement Projects

Major Project Update

Exterior Painting

- Working with Contractor on final work plan and color selection.

Chiller Replacement

- Installation of new chillers scheduled for end March.

LED Lighting Upgrade

- Finalizing fixture and control selection, mock-up room demo planned mid-March

Escalator Modernization

- Three proposals received, evaluation committee reviewing

Architectural Firm Selection

- Three submittals received, working with firms on project scope and pricing

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

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*
- *Main Kitchen Flooring Replacement*
- *Exterior Building Painting*
- *Kalākaua Kitchen Wall Repair and Atkinson Drywell Replacement*
- *Interior Building Painting*
- *Pot Wash Machine Replacement*
- *Parking Garage Equipment Upgrade and Floor Sealing*
- *Fire Sprinkler Line Refurbishment*
- *Escalator Modernization*
- *Kalākaua Kitchen Boiler Replacement*
- *Exterior Door Replacement*
- *Solar Panel Installation*

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*

COMPLETED 2022

- *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*
- *#348 Walk-in Refrigerator Replacement, \$123k*
- *Lobby Glass Repair, Vandalism, \$26k*
- *Ride-on Sweeper Replacement, \$50k*

A close-up photograph of a sailboat's rigging. The image shows a wooden mast, white ropes, and a wooden boom with a sail. The text "Mahalo Nui Loa" is overlaid in white. The background is slightly blurred, showing other boats and greenery.

Mahalo Nui Loa



ASCM
ASIM
GLOBAL

**REDEFINING THE
LIVE EXPERIENCE**

TOP INDUSTRY TRENDS



EXPERIENCE

To have fun, feel emotionally fulfilled

Location
Environment
Sentiment



LEARNING

To be inspired, discover something new

Education
Inspiration
Training



NETWORKING

Socialize with peers, develop relationships with attendees/partners

Connections
Formal & Informal



COMMERCE

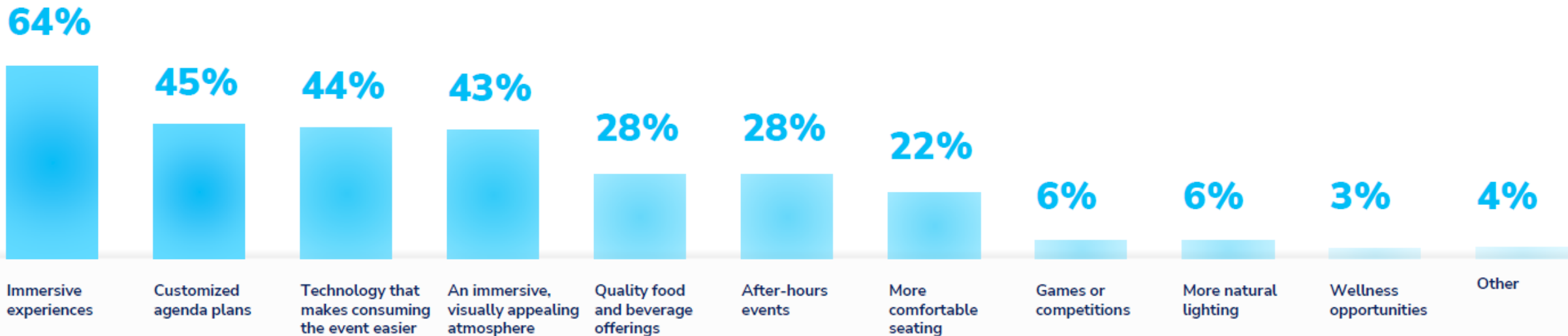
Build awareness, introduce products/services, generate leads, complete sales

Brand Impact
Pipeline Building
Transactions

EXPERIENCE

Immersive activations, personalization, and technology are critical in creating memorable experiences

Most important experience elements



LEARNING

Attendees prefer to receive training and professional content in person

Top sources for training and professional content



NETWORKING

Attendees want to connect with peers over shared challenges and specific topics

Most important networking elements



COMMERCE

In-person events are the most-visited source for new product/service discovery

Top sources to discover new products and services

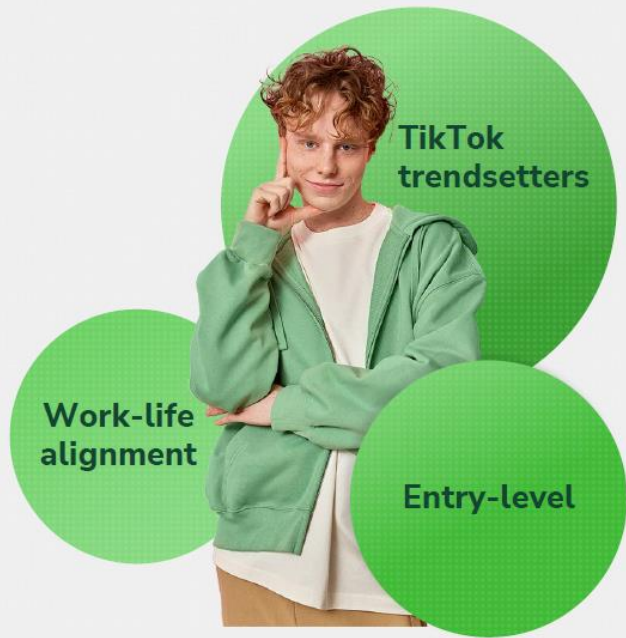


Your event attendees are consumers first

We have historically viewed attendees through an industry-first lens, but research shows that age, gender, socioeconomic status, and event type serve as the greatest predictors of attendee values and behaviors.

NEXT GEN EVENT-GOER

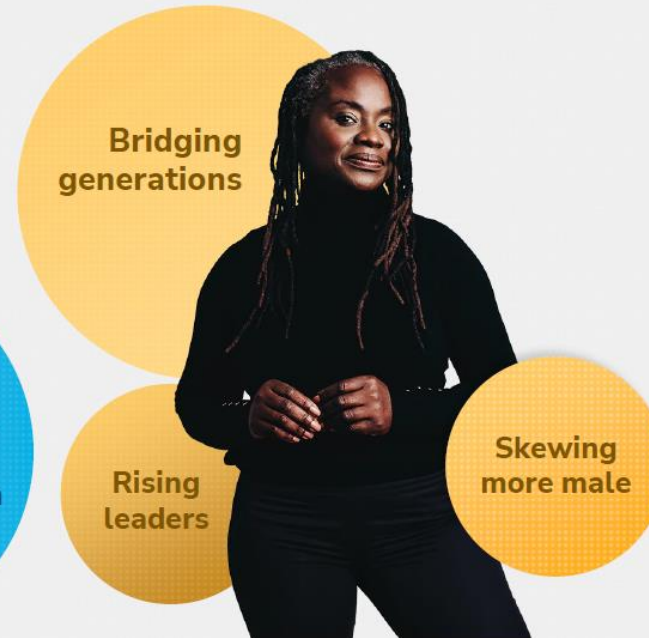
TRADITIONAL EVENT-GOER



GENERATION Z
1997 - 2012



MILLENNIAL
1981 - 1996

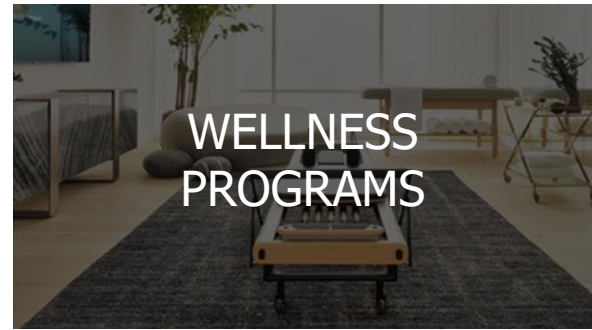
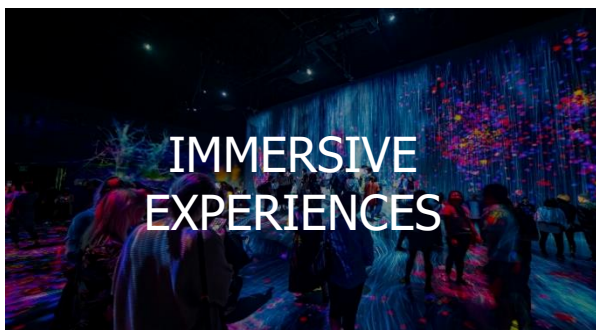
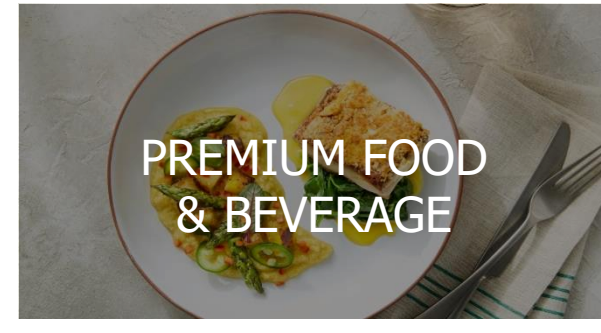
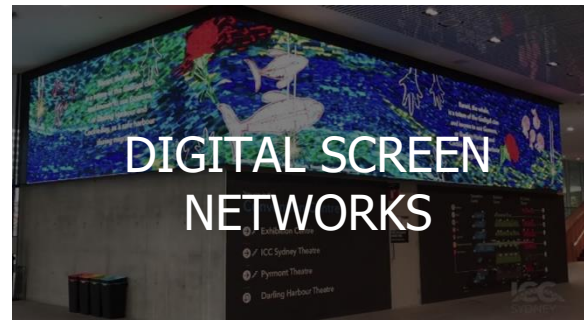


GENERATION X
1965 - 1980



BOOMER
1946 - 1964

BEYOND MEETINGS





EXCLUSIVE LOUNGES



HUSH HUBS

VENUE TRENDS



CULINARY INSTITUTE



INTERACTIVE EXPERIENCES



**SUSTAINABILITY
PROGRAMS**



**ROOFTOP
GARDENS**

VENUE TRENDS



**WELLNESS
PROGRAMS**



**GRAB N' GO
MARKETS**



MADISON ENTERTAINMENT AT A GLANCE.

ASM Madison can book any type of entertainment for one-time events such as private parties, corporate events, marketing events, festivals, fairs, etc. ASM Madison specializes in sourcing artists, bands, comedians, speakers, and other entertainment to enhance any event.

**30 YEARS OF
EXPERIENCE**

**1,500+ EVENTS
BOOKED PER YEAR**

**DEDICATED STAFF
WITH WIDE RANGE
OF EXPERTISE**

ASM Global Acts

PILLAR 1
PROTECTING THE ENVIRONMENT



PILLAR 2
INVEST IN PEOPLE



PILLAR 3
STRENGTHEN OUR COMMUNITIES



HONEYCOMB STRATEGIES

Our partnership with Honeycomb Strategies helps venues and events demonstrate their commitment to sustainability with their clients, guests, suppliers, vendors, internal stakeholders, and the communities in which ASM Global operates.

BENEFITS OF HONEYCOMB

- Positive Impact on Community
- Increased Opportunity for Sponsorships
- Increased Cost Savings
- Improved Guest Experience

40+ CERTIFIED
GREEN VENUES



In partnership with the Hawaiian Legacy Reforestation Initiative, the Hawaii Convention Center has committed to planting **1 MILLION LEGACY TREES ACROSS THE STATE.**

DRIVING REVENUE



TRADITIONAL

- Meetings & Private Events
- Catering
- Tradeshows
- Parking

NON-TRADITIONAL

- Naming Rights
- Sponsorships
- DOOH
- Entitlements



LEGENDS

- Global Planning
- Global Sales
- Premium Sales
- Global Partnerships
- Hospitality
- Global Merchandise
- Global Technology Solutions



- Content Programming & Acquisition
- Premium Design & Planning
- Commercial Partnerships & Digital Media Network
- Venue Management
- Sustainability
- Project Management Consulting & Preopening Services
- Real Estate Development



ASCM
ASIM
GLOBAL

**REDEFINING THE
LIVE EXPERIENCE**

12

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

**Please refer to Tab 11b – Pages 22-37
HCC Presentation/ASM Global Redefining the
LIVE EXPERIENCE**

13

**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

March 28, 2024

GLOBAL MCI UPDATES - Feb '24



Staffing Updates

Citywide Sales

- Citywide Short-Term Corporate – Interviewing

Single Property Sales

- Regional Director of Sales, West Coast Seller – Interviewing

Client Services

- Client Service Manager - Offered

GLOBAL MCI UPDATES - Feb '24

ON THE ROAD - Highlights

- American Hospital Association Partnership Meeting - Illinois
- American Bar Association Annual Presentation - Illinois
- AIME – Asia Pacific Incentives & Meetings Event, Melbourne, Australia
- ‘Ohana Lunch – Sydney, Australia
- CESSE CEO Board Meeting – Savannah, Georgia



GLOBAL MCI UPDATES - Feb '24

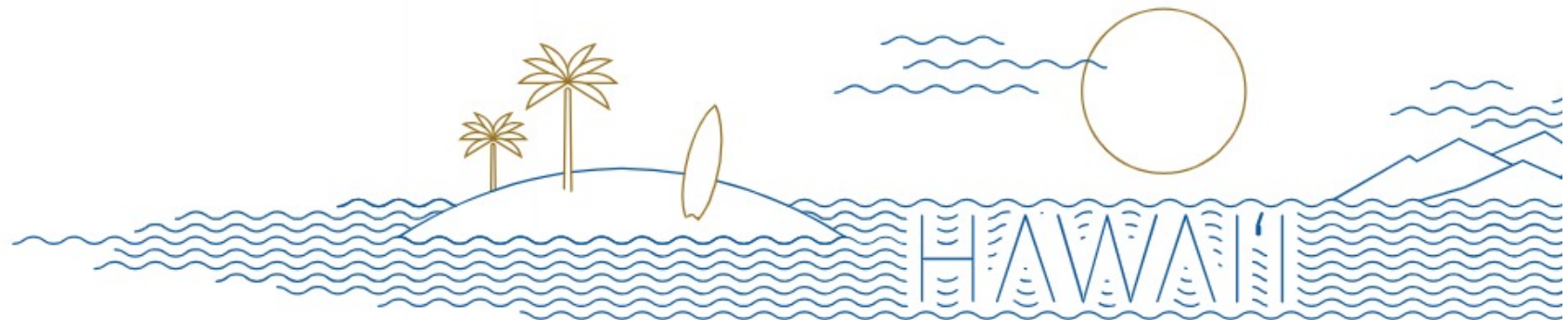
Client Services – Highlights

Promo Trips:

- American Society for Transplantation and Cellular Therapy – San Antonio.

Sites:

- American Academy Pediatric Dentistry (2029)
- American Fisheries Society (September 2024)
- Association of Computing Machinery (CHI) (May 2024)



GLOBAL MCI UPDATES – Feb-Mar '24

Strategic Partnerships – Highlights

SITE Global

- SITE Classic 2025 Maui
- Webinar: Exploring CSR in Incentive Travel

HelmsBriscoe

- 1400 Associates members | 60 countries
- Messaging continues through April

Meet with Momentum

- Top 30 Corporate & Incentive Clients
- Marriott

THANK YOU TO OUR VALUED SPONSORS & HOTEL PARTNERS!



Exploring CSR in Incentive Travel: Case Study Examples with Meet Hawaii

Friday, March 15 at @ 10am Chicago | 3pm Dublin | 10pm Bangkok

Join Meet Hawaii'i and their partners as they share how CSR bridges generations, builds awareness, and strengthens relationships through the power of Mālama (care for the destination).

This webinar will showcase how finding the right CSR opportunities that are unique to a destination not only make a difference; they can also transform programs into life-changing experiences that meet company and community goals.

[Register now](#)



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

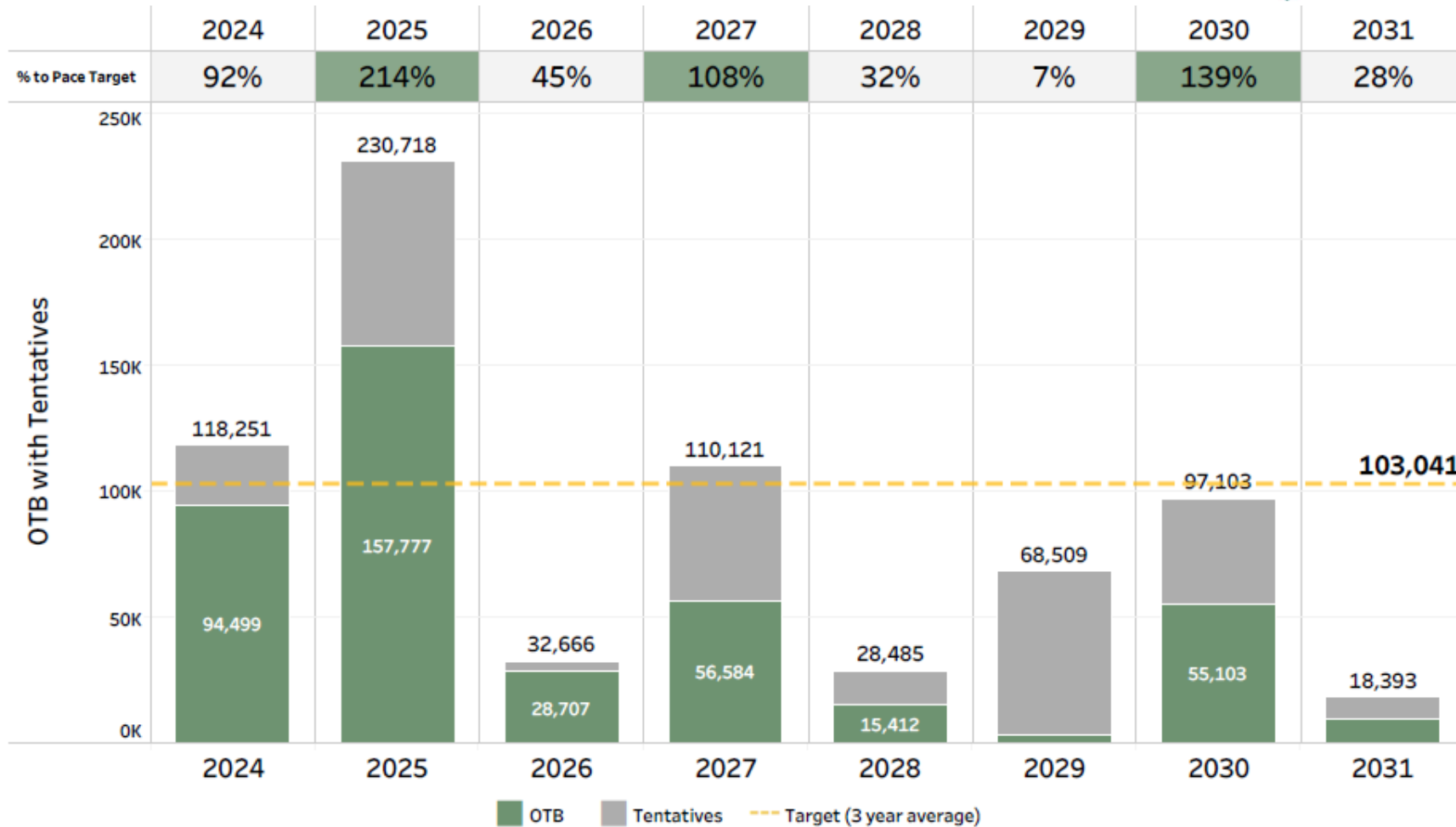
February 2024 Year-to-Date (YTD)

Citywide Room Nights	Feb 2024	Feb 2023	Variance	2024 YTD	2023 YTD	Variance
Citywide Definite RN	2,135	6,409	-67%	8,916	9,469	-6%
Citywide Tentative RN	78,407	9,787	+701%	82,990	75,893	+9%
#Citywide Booked Events	2	3	-33%	3	5	-40%

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

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
2024	18	28	(10)	-36%	10	5	28
2025	15	14	1	7%	13	9	28
2026	5	8	(3)	-38%	23	3	28
2027	6	6	0	0%	22	5	28
2028	3	5	(2)	-40%	25	2	28
2029	1	4	(3)	-75%	27	4	28
2031	1	2	(1)	-50%	27	1	28

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

SINGLE PROPERTY PRODUCTION

SINGLE PROPERTY SALES PRODUCTION

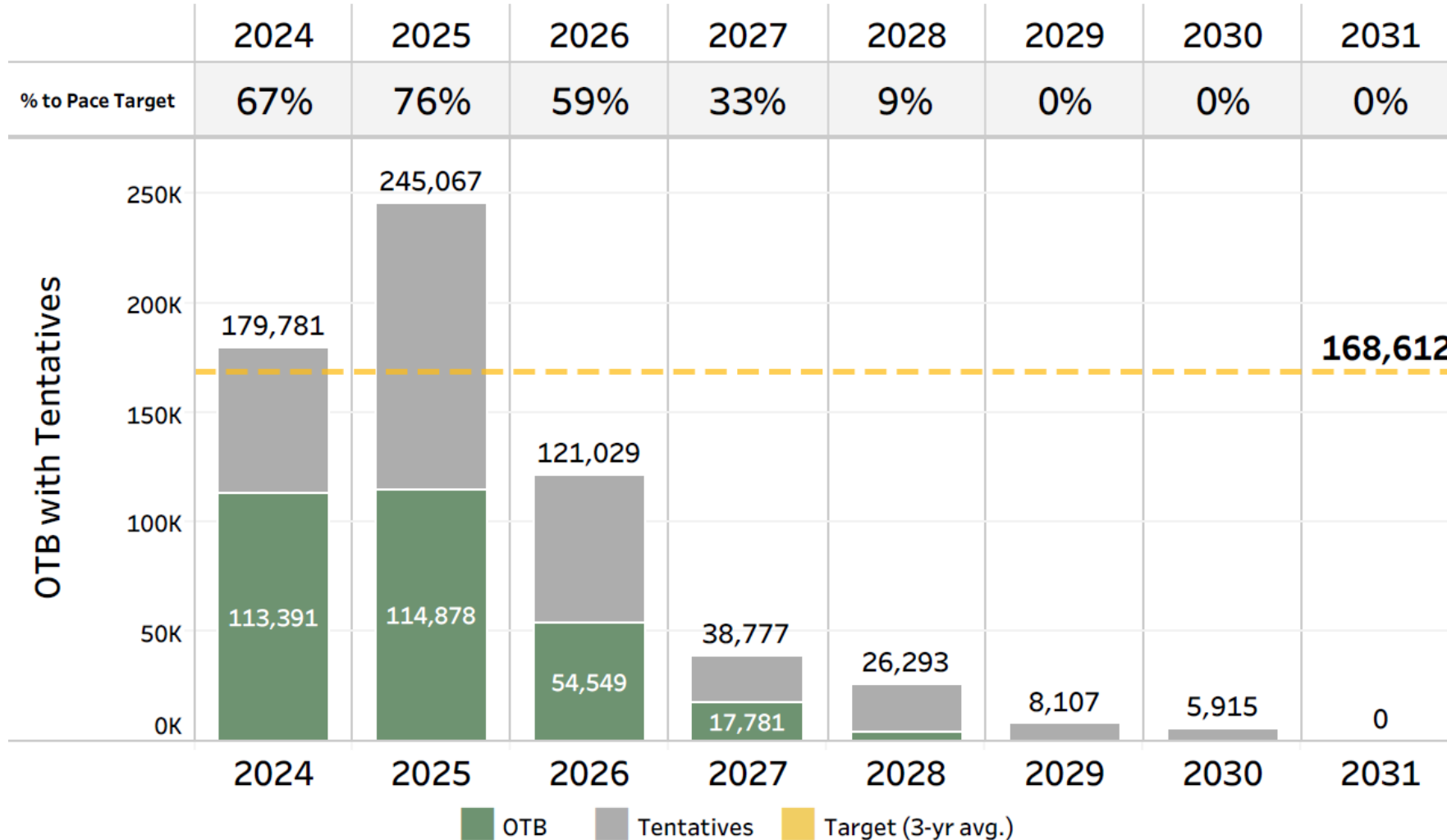
February 2024 Year-to-Date (YTD)

Single Property Room Nights	Feb 2024	Feb 2023	Variance	2024 YTD	2023 YTD	Variance
Single Property Definite RN	1,032	4,315	-76%	1,599	5,443	-71%
Single Property Tentative RN	61,130	37,057	+65%	101,595	92,332	+10%
# Single Property Booked Events	3	5	-40%	4	6	-33%

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

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	43,631	\$78.2 M	843	\$1.0 M
Kaua'i	39,401	\$67.7 M	0	\$0.0 M
Lāna'i	3,034	\$6.3 M	0	\$0.0 M
Maui	57,653	\$111.6 M	567	\$1.3 M
O'ahu	81,589	\$190.7 M	189	\$0.4 M

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

MAHALO