



**HĀLĀWAI PAPA ALAKA'Ī KŪMAU  
KE'ENA KULEANA HO'OKIPA O HAWAII'**

**HĀLĀWAI KINO A KIKOHO'E  
HYBRID MEETING**

**REGULAR BOARD MEETING  
HAWAII TOURISM AUTHORITY**

***Pō'ahā, 23 Kēkēmapa 2021, 9:30 a.m.***  
**Thursday, December 23, 2021 at 9:30 a.m.**

***Kikowaena Hālāwai O Hawaii'***  
***Papahēle 'Ehā | Lumi Nui C***  
***1801 Alaākea Kalākaua***  
***Honolulu, Hawaii' 96815***

**Hawaii Convention Center**  
**Fourth Floor | Ballroom C**  
**1801 Kalākaua Avenue**  
**Honolulu, Hawaii' 96815**

*'O ka ho'opakele i ke ola o ka lehulehu ka makakoho nui. E malii ana ke ke'ena i ke kuhikuhina a nā loea no ke kū kōwā, ka uhi maka, me nā koina pili olakino 'ē a'e. Koi 'ia ke komo i ka uhi maka a me ke kū kōwā ma nā ke'ena a ma nā hālāwai.*

*Koi 'ia ka hō'oiā i kou olakino maika'i ma mua o ke komo i ke Kikowaena Hālāwai O Hawaii' ma ka 'ipuka o waena o ka hale ho'okū ka'a. E pāpā 'ia ke komo 'ana o ke kanaka nona ka piwa ma luna a'e o ka 100.4°F. Inā 'ōma'ima'i 'oe, e 'olu'olu, e 'imi i ke kauka nāna e kōkua iā 'oe.*

*No nā kānaka a pau e komo ana i kēia hale, koi 'ia ka hō'ike 'ana i ke kāleka lā'au ko'oko'o a i 'ole ka hō'ike COVID-19 'ole i loko o nā lā 'ehiku ma mua pono o ke komo.*

**The safety of the public is of the utmost importance. Pursuant to expert guidance, HTA will be following strict physical distancing, facial coverings, and other health-related requirements. Face coverings and physical distancing are required in HTA offices and meetings.**

**Entrance to the Hawaii Convention Center requires a health screening at the center parking garage entrance. Persons with a temperature of over 100.4°F will be denied entry.**

**Anyone entering this facility are required to provide proof of vaccination or proof of a negative COVID-19 test result within the past 72 hours before entering our facility.**

***Hiki i ka lehulehu ke hālāwai pū ma o ka ZOOM.***  
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**Register in advance for this webinar:**

[https://us06web.zoom.us/webinar/register/WN\\_-mqWrI6SQA9d-j9oBQnBw](https://us06web.zoom.us/webinar/register/WN_-mqWrI6SQA9d-j9oBQnBw)

*Ma hope o ke kāinoa 'ana, e ho'ouna 'ia ka leka uila hō'oiā iā 'oe me ka 'ikepili ho'oku'i hālāwai.*  
After registering, you will receive a confirmation email containing information about joining the webinar.



***Papa Kumumana'o***  
**AGENDA**

1. *Ho'omaka*  
**Call to Order**
2. *Wehena*  
**Opening Cultural Protocol**
3. *'Āpono I Ka Mo'o'ōlelo Hālāwai*  
**Approval of Minutes** of the November 25, 2021 Board Meeting
4. *Hō'ike Lālā*  
**Report of Permitted Interactions** at an Informational Meeting or Presentation Not Organized by the Board Under HRS section 92-2.5(c)
5. *Hō'ike A Ka Luna Ho'okele*  
**Reports of the Chief Executive Officer/Chief Administrative Officer/Chief Brand Officer**
  - a. *Hō'ike No Ka Ho'okō I Nā Pāhana HTA Like'ole*  
Relating to **Update on HTA's Programs** During November 2021
  - b. *Hō'ike No Ko HTA Ho'okō I Ka Papahana Ho'okele Huliau*  
Relating to **Update on HTA's Implementation of Change Management Plan**
6. *Hō'ike No Ke Kōmike Ho'okele A Hō'ōia*  
Report by the **Administrative & Audit Standing Committee** of their Meetings held on December 14, 2021 and December 20, 2021
  - a. *Hō'ike, Kūkākūkā A Ho'oholo No Ka Hō'ōia Pilawaiwai a ke Ke'ena Kuleana Ho'okipa Hawai'i*  
Presentation, Discussion and Action on the **Hawai'i Tourism Authority's Fiscal Year 2021 Financial Audit**
  - b. *Kūkākūkā A Ho'oholo No Nā Kuleana Kulekele O Ke Kau 'Aha'ōlelo 2022*  
Discussion and Action on **Policy Positions for the Legislative Session**
  - c. *Hō'ike, Kūkākūkā A Ho'oholo No Ka 'Ōlelo Ho'oholo 2021-3-1*  
Presentation, Discussion and Action on **Resolution 2021-3-1 Authorizing the HTA President & CEO to Present Policy Positions During the Legislative Session**



7. *Hō'ike No Ke Kōmike Alowelo*

Report by the **Branding Standing Committee** of their Meeting held on December 22, 2021

- a. *Hō'ike 'Ikepili Noi'i 'Oihana Ho'omāka'ika'i*  
Presentation and Discussion of **Current Market Insights and Conditions in Hawai'i and Key Major Hawai'i Tourism Markets**
- b. *Hō'ike, Kūkākūkā a Ho'oholo i Kā Kanaka Kālai Ho'okele Hokona a Alowelo no ka Makahiki 2022 me ka 'Āpono e Ho'oholomua i ka Papa Alaka'i*  
Presentation, Discussion and/or Action on the **Hawai'i Tourism Canada 2022 Brand Marketing & Management Plan (BMMP)**. Recommendation to Approve the BMMP
- c. *Hō'ike, Kūkākūkā a Ho'oholo i Kā Kina Kālai Ho'okele Hokona a Alowelo no ka Makahiki 2022 me ka 'Āpono e Ho'oholomua i ka Papa Alaka'i*  
Presentation, Discussion and/or Action on the **Hawai'i Tourism China 2022 Brand Marketing & Management Plan (BMMP)**. Recommendation to Approve the BMMP
- d. *Hō'ike, Kūkākūkā a Ho'oholo i Kā Oceania Kālai Ho'okele Hokona a Alowelo no ka Makahiki 2022 me ka 'Āpono e Ho'oholomua i ka Papa Alaka'i*  
Presentation, Discussion and/or Action on the **Hawai'i Tourism Oceania 2022 Brand Marketing & Management Plan (BMMP)**. Recommendation to Approve the BMMP
- e. *Hō'ike, Kūkākūkā a Ho'oholo i Kā Kōlea Kālai Ho'okele Hokona a Alowelo no ka Makahiki 2022 me ka 'Āpono e Ho'oholomua i ka Papa Alaka'i*  
Presentation, Discussion and/or Action on the **Hawai'i Tourism Korea 2022 Brand Marketing & Management Plan (BMMP)**. Recommendation to Approve the BMMP
- f. *Hō'ike, Kūkākūkā a Ho'oholo i Kā Iāpana Kālai Ho'okele Hokona a Alowelo no ka Makahiki 2022 me ka 'Āpono e Ho'oholomua i ka Papa Alaka'i*  
Presentation, Discussion and/or Action on the **Hawai'i Tourism Japan 2022 Brand Marketing & Management Plan (BMMP)**. Recommendation to Approve the BMMP
- g. *Hō'ike, Kūkākūkā a Ho'oholo i Kā 'Amelika Hui Pū 'ia Kālai Ho'okele Hokona a Alowelo no ka Makahiki 2022 me ka 'Āpono e Ho'oholomua i ka Papa Alaka'i*  
Presentation, Discussion and/or Action on the **Hawai'i Tourism United States of America 2022 Brand Marketing & Management Plan (BMMP)**. Recommendation to Approve the BMMP



8. *Hō'ike No Ke Kōmike Mo'ohelu Kālā, 'Oihana Kālā, A Me A Me Ke Kikowaena Hālāwai*  
Report by the **Budget, Finance, and Convention Center Standing Committee** of their Meeting held on December 21, 2021
  - a. *Hō'ike, Kūkākūkā A Ho'oholo No Nā Mo'okālā*  
Presentation, Discussion and Action on **HTA's Financial Report** for November 2021
  - b. *Kūkākūkā A Ho'oholo No Nā Laina Kiko'i O Ka Mo'ohelu Kālā No Ka Makahiki 'Auhau 2022*  
Discussion and action on the Hawai'i Tourism Authority's **Fiscal Year 2021 Budget Line Items Identified by Board Members as Requiring Additional Information Prior to Action** to Approve or Disapprove
9. *Hō'ike No Ke Kōmike Ho'okahua Hawai'i*  
Report of the **Ho'okahua Hawai'i Standing Committee** of their Meeting held on December 13, 2021
  - a. *Hō'ike No Ka Ho'okō I Nā Papahana Mālama 'Āina Ho'okipa*  
Progress Report of the **Fall Destination Management Action Plans (DMAPs)**
10. *Panina*  
Closing Cultural Protocol
11. *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 ko Hawai'i 'ano, he wahi i kīpa 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 Hawaii, lunch is served as an integral part of the meeting, while the meeting continues in session, and not during a break.



# HAWAII TOURISM AUTHORITY

Hawai'i Convention Center  
1801 Kalākaua Avenue, Honolulu, Hawai'i 96815  
kelepona tel 808 973 2255  
kelepa'i fax 808 973 2253  
kahua pa'a web hawaiiitourismauthority.org

David Y. Ige  
Governor

John De Fries  
President and Chief Executive Officer

*Kono 'ia ka lehulehu e nānā mai i ka hālāwai a ho'ouna mai i ka 'ōlelo hō'ike kākau 'ia no kēlā me kēia kumuhana i helu 'ia ma ka papa kumumana'o. Hiki ke ho'ouna mai i nā 'ōlelo hō'ike kākau 'ia ma mua o ka hālāwai iā [carole@gohta.net](mailto:carole@gohta.net) a i 'ole ho'ouna i ka leka i Ke'ena Kuleana Ho'okipa O Hawai'i, 1801 Kalakaua Avenue, Honolulu, HI 96815 - Attn: Carole Hagihara-Loo. Inā pono ke kōkua ma muli o kekahi kīnānā, e ho'omaopopo aku iā Carole Hagihara-Loo (808-973-2289 a i 'ole [carole@gohta.net](mailto:carole@gohta.net)), he 'ekolu lā ma mua o ka hālāwai ka lohi loa.*

Members of the public are invited to view the public meeting and provide written testimony on any agenda item. Written testimony may be submitted prior to the meeting to the HTA by email to [carole@gohta.net](mailto:carole@gohta.net) or [by postal mail to the Hawai'i Tourism Authority, 1801 Kalākaua Avenue, Honolulu, HI 96815 - Attn: Carole Hagihara-Loo](#). Any person requiring an auxiliary aid/service or other accommodation due to a disability, please contact Carole Hagihara-Loo (808-973-2289 or [carole@gohta.net](mailto:carole@gohta.net)) no later than 3 days prior to the meeting so arrangements can be made.

### **3**

Approval of Minutes of the November 18, 2021  
Board Meeting



**REGULAR BOARD MEETING  
HAWAII TOURISM AUTHORITY  
Thursday, November 18, 2021, at 9:30 a.m.**

**In-Person and Virtual Meeting  
Hawai'i Convention Center  
1801 Kalākaua Avenue, Honolulu, Hawai'i 96815**

**MINUTES OF REGULAR BOARD MEETING**

**MEMBERS PRESENT:**

George Kam (Chair), David Arakawa, Kimi Yuen, Micah Alameda, Fred Atkins, Dylan Ching, Keone Downing, Kyoko Kimura, Sherry Menor-McNamara, Sig Zane, Ben Rafter

**MEMBER NOT PRESENT:**

Daniel Chun

**HTA STAFF PRESENT:**

John De Fries, Keith Regan, Kalani Ka'anā'anā, Marc Togashi, Caroline Anderson, Carole Hagihara, Iwalani Kaho'ohanohano, Todd Toguchi, Maka Casson-Fisher

**GUESTS:**

Jennifer Chun, Chung Chang, Charlene Chan, John Reyes, Erin Khan, John Monahan, Jay Talwar, Tom Mullen, Jessica Lani Rich, Eric Takahata, Teri Orton, Mari Tait, Allison Schaefer

**LEGAL COUNSEL:**

Gregg Kinkley

**1. Call to Order**

Chair Kam called the meeting to order at 9:32 a.m. Mr. Regan provided instructions to the general public with regards to submitting testimony. He confirmed the attendance of the Committee members by roll call.

**2. Opening Cultural Protocol**

Maka Casson-Fisher opened the meeting with a pule.

**3. Approval of Minutes of the October 28, 2021, Board Meeting**

Chair Kam asked for a motion. Ms. Kimura made a motion which was seconded by Ms. Yuen. The motion was unanimously approved.

**4. Report of Permitted Interactions at an Informational Meeting or Presentation Not Organized by the Board Under HRS section 92-2.5(c)**

There were no permitted interactions to report.

**5. Presentation, Discussion and Action on HTA's Financial Report for October 2021**

Mr. Togashi stated that one change for October's budget statement summary packets is a change in formatting to all four funds as it is appropriate to show all four funds on a one-page budget statement. He said that the focus of the I report as always is on the executive summary itself.

He reported that, as of October 31st, they have \$61.2 million in cash and investments in the Tourism Special Fund, which represents a \$3.1 million decrease from September, \$5 million is reserved as the emergency fund, \$53.5 million is encumbered to contracts and \$2.7 million remains unencumbered regarding the Tourism Federal Fund.

He stated that the board has approved individual budget lines totaling \$35 million so far, this fiscal year, of which they have encumbered \$3.2 million for payroll.

He reported there is \$895,000 in funds for Admin and Governance that was released by the department of Budget and Finance, bringing the total to \$4.2 million year to date and regarding the Convention Center Enterprise Special Fund and Convention Center Federal Fund, there were no significant changes.

Chair Kam asked for a motion to accept the financials as presented. Mr. Ching made a motion, and it was seconded by Ms. Yuen. The motion was unanimously approved.

**6. Report of the Chief Executive Officer/Chief Administrative Officer/Chief Brand Officer Relating to Staff's Implementation of HTA's Programs During October 2021**



Mr. Regan reported that all four DMAP managers have been hired. He stated that there is significant attention and focus on the DMAPS to make sure that they are moving them forward and accomplishing the actions and sub actions contained within those plans. He said that they have continued to have the hospitality industry updates.

He reported, with regards to the Visitor Assistance Programs, the number of cases has been handled year to date; Maui has handled 102, 195 visitors, Hawai'i County has handled 191 cases, 530 visitors, the city and county, which is run by the VASH Partners, has handled 567 cases, 1,513 visitors and Kauai has handled 75 cases, 200 visitors.

Mr. Ka'anā'anā reported that the pandemic drove a lot of traffic to the gohawaii.com website and if you filter all the COVID page traffic, it was still up 32%. He stated that, with regards to 2020 data, COVID traffic only decreases by about 8 to 20% and they believe that's attributed to consistent travel alerts and updates as well as their residual brand awareness and visitors dreaming about traveling to a bucket list destination again, and even with that decrease in traffic they remain one of the highest, year over year, relative to all other destinations as many other destinations saw traffic decreased from 30 to 50%.

He stated that they had 11.3 million in organic traffic, a year over year increase of 127%, 13.8 million overall site sessions and that 1.3 million is equal to an approximate 82% share of the overall website traffic. He mentioned that they are number four in SEO and the organic traffic that they are getting is saving about \$3 million. He reported that their monthly maintenance budget is \$24,000 per month, \$289,000 per annum for minimal site updates and SEO efforts, mainly attributable to hosting and server maintenance. He confirmed that most of the traffic is domestic.

## **7. Update on HTA's Implementation of Change Management Plan**

Mr. De Fries reported that the ARPA funds for FY 2022 is \$60 million and the remaining \$25 million of \$60 million will be discussed later today.

He stated that ENF will be developing and providing a form for HTA to submit a request. HTA intends to request an extension on the period of performance through December 31, 2024.

He reported that recruitments were conducted for several positions, including Senior Brand Managers, Brand Managers, Administrative Assistant, and contract, and Administrative Manager positions. He said that there are a total of seven vacancies with six positions in various stages of the HR process.

He reported that their finance and procurement teams continue to work through procedure revisions to comply with various new requirements set forth by the state procurement office, ARPA at the federal level and DBEDT. He said that procedures are being updated to include draft laws that were reviewed and amended by the HTA Board's Administrative Standing Committee.

He stated that, on 4 November, the draft code of conduct was discussed at the HTA Board's Administrative Standing Committee meeting, and it was determined that the recommendation would be to keep the current code of conduct policy number 103.

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

Ms. Chun reported that October TAT collections were \$44.8 million and the total for fiscal year 2022 is \$240.3 million, which is an increase of almost 300% compared to 2020. She stated that fiscal year 2021 collections are \$17.5 million, which is up \$22.8 million.

She reported that, for the month of November, there was an increase of domestic air service compared to 2019 levels, but they are still lagging; however, coming into December and January, there is an increase in international air seats. She stated that, on November 8, they stopped screening international direct flights to Hawai'i because they are abiding by the federal rules.

She reported that, looking at the recovery index for Skift from October 2021, a lot more countries are seeming to be ready to travel including Australia, Canada, Japan and the U.S. She reported that, looking at the U.S. travel forecast, they are predicting that they will get back to 2019 levels in approximately 2023, in terms of total number of trips.

She said they broke it down between domestic trips and international trips (Hawai'i is part of the domestic trips). She said that in 2019 there were 40 million international arrivals, not including Canada and Mexico, but that international recovery is not being seen until 2025, according to U.S. Travel Forecast.

She reported that, according to U.S. travel forecast and special research between October 28 and November 14, the results of whether people are considering a vacation to Hawai'i or whether there are too many restriction requirements, shows that the cost of the Hawai'i vacation is difficult for them due to personal finances. She stated that 9% is due to general entry requirements for safe travels, the general threat of COVID is high and not feeling welcome in Hawai'i is 4%.

She reported that 51% of Canadians have some intention to travel during the winter and almost half of the people who are intending to travel are looking to go outside of Canada. She said that the top motivator for travel for Canadians is favorable weather and the levels are still below 2019 levels for booking. She said there is an uptick in travel agency bookings for Australia.

She reported that the cancellations and rebooking's as a percentage of the total ticket transactions for travel agencies is getting lower and closer to the 2019 trend for the U.S. market. She stated that the booking volume for travel agencies is lower than 2019, but there is an increase in volume for Q2 2022 and Q3 2022.

She reported that, with regards to Maui, there is a little bit of activity from Canada and Australia, and the Canadians are a lot stronger on Maui than they were on Oahu. She stated that most of the visitors the Hawai'i are going to be from the U.S. market.

**9. Report of the Budgetary Review Investigative Committee of their Meeting held on November 16, 2021**

Mr. Rafter reported that they requested confirmation from the State on when they can spend the ARPA funds and they then decomposed various budget macro areas to better understand where many of the key HTA activities are located, particularly in the branding area.

**10. Discussion and Approval of the Fiscal Year 2022 Budget of the Hawai'i Tourism Authority**

Mr. Regan stated there is a listing in the meeting packet that applies all the changes that were made and updates to the documents based on those conversations and feedbacks from all the members from BRIC and the Marketing Standing Committee.

He reported that about 58% of the budget had already been preapproved by the board, which is \$35 million, so what they are talking about now is the remain the remaining \$25 million in ARPA funds.

He stated that they made the movements of the funds that were discussed in the Marketing Standing Committee meeting into general categories within those areas, for example, the \$700,000 for the technology consultant, \$10 million that was for the Smart Destination Hawai'i concept and \$500,000 for the small business support was moved into a general line item so that they can come back to the Board in the future.

Mr. Atkins expressed his concern about duplication in some of the proposals. He spoke about synergy between other departments in the line items and bringing it to the BRIC on a

monthly basis, and they can take it to the Board and support that they move forward, followed by going out to RFP.

Mr. Regan stated that they are asking for consideration and approval of the 2022 revised draft budget as presented based on the conversations that they had with all the members, the Marketing Standing Committee meeting, as well as the BRIC input that was incorporated into that document.

He stated that option one is a proviso, and the other option is coming back to the Board before expending or encumbering the money.

Mr. Ka'anā'anā stated that he would like to get started on the programs that they think they can get done for this fiscal year.

Chair Kam stated that conceptually they are approving the budget based on what it is, but they need to identify if there are more than 3 programs that they want to have on the list.

Mr. Rafter suggested the entire board take a week to identify other items and they proceed with voting on the budget today, with those provisos in place because there are a lot of other things in the budget that are probably ready to go and can't wait another month or two.

Mr. Regan stated that the motion on the floor is to approve the draft proposed fiscal year 2022 budget with the proviso that they will not expend from the budget, the budget line items that are newly approved, of the \$25 million until at least one week from now where upon they will receive a listing from the Board of budget line items stating that more detail is being required or requested before they move forward in expenditure.

Chair Kam asked for a motion. Mr. Downing made a motion, and it was seconded by Ms. Yuen. The motion was unanimously approved.

#### **11. Report by the Administrative Standing Committee of their Meeting held on November 4, 2021**

Chair Kam stated that they discussed the bylaws, the code of conduct, potential formation of committees and PIG's and the executive review. He reported that the Administrative Committee decided to keep the current code of conduct that they have in place. He said they decided they will just review the CEO and the CEO is responsible for reviewing his Chief Administrative Officer and the Chief Brand Officer.

Mr. Arakawa spoke on the necessity of a legislative permitted interaction group. He said they will work on the position statement for HTA and present at the December board meeting.

Ms. Kimura stated that the reason why they propose to keep the current code of conduct is that it is in line with the chapter 84 and the reviewing of the CEO is in the statute.

## **12. Discussion and Action on Proposed Draft Bylaws**

Chair Kam stated that one of the main things that will help transparency and have all board members participate is article five on the committees, one of the paragraphs says “all board members are members of all committees, but only those members appointed as voting members of a committee may vote at committee meetings, board members who are not appointed as voting members of a committee may attend committee meetings as ex-official non-voting committee members” which means all board members are members of the committees that can participate but only six of the voting members can vote, the other six will be ex-official.

He reported that section two was a Branding Standing Committee, section three is an Administrative and Audit Standing Committee, section four is a Budget, Finance and Convention Center Standing Committee and section five is a Malama Ku’u Home Standing Committee.

Chair Kam asked for a motion to approve the bylaws. Ms. Yuen made a motion, and it was seconded by Ms. Kimura. The motion was unanimously approved.

## **13. Discussion and Action on Proposed Draft Code of Conduct**

Chair Kam stated that they decided to keep the current code of conduct.

Chair Kam asked for a motion to reject the proposed draft of the code of conduct so that they may retain the current code of conduct Ms. Kimura made a motion, and it was seconded by Mr. Ching. The motion was unanimously approved.

## **14. Discussion and Action on Proposed Committee Assignments for Standing Committees**

Chair Kam mentioned recommendations for possible committee assignments and said he was trying to give everybody at least one or two on their rankings.

He stated that, for the Branding Standing Committee, he has Mr. Atkins, Mr. Ching, Ms. Menor-McNamara, Mr. Rafter Mr. Zane. He mentioned that Ms. Kimura also asked to be on that committee, and he proposed having Mr. Atkins be the Chair and Mr. Ching be the First Vice Chair.

Mr. Arakawa asked if Ms. Kimura represents Maui and mentioned that she understands the Japanese which is very important to Hawai'i. He stated that he would like for Chair Kam to be involved in the Branding Standing Committee.

Chair Kam stated that, on the Administrative and Audit Standing Committee, he has Chair Kam, Mr. Arakawa, Ms. Yuen, Mr. Ching, Mr. Downing and Ms. Kimura, with Chair Kam as Chair Mr. Arakawa as First Vice Chair.

He reported that, for Budget, Finance and Convention Center Standing Committee, it is Mr. Arakawa, Ms. Yuen, Mr. Alameda, Mr. Atkins and Mr. Rafter and Ms. Kimura with Mr. Rafter as Chair and Mr. Atkins as First Vice Chair.

He stated that, on the Ho'ó Kahua Hawai'i Standing Committee, he has Ms. Yuen, Mr. Ching, Mr. Chun, Mr. Downing, Mr. Zane and Chair Kam with Ms. Yuen as Chair and Mr. Downing as Vice Chair.

He stated that, on the Legislative Committee PIG, he has Chair Kam, Mr. Arakawa as Chair, Mr. Alameda as First Vice Chair, Mr. Atkins, Mr. Chun and Mr. Rafter.

Chair Kam asked for a motion to approve the committee assignments. Mr. Atkins made a motion, and it was seconded by Ms. Yuen. The motion was unanimously approved.

**15. Discussion and Action on the Creation of a Legislative Permitted Interaction Group for the Purpose of Developing Policy Positions and Legislation for the 2022 Legislative Session**

Chair Kam asked for a motion to approve the creation of a legislative permitted interaction group for the purpose of developing policy positions and legislation for the 2022 legislative session. Mr. Atkins made a motion, and the motion was seconded by Ms. Yuen. The motion was unanimously approved.

**16. Discussion and Action on the Assignment of Board Members to the Legislative Permitted Interaction Group. This Agenda Item is Dependent on the Approval of the Creation of the Legislative Permitted Interaction Group**

Chair Kam stated that, on the Legislative Committee PIG, he has Chair Kam, Mr. Arakawa as Chair, Mr. Alameda as First Vice Chair, Mr. Atkins, Mr. Chun and Mr. Rafter.

Chair Kam asked for a motion to approve the members of the Legislative Committee PIG. Ms. Yuen made a motion, and the motion was seconded by Mr. Ching. The motion was unanimously approved.

**17. Report by the Marketing Standing Committee of their Meeting held on November 15, 2021**

Chair Kam stated that part of the meeting was about four different proposals with regards to the Hawaiian Islands rebranding project, and the proposed budget was \$1million. He said that it is to maintain an increased brand strength with new positioning for Hawai'i that is aligned with the current market conditions and resident sentiment. He stated that they support this program at this time.

He reported that another item was the destination management technology consulting services with a proposed budget of \$700,000 which was funding to support strategic consulting services for implementing various technology solutions for Hawai'i, as it pertains to destination management and they felt they needed more information to recommend, therefore they in theory have a conditional approval.

He stated that another item was a local business support program with a proposed budget for \$500,000 to support a marketing campaign for visitors, which encourages visitors to buy local and support Hawai'i's own tourism related businesses in order to raise awareness and spending amongst them. He reported that there was a conditional approval needing more information at that time.

He reported that the last item was a Smart Destinations Hawai'i with a proposed budget of \$10 million. Which included planning, design and implementation of a suite of digital infrastructure to advance Hawai'i as a premier visitor destination and as a lifestyle brand. He stated that the elements include the development of regenerative tourism engine modules to support Hawai'i and Hawai'i made products, reservations, booking engine and unique Hawai'i content for the Hawaiian island. He said they needed more information to recommend to the Board, so it is standing neutral from the Marketing Committee.

Mr. Ka'anā'anā stated that they will do more due diligence on those and come back to this board for more feedback at a later time which he hopes will be in the next few months. He mentioned that it will be market research that will have to go into what becomes an RFP.

He stated that they won't know what the offer is so there won't be specific line-item budgets or specific KPI's as those are things that'll be evaluated by the Evaluation Committee as part of the procurement process.

Ms. Kimura suggested the possibility of co-funding from DLNR for the consultation item and the local business item.

#### **18. Discussion and Update on Meetings, Conventions, and Incentives (MCI) Business and Convention Center**

Mr. Monahan stated that, in 2019, there was about a 20% higher per person per day spending, they also stay an established accommodation and are not prone to alternative short-term rentals.

He stated that, on January 1, 2020, HVCB was awarded the global MCI contract for Single Property and Citywide Sales and Marketing.

He stated that they were servicing customers that had events in the future and they held virtual webinars to inform the clients of what was going on in Hawai'i.

He reported that, in February of 2021, they got additional funding and began to build back the MCI team, primarily through the Citywide program. He said they hired senior directors for all three of the corporate markets, the Eastern associations and the Midwest associations.

Mr. Reyes stated that their priority as they rebuilt the Citywide team was to attract the best team that they could put together, so they were very excited to hire Ernie Garcia who came from San Francisco Travel, but more importantly, for 18 years sold the Mosconi Convention Center and all the major corporate Citywide's in San Francisco he had a hand in. He reported that they were excited to have Adrienne Nudo from San Antonio who will be covering the Midwest as well as the mountain states and West Coast, and Lynn Whitehead from the San Diego Convention and Visitors Bureau. He mentioned that Ms. Nudo is based out of Chicago area, Mr. Garcia is based out of the San Francisco area and Ms. Whitehead is based out of the DC area.

Mr. Reyes reported that the 2020 calendar year was the best Citywide year, they had over 20 events and all those events canceled due to COVID, but they were able to rebook 47% back to Hawai'i.



Mr. Monahan reported that the leisure segment is going to almost fully recover in the coming year, but the meetings business is only going to fully recover in 2024. He noted that international travel, which has an MCI component, is expected to reach 72% of 2019 levels.

Mr. Reyes mentioned the previous week in Las Vegas where there were over 10,000 attendees at IMEX not wearing masks because had to be fully vaccinated. He said there were over 3,500 exhibitors representing 155 countries, they had 27 hotel properties, five destination management companies and over 687 total partner appointments.

Mr. Monahan said it was very exciting to see that there was enthusiasm for business travel. He reported that lost Citywide business, Convention Center business, from the beginning of the pandemic was \$520 million worth of economic impact and they have been able to rebook 47% of that.

Mr. Reyes reported that the number one question that they had at IMEX was “are you open?” and a lot of their participants were asking if Meet Hawai‘i could assist in getting an official statement to meeting customers that says structured events are welcome in Hawai‘i and they are willing to follow whatever protocols are established. He stated that since the pandemic they have had MCI updates on every island and within a one-week period they organized a Meet Hawai‘i Grid which is on their webpage.

Mr. Monahan reported that there are cancellations in 2022 because of uncertainty.

Mr. Monahan said that HTA and Meet Hawai‘i and were actively working with the administration, Department of Health, the city and county of Honolulu and with the customer on the issues.

Mr. Reyes mentioned that a corporate group of 2,200 attendees (Franchise corporation) flew into O‘ahu on Monday. Mr. Reyes and Mr. Garcia met them at the Convention Center to look at options. He said that they really want to come to Hawai‘i in January of 2022, but they must make decisions logistically and the key on this is being able to get an official statement and an understanding of how to be able to have a citywide convention under current restrictions that can go beyond 300 customers. He stated that this customer is not comfortable waiting longer in hopes of an official lift capacity.

Mr. Reyes reported that everyone is talking about Single Property business being strong. The pace line should be at about 120,000, and they are at 100,000 now. He mentioned there are a lot of tentative opportunities to still work on, so they feel positive about 2022. They feel very good about single property business. He mentioned the concern is, if you look at citywide business in their baseline, it takes five to seven years to book a citywide

convention in Hawai'i. He stated that using the 5-year formula, any association that has an opportunity to book the convention in '27 and beyond, those are who they are targeting. He mentioned that anything beyond 26 is high priority, and they're trying to fill in that Citywide business. He mentioned that it's important to let all structured events know that they're welcome to Hawai'i.

Mr. Monahan mentioned they're trying to help businesses recover and that they are a well-positioned, smaller team, an experienced team. They see demand and have further evidence from last week at IMAX that all they need is the continued work locally to help ease the restrictions and help come up with mitigation plans to allow these events. He stated they're working hard to see that, and he's optimistic that they'll be able to get something done in the near future.

Mr. Atkins thanked Mr. Monahan and Mr. Reyes for the presentation and letting them know the urgency of the message. He said it sounded like they have a good team in place but that their hands are tied because they don't know when they're going to be open and what the protocols are. He mentioned that he read the Trade magazine about three months ago and that it stated that Las Vegas was open and inviting visitors, and that they were booking a lot of short term and long-term business. He said the competition out there is open now. He mentioned that he hopes the governor can speak with them verbally and put it in writing what the conditions are.

He mentioned that regarding single properties in Kuaia, when the message came through that they were closed for a couple of months, there were tens of millions of dollars lost within the first week. He also stated that when there is a booking on Kuaia for a big group, the trickledown effect for the communities is huge, whether it's the people that do sound and lighting, staging, music or the entertainers, it all comes down to community.

He mentioned that they lost \$200,000 themselves within two months. He said they've also had a number of groups, smaller groups of a hundred or less, and they also stick to strict protocols, to make sure it works for all parties. He thinks that convention groups are the safest travelers. He mentioned that the cruise ships aren't back, but he thinks they will be safe travelers too, as they can't afford any mistakes. He thinks that the message gets out so they can go out to get the business needed for single properties, city wise convention.

Mr. Monahan agreed with Mr. Atkins, stating that these are professionally structured events, and they know they have a lot at stake if they have a cluster. He thinks the reason for so many cancellations is the natural fear of clusters. He mentioned the number they gave were Citywide losses. He stated that they assist the hotels in making the connection

and the sale, so they don't really know the number but it's a multiple loss for the convention center.

Mr. Atkins reiterated that most of the groups are vaccinated, but those that aren't vaccinated are tested every other day. He feels comfortable to move forward and get the messaging out.

Mr. Monahan mentioned they are having verbal conversations with the decision makers, face to face, so there is traction, and he hopes it comes to fruition.

Mr. Arakawa asked what HTA's role is in this. He asked if they must just sit and let them do their thing.

Mr. Monahan mentioned that Mr. De Fries and Mr. Ka'anā'anā know everything that they're doing. He mentioned that Mr. De Fries is the meetings professional, and they rely on him, but from a standpoint of putting the right pressure in the right place and making the right communications, and that HTA has been a huge help to them.

Ms. Kimura asked why there is a cancellation, and the group went to Taiwan instead, given that the country has tighter COVID restrictions.

Mr. Reyes stated that a lot of the Citywide conventions have 30% to maybe 40% international and what was challenging for a lot of associations primarily is the inconsistency with Hawai'i Safe Travels and the federal jurisdiction on how people could get into the United States. He mentioned that it has changed recently with Biden's decision, but he thinks the other part of it is that the learning process is that it wasn't the date of the event, it was information that they had to provide to their attendees' bar in advance, and they just didn't feel comfortable if they couldn't give them a definitive answer for people to make those decisions.

Mr. Monahan followed up to Ms. Kimura's question mentioning that they all have an international element and there's an event called ASLO on one of the cancellations that in addition to their restrictions is the fact that they couldn't get their international visitors to the country up until recently.

Ms. Kimura asked if there are protocols, they can come up with, knowing that Mr. De Fries is sitting in COVID meetings with the governor. She suggested maybe to find testing to create a safety package set up to support the larger groups. She mentioned that she went to Vegas and everyone going to the Raiders game had to show vaccination, so she asked if there was a way that they can help, if there's funding to pay for the rapid test to support the MCI business.

Mr. Arakawa reiterated that Mr. De Fries is handing it.

Mr. Monahan stated that there is a lot of discussion around vaccinations. He suggested Ms. Orton to give some insight. He mentioned that vaccination is the baseline. He mentioned that events will do a self-test that is approved by Hawai'i, but that there are costs involved but that has not become an issue yet. He mentioned that the event would possibly cover the cost, but if it became an issue the MCI would figure out how to get it paid.

Mr. Reyes mentioned there are mitigation plans in place for health and safety. He reiterated Ms. Kimura's statement of, in the instance of meetings, conventions and incentives, they want the same alignment as safe travels. He said they can't understand that if people come into Hawai'i and show proof of vaccination and have a test, then why are the restrictions in place and that's where an official statement becomes so important because they want to feel welcome.

He mentioned that they're willing to test every other day, but they want an alignment. He reiterated that the cost of testing hasn't come up, but what is the protocol is what they are questioning and what needs to be done to ensure a safe and healthy Citywide incentive group in Hawai'i .

He mentioned that corporate accounts, in particular don't want to go to Hawai'i feeling that they're not wanted, and that's where an official statement becomes so important because all their attendees are reading newspaper articles. He mentioned that Ms. Orton, as general manager, and himself are overseeing the sales efforts and it stipulates that they're welcome. He mentioned they have protocols, and they can work on them, but there's no official weight behind it. He mentioned that he is trying to be respectful and also trying to understand how they can thrive in meetings, conventions and incentive environments, and book business, and be respectful of protocols.

Mr. Monahan mentioned they are writing a protocol document to present to the department of health to get buy in and that it's part of the process. He mentioned that as per Mr. De Fries' statement they are looking for some type of baseline protocol, and he said it is moving in that direction.

Mr. De Fries says it runs really close to what they did in the past with the previous year's golf events. He stated that Ms. Orton and the team have been running a bubble and said that's what they're looking for. He said that structured events are ideal for a bubble operation. He mentioned the golf tournaments are coming back up and all the protocols are being subjected.

Mr. Monahan mentioned they held golf tournaments prior to the vaccine with frequent testing. He followed up on Ms. Kimura's question mentioning that it boils down to how the testing will be done, or are they going to be vaccinated, and if they're not, how they are going to be tested, as well as the issue of social distancing. He stated that to hold one of these events satisfactorily for the client, it's very hard to do it with a static event where no one moves, where you're six feet distanced at all times. He mentioned that they want to be able to waive the social distancing in lieu of them doing the vaccination, and/or testing.

He mentioned that it has two phases, the event itself and meal service. He mentioned that meal service is a bit more static and something that need to be worked through as more people mingle at meals a bit longer.

Mr. Reyes addressed Ms. Orton saying that ASM global has put together a food and beverage plan, as well as other parts of how a Citywide convention operates. He stated that everything is in place, but they just have to tell customers they're welcome to come.

Mr. Regan confirmed there is no public comments at this time.

Ms. Orton began her report by talking about the restrictions because it dictates the business in the convention center. She pointed out the current restrictions for outdoor and indoor interactive event because that truly is where their focus is to allow small or larger meetings and more importantly, citywide conferences. She reported that currently their restrictions for indoor events are at 150 and outdoor at 500. Starting on November 24, they will move indoors to 300 and outdoors to no limit capacity based on the space that is being used.

She mentioned that, at some point they were able to operate in a no limit capacity for the space being rented so no social distancing applied, which was just prior to the Delta variant. He reported that they filled up their calendar immediately for short term business, within 12 to 24 months. She said that when the Delta variant hit it shut them down again.

She reported on the impact that the change in restrictions has had on the Center including the four citywide events that they lost, there were two associations and \$238,000 in lost revenue, two citywide corporate events at \$292,000 in lost revenue and the local events that was roughly \$604,000 in lost revenue. She mentioned that to date for the remainder of the fiscal year there are 42 definite events, including four Citywide's and 48 for option events meaning they are very interested, but they have not signed their license agreement yet, and these are all local events.

She stated that, as of October year to date, compared to the current forecast they are doing about \$80,700 better than anticipated to the budget.

She mentioned that the three state agencies that are in house are leaving at the end of this year.

Ms. Tait wanted to highlight some of the capital improvement projects. She reported on the list of priority projects that are managed by both the PMCM company and HCC. She stated that they are in the process of going out with an RFP to award a second PMCM company to help us with these projects.

She mentioned the four projects that they had completed since the August meeting; prior to that they had outlined nine projects that were completed from last year until 2021.

## **19. Closing Cultural Protocol**

## **20. Adjournment**

The meeting adjourned at 1:30 p.m.

Respectfully submitted,



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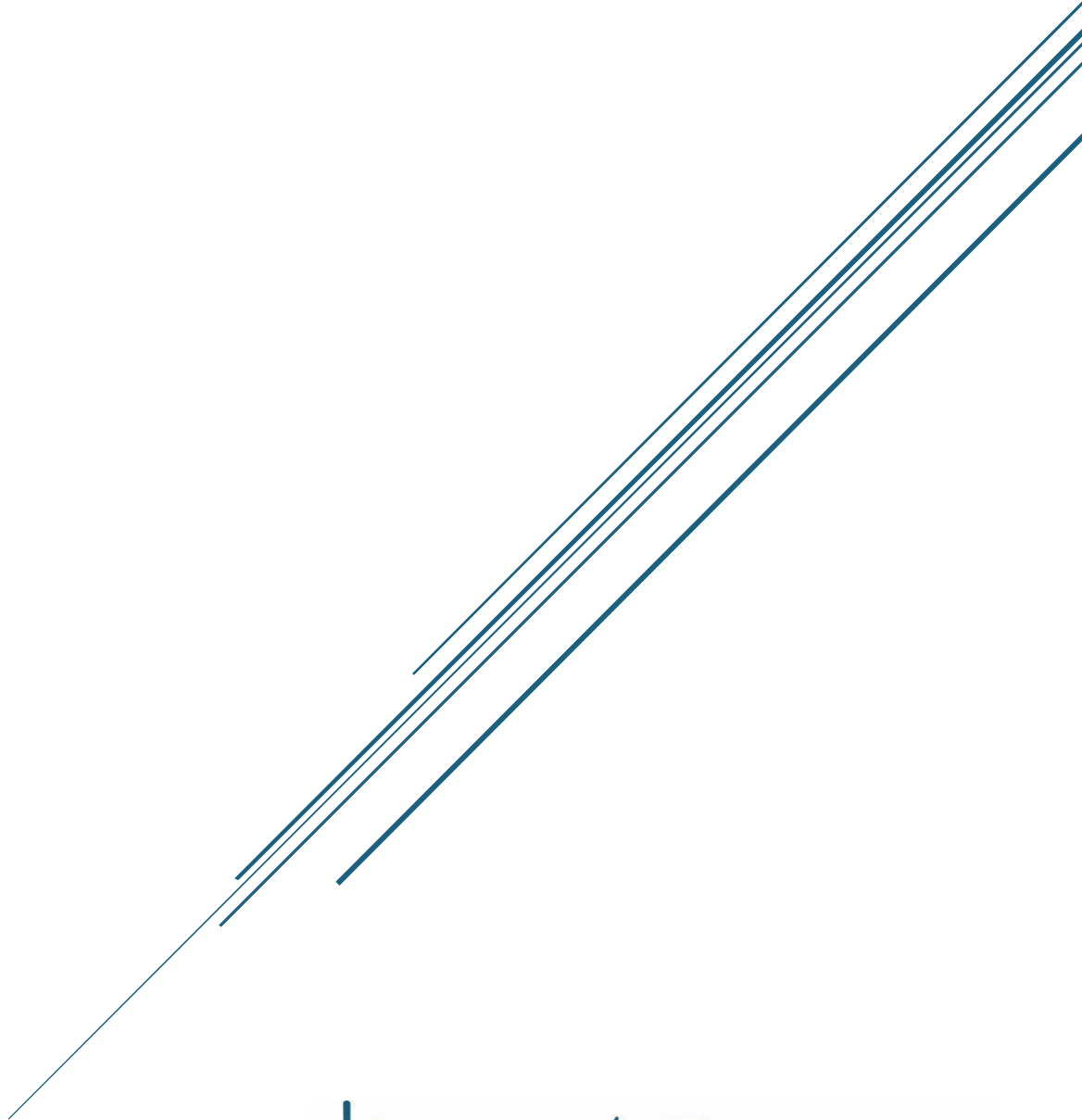
Sheillane Reyes  
Recorder

# **5**

Reports of the Chief Executive Officer/Chief  
Administrative Officer/Chief Brand Officer

# HTA CEO REPORT

DECEMBER 2021





## EXECUTIVE SUMMARY

Each month, 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 support of the organization's overall mission. HTA's 2025 Tourism Strategic Plan and its four interacting pillars (Natural Resources, Hawaiian Culture, Community, and Brand Marketing) guides the team in the various matters worked on during November 2021. Overall, this report provides insight into the actions conducted by the staff to implement the HTA budget previously approved by the Board.

In the Natural Resources pillar, HTA continues to support the efforts of the Sustainable Tourism Association of Hawai'i (STAH) to bolster the expansion of sustainable tourism management practices in Hawai'i through certifications, trainings and partnerships. In addition, the Aloha 'Āina program that works to preserve, manage and enhance Hawai'i's natural resources, continues to move forward in partnership with the Hawai'i Community Foundation (HCF). Proposals were reviewed throughout the month of November by the evaluation committee, which met in early December to finalize selections and awards.

In the Hawaiian Culture pillar, HTA's partnership with the Hawai'i Community Foundation (HCF) continues to move forward with the Kūkulu Ola Program. Throughout the month of November, the evaluation committee reviewed proposals and met in early December to finalize selections and awards. HTA staff also continue to manage projects that include He Aupuni Palapala and the Festival of Pacific Arts and Culture (FestPAC).

The planning team continues to work with the island chapters and various government agencies in moving on the DMAPs. Meetings were held with each of the Steering Committees to review the progress over their respective island's DMAP. The planning team has also been preparing the annual report to the legislature with staff.

The USA MMA RFP 22-01 was released on October 5. There were four proposals that were received on November 12, and oral presentations were conducted on December 1 with three finalist selected. The selection result was announced on December 10. The RFP protest period for this procurement ends on December 17. As of the drafting of this report the protest period has not been concluded.

The Global MCI RFP was released on November 10 and the proposal submission deadline was December 10. The evaluation committee members met on December 15 and the RFP oral presentation was scheduled for December 16.

The RFP release date for the Global Support Services is pending the Board's final approval of related budgets.

All Global Marketing Team (GMT) partners have presented their 2022 Brand Marketing and Management Plans (BMMPs) to the HTA leadership team during the week of December 6. GMT partners will present

their plans to the full HTA board on December 23 for final approval. The 2022 BMMP Outline has a clear pivot towards regenerative tourism with emphasis on market education, collaboration with industry partners, and assisting HTA with DMAP initiatives.

A “save the date” went out for HTA’s Winter Tourism Update which will be held virtually on Wednesday, January 12, 2022 at 9:00 a.m. HST. HTA will be presenting updates related to its core pillars, including presentations by its GMTs to introduce 2022 Brand Marketing and Management Plans.

Pursuant to Act 088, HTA’s Tourism Research Division (TRD) was transferred to the Department of Business, Economic Development and Tourism’s (DBEDT) Research & Economic Analysis Division (READ) effective July 1, 2021, and was renamed the Tourism Research Branch (TRB). TRB published the October 2021 Visitor Statistics press release and monthly reports, an updated air seat outlook for November 2021 to January 2022, the October 2021 Hawai’i Hotel Report, and the October 2021 Vacation Rental Performance Report. In addition, TRB published weekly Destination Brand Index reports, the weekly Destination Brand Index – Responsible Traveler Segment, weekly Travel Agency Booking Trend reports, and the October 2021 Coronavirus Impact Report. TRB also updated the Symphony Dashboards.

## I. CHANGE MANAGEMENT PLAN

For the month of November, we focused on addressing the organization's vacancies and successfully completed interviews for a number of positions. We continue to work through the draft of the official reorganization submittal that will be provided to DBEDT-HR and, eventually, reviewed and approved by DHRD and B&F. DBEDT-Human Resources (DBEDT-HR) has been helpful in guiding us in the proper formatting for our position descriptions to align with DHRD's new requirements. This new formatting requires that we add "essential function" identifiers to the responsibilities section of each of our positions.

As we've reported in the past, we continue to work through recruitments with the hope of being fully staffed no later than the end of January. Unfortunately, we received notice from one of our key individuals in procurement that he would be leaving us at the end of December. This news led to the review of the current position description in anticipation of recruiting for that critical vacancy before the end of December.

Internally, we continue our regular update meetings and discussions on the overall progress on the Change Management Plan (CMP).

The revised Bylaws were adopted by the Board at the November meeting. The Administrative Standing Committee (former), consolidated and created a number of standing committees to assist the organization with policy-related direction. These new standing committees include the now combined Administrative and Audit Standing Committee, the Branding Standing Committee, the Budget, Finance, and Convention Center Standing Committee, and the Hookahua Hawaii Standing Committee. Additionally, committee assignments were made by the Board at the November Board Meeting.

Our procurement and finance teams continue the arduous process of updating the HTA's policies and procedures that were impacted by the Change Management Plan (CMP) and the recent changes to the Hawaii Revised Statutes (HRS). Modifications to policies will be presented to the board for consideration at a future board meeting.

At the November board meeting, the HTA's Fiscal Year 2022 budget was tentatively approved. The HTA team met with board members prior to the November board meeting to address any issues and/or concerns they may have had with what was presented by the HTA. During those meetings, there were a number of recommendations which were incorporated into the final document that was included for board consideration at the November meeting. At the November Board Meeting, the board passed a motion to tentatively approve the FY22 budget with the caveat that board members would have one week to identify budget line items that they wanted more information on before approving. Budget line items for further discussion did not include budget line items that were previously approved by the board. Unfortunately, three previously approved budget line items were included by the Board. These

items will be discussed in the December Budget, Finance, and Convention Center Standing Committee meeting. The hope is to finalize the FY22 budget at the December Board Meeting.

We continue to engage the State Procurement Office (SPO) and HTA's deputy attorney general on procurement-related questions and concerns. As we've reported previously, the SPO has been very helpful providing guidance on issues and questions.

We continue to meet with state legislators to provide updates on HTA's priorities and our programs while also listening to their concerns. We have made ourselves available to answer questions, participate in townhalls and other meetings. Response continues to be positive. We continue to support and facilitate hospitality industry updates with the mayors of all four counties to further connect government with the industry.

## II. NATURAL RESOURCES PILLAR

### 1. *Aloha 'Āina (Natural Resources) Program*

Hawai'i Community Foundation (HCF) has been contracted by HTA to administer the 2022 Aloha 'Āina program through CON 21033: HTAxHCF – Implementation of Kūkulu Ola & Aloha 'Āina Programs, which was executed on June 22, 2021. On September 15 HCF issued an RFP seeking proposals from the community and qualified nonprofit organizations to provide funding support for projects that preserve, manage and enhance Hawai'i's natural resources. The application deadline was October 29, 2021 at 4 p.m. HST. The recently concluded evaluation and decision making process as lead by HCF included a review committee of community members and staff from both HTA & HCF. The contractor anticipates notifying awardees during the last week of December.

### 2. *DLNR Partnership*

A change order has recently gone into effect to extend the time of performance of CON 20210: Universal Trail Assessment and Sign Initiative, and Trail Safety and Enhancement - Brushing/Maintenance/Rehabilitation, to enhance the resident and visitor experience statewide. DLNR Interim Nā Ala Hele Program Manager Bill Stormont and staff continue to inform HTA staff of the ongoing challenges of insufficient sub-contractor performance, internal fiscal systems, and backordered equipment beyond DLNR's control. The mutually agreed upon change order provides the contractor extended time of performance to complete the Brushing/Clearing of thirty-eight O'ahu trails by the June 30, 2022 along with additional time to finalize tool/equipment purchases and installation of UTAP signs on statewide Nā Ala Hele trails on O'ahu, Hawai'i Island, Maui and Kaua'i. HTA staff is looking forward to receiving an updated timeline/workplan and are committed to working with the DLNR leadership to manage this statewide project and its prevailing challenges.

### 3. *Park Reservation, User Fee Program and Universal Reservation System (URS)*

HTA leadership and staff have continued to hold meetings with DLNR, representatives of the Office of the Governor, the Senate and others to understand and discuss the opportunity to implement a centralized, statewide channel manager for reservations at state parks. Through these discussions the team learned that there is a desire to have other assets included in the system beyond just state parks, such as state trails and county parks. It is becoming apparent that a centralized reservations system may need to be built that focuses on the user experience and education that links to existing systems on the back end, much like a channel manager. There is more work to come as HTA's staff continues to advance this project. HTA has contracted with HVCB to support a manager-level position to oversee the market research, procurement, and development of a robust Universal Reservations System (URS) for statewide leisure activities via CON 20138. The Notice to Proceed from HTA was issued on July 30, 2021. HVCB has identified an appropriate individual to fill the position as a subcontractor to HVCB. HTA leadership is set to meet with HVCB and the identified contractor to discuss approach, scope of work and other details in December.

#### *4. Tour Guide Certification and Licensure*

In partnership with the Native Hawaiian Hospitality Association (NaHHA) via CON 18200 S3 and the University of Hawai'i at Mānoa School of Travel Industry Management (TIM), HTA has contracted these two organizations to complete a comprehensive study to better understand current tour guide certification and licensure programs that exist in Hawai'i, while exploring industry best practices globally for possible implementation throughout the state. We are still expecting this study to be completed by TIM before June 2022.

#### *5. Sustainable Tourism Management in Hawai'i Through Certifications, Trainings & Partnerships*

HTA has contracted with the Hawai'i Ecotourism Association, d.b.a. Sustainable Tourism Association of Hawai'i (STAH), to protect Hawai'i's unique natural environment and host culture through the promotion of responsible travel and educational programs relating to sustainable tourism for residents, businesses and visitors. STAH will focus on three areas: 1) Sustainable Tour Operator Certification Program, 2) Tour Operator/Tour Guide Training Program, and 3) Educational Outreach/Partnership Development. PON 20134 received a Notice to Proceed from HTA on August 9, 2021 and has since hired a new Certification Program Manager, engaged 43 prospective Certified Tour Operators (CTO) in the 2021-2022 certification year and developed and distributed marketing materials to educate and build partnerships with businesses.

### III. HAWAIIAN CULTURE PILLAR

#### 1. *Kūkulu Ola Program*

Hawai'i Community Foundation (HCF) has been contracted by HTA to administer the 2022 Kūkulu Ola Program through CON 21033: HTAxHCF – Implementation of Kūkulu Ola & Aloha 'Āina Programs, executed on June 22, 2021. On September 15, HCF issued an RFP seeking proposals from the community and qualified nonprofit organizations to provide funding support for projects that perpetuate the Hawaiian culture and community. The application deadline was October 29, 2021 at 4 p.m. HST. The recently concluded evaluation and decision-making process, as lead by HCF, included a review committee of community members and staff from both HTA & HCF. The contractor anticipates notifying awardees during the last week of December.

#### 2. *Native Hawaiian Hospitality Association*

HTA and the Native Hawaiian Hospitality Association (NaHHA) continue to strengthen ties between the Hawaiian community and the visitor industry. NaHHA continues to support HTA staff with Festival of Pacific Arts and Culture (FestPAC) planning and coordination. The FestPAC Commission has decided to recruit Aaron Salā as Festival Director for a three-year term (with the option for a six-month extension) to lead the 13th FestPAC event scheduled for June 2024. For Fiscal year 2021-2022, the Festival Director will be a contracted position with NaHHA.

#### 3. *Pop-Up Mākeke Season 3*

In collaboration with DBEDT, HTA is continuing its support of the Pop-up Mākeke, produced by the Council for Native Hawaiian Advancement (CNHA). As a 501(c)(3) nonprofit, CNHA manages the online store – including the warehouse and order fulfillment. Since its inception at the start of the pandemic, the Pop-Up Mākeke has extended the participation to vendors statewide, supporting over 400 Hawai'i-based businesses and selling over 115,000 products. Making a splash with over \$2.4 million dollars in sales over its three seasons, the Pop-Up Mākeke has redefined the way Hawai'i does business in the 21st century. The Pop-Up Mākeke's approach to bringing together Hawai'i-based artisans, vendors, and sponsors to create a centralized online marketplace has woven together two fundamental Hawaiian cultural values of kākou and kāko'o, gathering as a community to support and uplift each other. Equally as important, the mākeke has created a new income stream for Hawai'i small businesses, with over 40% of its customer base outside of Hawai'i.

#### 4. *Native Hawaiian Festivals and Events*

##### 13TH FESTIVAL OF PACIFIC ARTS AND CULTURE (FESTPAC)

The commission for the 13th FestPAC continues its planning and HTA staff are supporting efforts around marketing, public relations and communications for the festival.

##### MERRIE MONARCH FESTIVAL DIGITIZATION PROJECT

The digitization work of previous Merrie Monarch Festivals is ongoing and was expected to be completed by June 2022. However, the work of digitizing the archived collection has been slowed due to the COVID-19 restrictions and new technical complications due to the condition of the video tapes. The contractor has requested a time extension into 2023 to complete the work. HTA staff is working with the contracts team to determine the contract options available to move this project forward.

#### SIGNATURE EVENTS

HTA has contracted with the Hawai'i Visitors and Convention Bureau (HVCB) to administer the Signature Events Program for CY2022. HTA decided to combine the Signature Events program with the Community Enrichment Program to simplify administration of the programs. Events that previously fell under the Signature Events Program will now apply to funding opportunities through the Community Enrichment Program (administered by HVCB). CON 21038 received the Notice to Proceed from HTA on July 30, 2021 and the RFP was published on September 27, 2021. The submission deadline was November 5, 2021. Island-specific evaluation committees reviewed the RFPs throughout the month of November and met in early December to finalize selections and awards.

#### 5. *Center for Hawaiian Music and Dance*

During the 2021 legislative session, HTA tracked several bills which would affect the Center for Hawaiian Music and Dance (CHMD). HB321 HD1 and SB926 repealed the allocation of Transient Accommodations Tax (TAT) funds to the CHMD. HB1165 and SB916 SD1 amend the language that allowed for the development and operations of the CHMD and leaves its location undetermined. HTA staff has paused exploration of a digital/virtual exhibit component of the project, as clarity is obtained on what will allow the state to meet the challenges faced with the economic recovery from COVID-19.

#### 6. *‘Ōlelo Hawai‘i – He Aupuni Palapala: Preserving and Digitizing the Hawaiian Language Newspapers*

The staff at Bishop Museum continue to holomua with digitizing nūpepa kahiko through CON 20195 “He Aupuni Palapala: Preserving and Digitizing the Hawaiian Language Newspapers” and recently welcomed Congressman Ed Case to visit them at work. Congressman Case shared his understanding of the “many possibilities digitizing old bound newspapers hold.” In fact, this was confirmed in one of the articles they catalogued in the past month from Ka Elele Poakolu. In it the team found an acrostic mele by what appears to be Kalākaua (T. Affy) informing their readership of the work it takes to put out a newspaper. Year 2022 will mark a century of printing in Hawai‘i. To recognize the occasion and to further share the work of He Aupuni Palapala, project staff are teaming up with the Library & Archives and Exhibits colleagues to create a temporary exhibit in Hawaiian Hall that celebrates this remarkable occasion. While the exhibit will include printing in Hawai‘i prior to the origins of nūpepa Hawai‘i, overall content will focus on nūpepa and will also promote He Aupuni Palapala.

#### 7. *Kāhea Greetings*



#### AIRPORTS

HTA has re-established its partnership with the Department of Transportation (DOT) Airports Division to implement the Kāhea Greetings program from July 2021 to June 2022 at the Honolulu (HNL), Kahului (OGG), Hilo (ITO), Kona (KOA), and Līhu‘e (LIH) airports, which will include a combination of Hawaiian music and hula ‘auana, lei greetings, refreshments, and/or other services to create an authentic Hawaiian experience to be provided to visitors upon their arrival. CON 21039 received the Notice to Proceed from HTA on November 24, 2021. Greetings at the HNL airport began on December 6, 2021 with six performances per week to capture the visitors arriving for the Honolulu marathon. Greetings at ITO, KOA, OGG, and LIH are scheduled to resume on December 20, 2021 with daily performances for the holiday season through January 5, 2021.

#### HARBORS

Similar to Airport greetings, HTA has re-established its partnerships with community organizations to implement the Kāhea Greetings program for the 2022 cycle at Hilo Pier, Kailua-Kona Pier and Nāwiliwili Harbor. Greetings will include, but not be limited to, entertainment, lei greetings, informational brochures and maps and authentic ho‘okipa, to be provided each day a cruise ship arrives. CON 21035, CON 21036, and CON 21038 received the Notice to Proceed from HTA on November 29, 2021 and will begin greetings in January 2022. Lahaina greetings are not needed because the pier is undergoing repairs. HTA staff is working with state and local partners to understand a need for greetings at Kahului Harbor.

## IV. COMMUNITY PILLAR

### 1. *Community Enrichment Program (CEP)*

The Hale'iwa Interpretative Signage Project and Walking Tour Map is the final CEP program for this year and is set for completion on December 31, 2021.

HTA has contracted with the Hawai'i Visitors and Convention Bureau (HVCB) to administer the Community Enrichment Program for 2022. HTA CON 21038 received the Notice to Proceed from HTA on July 30, 2021 and the CEP RFP was released on September 27, 2021. Informational RFP briefings were held virtually for each island in the following weeks. The deadline for submissions was November 5, 2021. Island-specific evaluation committees reviewed proposals throughout the month of November and met in early December to finalize selections and awards. In total, 111 applications were received and 104 were evaluated and scored by the selection committees.

### 2. *DESTINATION MANAGEMENT ACTION PLANS (DMAP)*

HTA has contracted with the Hawai'i Visitors and Convention Bureau (HVCB) to implement the DMAPs for each county in CY2022. CON 21038 received the Notice to Proceed from HTA on July 30, 2021. The following DMAP managers have been hired by HVCB:

- Kaua'i - Patti Ornellas
- Hawai'i Island – TBD by November 15, 2021
- Maui Nui – Meagan DeGaia
- O'ahu - Catherine Orlans

### 3. *HOSPITALITY INDUSTRY UPDATES (COUNTY)*

HTA recognized the need to connect with stakeholders from both the public and private sectors to improve awareness and build an understanding of the current state of the visitor industry related to COVID-19. As such, HTA staff coordinates with each county to identify a day and time that is most convenient for the respective mayor to participate in a hosted meeting with government officials, association leaders, contract partners and the visitor industry.

In November, hospitality industry updates were conducted for the County of Hawai'i on November 10<sup>th</sup>, and City and County of Honolulu on November 17<sup>th</sup>.

### 4. *Communication and Outreach*

#### NEWS RELEASES/REPORTS/ANNOUNCEMENTS

- News Release: Statement by John De Fries Re: State of Hawai'i Lifting Safe Travels Requirements for Inbound International Travelers, Effective November 8 (November 2)

- News Release: UH Alumni Association and The Hawaiian Islands Present Warrior Weekend (November 8)
- News Release: DMAP Community Meetings for Lānaʻi Postponed (November 8)
- News Release: HTA Releases Results from the October COVID-19 Visitor Satisfaction Study (November 10)
- News Release: HTA Issues RFP Seeking Services for Global MCI Marketing and Management (November 10)
- IHVB News Release: IHVB Welcomes Rachel Kaiama as Destination Manager (November 15)
- Report: HTA Hawaiʻi Hotel Performance Report for October 2021 (November 23)
- News Release: Governor Ige Announces Hawaiʻi is Open for Business (November 23) – Also distributed via PR Newswire.
- Report: HTA Hawaiʻi Vacation Rental Performance Report for October 2021 (November 24)
- DBEDT News Release: Total Visitor Spending and Arrivals in October 2021 (November 29)

#### **NEWS BUREAU**

- Coordinated and assisted with 15 interviews and statements, including:
  - Hawaiʻi News Now, Samie Solina: John De Fries (JDF) on return of international travel (November 1)
  - CBC Radio, Missy Johnson (Canada): JDF follow-up interview on return of international travel (November 1)
  - KITV, Diane Ako: Kalani Kaʻanāʻanā (KK) on Oʻahu DMAP and green fees (November 2)
  - Honolulu Star-Advertiser, Allison Schaefer: Keith Regan responses on the HTA Code of Conduct (November 5)
  - Hawaiʻi News Now, Billy V: KK on rebound of travel and Mālama Hawaiʻi (November 5)
  - KITV, Erin Coogan: JDF on rebound of international travel (November 8)
  - Hawaiʻi Hospitality, Brett Alexander-Estes: JDF responses on DMAPs (November 10)
  - Ka Wai Ola, Lisa Huynh Eller: JDF and KK interview on reshaping tourism (November 10)
  - Hotel News Now, Danny King: JDF statement on the State’s announcement ending the international portion of Safe Travels program (November 11)
  - Bloomberg, Jen Murphy: JDF interview on reopening of Hawaiʻi tourism (November 15)
  - Ka Wai Ola, Lisa Huynh Eller: JDF and KK interview follow-up on reshaping tourism (November 15)
  - Hawaiʻi Public Radio, Casey Harlow: JDF interview on international visitor arrivals (November 17)
  - Hawaiʻi News Now, Allyson Blair: John Reyes of Meet Hawaiʻi, interview on potential return of business travel (November 26)
  - KHON, Kristy Tamashiro: KK quote on the new variant in South Africa (November 26)
  - Yomiuri Shimbun (Los Angeles Bureau), Ryan Williams: Scheduled Dr. Jim Barahal interview on the Honolulu Marathon and its impact on tourism for December 2 (November 30)
- Assisted with the following media relations:

- Honolulu Star-Advertiser, Allison Schaefer: Provided current HTA Code of Conduct Policy and Bylaws.
- Travel Daily, Myles Stedman (Australia): Provided JDF statement on the State's lifting of Safe Travels requirements for international travelers.
- Arim Video, Mirco De Vito (Italy): Declined request for travel support for documentaries on tv program, Kilimangiaro, in November or December.
- Ka Wai Ola, Cheryl Tsutsumi: Assisted with information on JDF keynote at the American Indian Tourism Conference.
- Honolulu Star-Advertiser, Allison Schaefer: Provided background sheet on HTA staffing and the CBO and PAO agreements.
- KHON, Jenn Boneza: Projections on Thanksgiving weekend travel, suggested she contact the airlines.

#### **COMMUNITY INITIATIVES AND PUBLIC OUTREACH**

- HTA E-Bulletin: Finalized and distributed November 2021 HTA e-Bulletin in English and 'Ōlelo Hawai'i
- City and County of Honolulu – Proposed Amendments to Short-Term Rental Ordinance
  - Drafted JDF quote for City and County of Honolulu news release.
  - Drafted e-blast urging the industry and community to support Bill 41. (November 5)
  - Drafted copy, concepted and designed infographic.
- Kūkulu Ola/Aloha 'Āina RFP Process
  - Participated in Zoom call with HTA and the Hawai'i Community Foundation to discuss announcement of Kūkulu Ola and Aloha 'Āina recipients in January.
- Alaska Airlines Partnership with travel2change
  - Provided JDF quote for Alaska Airlines news release.
- Ho'ōla Na Pua Sex Trafficking Trainings
  - Drafted news release and posted events on HTA's website.
- HTA Annual Report
  - Drafted JDF opening message.
- 6XDMEDIA: Reviewed request to include blog post on visiting national parks responsibly and shared with HTA.

#### **CRISIS COMMUNICATIONS**

- Conducted updates to HTA's website – COVID-19 alerts page
- Monitored Gov. Ige press conference (November 23)
- Monitored City and County of Honolulu press conference (November 23)

#### **HTA'S SOCIAL MEDIA**

- Monitored and responded to direct messages on HTA's Facebook, Instagram and Twitter accounts.

Paid Posts on Facebook

- Post on the Lānaʻi DMAP Community forum. Flight dates from November 24 – December 1.  
Total Reach: 1,596 | Total Engagements: 100

Facebook

- Number of followers: 19,137 (+19.37%)
- Engagement rate: -46.74%
- Daily page engaged users: 1,251
- Posts: 16

Instagram

- Number of followers: 5,864 (+46.93%)
- Engagement rate: +78.57%
- Number of engagements: 575
- Posts: 16

Twitter

- Number of followers: 38,857 (+4.29%)
- Engagement rate: -37.56%
- Number of engagements: 138
- Posts: 16

## 5. *Safety and Security*

### VISITOR ASSISTANCE PROGRAM (VAP)

HTA currently has four contracts, one in each county, to provide funding support for the Visitor Assistance Program. These contracts are:

- CON 17031 (S6) – Visitor Aloha Society of Hawaiʻi (Oʻahu) was issued a contract on December 30, 2020, Supplemental #6, which encumbered funds for three-fourths of calendar year 2021 in the amount of \$277,500 (April 1, 2021 to December 31, 2021). HTA has processed a contract extension to fund this program from January 1, 2022 to December 31, 2022.
- CON 17032 (S5) – VASHI – Island of Hawaiʻi VAP was issued a contract on December 30, 2020, Supplemental #5, which encumbered funds for three-fourths of calendar year 2021 in the amount of \$127,500 (April 1, 2021 to December 31, 2021). HTA has processed a contract extension to fund this program from January 1, 2022 to December 31, 2022.
- CON 17033 (S4) – VASK – Kauaʻi VAP was issued a contract on December 30, 2020, Supplemental #6, which encumbered funds for three-fourths of calendar year 2021 in the amount of \$41,250

(April 1, 2021 to December 31, 2021). HTA has processed a contract extension to fund this program from January 1, 2022 to December 31, 2022.

- CON 17034 (S4) – MVCB – Maui VAP was issued a contract on December 30, 2020, Supplemental #6, which encumbered funds for three-fourths of calendar year 2021 in the amount of \$41,250 (April 1, 2021 to December 31, 2021). HTA has processed a contract extension to fund this program from January 1, 2022 to December 31, 2022.

During the month of November:

- Maui County's program handled 6 cases and helped 10 visitors (year-to-date: 108 cases/ 205 visitors). This included visitors primarily from the U.S. West/East markets. The program team also attended meetings at the Emergency Operations Center (EOC), Airport, Hotel and Resort Security Association, car rental and Maui Police Department committee meeting. The industry assisted with \$1,500 of in-kind contributions.
- Hawai'i County's program handled 10 cases and provided assistance to 22 visitors (year-to-date: 201 cases/ 552 visitors). This included visitors primarily from the U.S. West market, and Asia. The industry assisted with \$3,762 of in-kind contributions.
- City and County of Honolulu's program handled 50 cases and helped 81 visitors (year-to-date: 617 cases/ 1,594 visitors). This included visitors primarily from the U.S. West market. The industry assisted with \$8,000 of in-kind contributions.
- Kaua'i County's program handled 12 cases and provided assistance to 26 visitors (year-to-date: 79 cases/ 214 visitors). This included visitors from U.S. West/East market, and O'ahu. The program team also participated in the VASK ED/Dispatch coordinator meeting, VASK Board of Directors Meeting, and continue to air the VASK Crime Prevention and Safety Tips video on KVIC channel 3. VASK received \$3,800 of in-kind assistance from the industry and other sources to assist in carrying out their mission.

## V. BRAND MARKETING PILLAR

### 1. Major Market Area (MMA) Market Conditions

#### International MMA Border/Entry Restrictions

- Japan's government announced on November 30 that foreigners would be suspended from entering the country due to the new variant Omicron situation. According to Prime Ministry's Office of Japan, as of December 5, Japan's vaccination rate reached 77.4%.
- Korea: On December 3, with the advent of Omicron, Korea government announced a new requirement of 10-day self-quarantine for those arriving from abroad regardless of their vaccination status. As of December 15, Korea's vaccination rate reached 81.4%.
- Canada has reintroduced on-arrival testing and quarantine for travelers for all countries except the U.S. Fully vaccinated travelers must take a test upon arrival and quarantine at home or at a designated facility until they receive the results. Canada's omicron watch list now stands at 10 countries.
- Oceania: The outlook continues to be very positive. In discussions with trade partners over the month, Hawai'i continues to rate as one of the most desired destinations to return to. The arrival of Omicron into Australia did create some additional caution from some travelers as well as additional logistical challenges for airlines. But overall hopeful that this will settle down and the extra regulations introduced will be loosened again.

#### U.S. Domestic Market Conditions

- On Nov. 26, the World Health Organization classified a new variant named Omicron. It was detected first from a vaccinated traveler who returned to California after a trip to South Africa. In recent weeks, Arizona, Colorado, New Mexico, and Utah have seen high rates of COVID-19 transmissions. In New Jersey, cases are up 66% in the past two weeks, while rates of COVID-19 have remained moderate.

#### MMA Airlift Update

- USA: The forecast for domestic scheduled nonstop air seats to Hawai'i for November 2021-January 2022 will increase by +20.2 percent compared to the same period in 2019, based on flights appearing in Diio Mi. The constant fluidity of seats and flights will continue as the COVID-19 pandemic evolves. An overall increase of flights is expected for U.S. West (+21.7%) and U.S. East (+10.1%).

- Canada: Carriers are now offering 148,000 direct seats in 2021 with 80% of the air service available in Q4. This is 41,000 fewer seats than available throughout 2020 and 30% of the service offered in 2019.
- Japan: There were a total of 53 flights (13,379 air seats) from Japan to Hawai'i in the month of November. Hawai'i is expecting to receive 81 flights (20,016 air seats) for December.
- Korea: Korean Air resumed the Incheon-Honolulu route in November and plans to increase the current 3 weekly schedule to 5 weekly from January next year and daily schedule from April. Hawaiian Airlines is maintaining its weekly 3 flights and planning weekly 4 flights from January 22 to mid-February during the holiday season. Asiana Airlines will resume operations from April next year and operate 3 times a week.
- Oceania: The market continues to look forward to the upcoming restart of airlift between Sydney and Honolulu. The first flight on 15th December will be operated by Hawaiian Airlines and we have been working with HA's PR department around hosted journalist opportunities.

## 2. MMA Contract Status

- USA: Current contract for the USA MMA ends on December 31, 2021, with no options to extend. HTA has issued an RFP for the USA MMA for 2022.
- Japan: Current contract for the Japan MMA ends on December 31, 2021, with no options to extend. A new one-year contract covering calendar year 2022 using fiscal year 2021 funds has been fully executed. Through August, HTJ has been on a fixed cost payment schedule. Starting in September, HTJ utilized program funds approved for market education and joint promotions with industry partners in Japan.
- Canada: Current contract for the Canada MMA ends on December 31, 2021, with no options to extend. A new one-year contract covering calendar year 2022 using fiscal year 2021 funds has been fully executed. HTCAN has been utilizing program funds approved for Mālama Hawai'i promotions and market education.
- Oceania: Current contract for the Oceania MMA ends on December 31, 2023, with two one-year options to extend. A supplemental contract covering calendar year 2022 using fiscal year 2021 funds has been fully executed. Through September, HTO has been on a fixed cost payment schedule.
- Korea: Current contract for the Korea MMA ends on December 31, 2022, with two one-year options to extend. A supplemental contract covering calendar year 2022 using fiscal year 2021 funds has been fully executed. Through June, HTK has been on a fixed cost payment schedule.



Starting in July, HTK utilized program funds approved for Mālama Hawai'i promotions and co-ops with wholesalers and airlines.

- China: Due to the COVID-19 pandemic and through no fault of the contractor, the contract for China MMA was terminated on December 31, 2020. A new one-year contract covering calendar year 2022 using fiscal year 2021 funds has been fully executed.

### *3. 2022 MMA RFP and Review of BMMPs*

The Global MCI RFP was released on November 10 and proposal submission deadline was December 10. The evaluation committee members met on December 15 and the RFP oral presentation took place on December 16. The GMTs presented their 2022 Brand Marketing and Management Plans (BMMPs) to the HTA leadership team in the week of December 6. GMT partners will present their plans to the full HTA board on December 23 for final approval. The 2022 BMMPs have a clear pivot towards regenerative tourism with emphasis on market education, collaboration with industry partners, and assisting HTA with DMAP initiatives.

### *4. MMA Brand Marketing Highlights*

HTA's Global Marketing Team (GMT) has been directed to pivot towards visitor and industry education and focus brand marketing to attract high-spending, positive-impact prospects with programs aligned with responsible and regenerative tourism.

- USA: The Mālama Hawai'i brand campaign continued to garner momentum in November, supported by public relations, paid social and search media, travel trade training and education, and a coordinated promotion with the Hawai'i travel industry to entice travelers with a trip that gives back – to both Hawai'i and to visitors. Travel trade efforts also continued to actively educate travel sellers across the country on the benefits their customers will reap by experiencing a deeper connection with Hawai'i.
- Japan: In November, as part of Mālama Hawai'i initiative, HTJ promoted Made in Hawai'i Festival on various owned channels, conducted Instagram live with local media "Tsunagu Hawai'i" to 4,173 audiences, implemented an SNS campaign for viewers to win Hawai'i made products. In addition, HTJ filmed the event and interviewed 15 vendors to share their stories. Edited videos will be available in December to raise awareness of Hawai'i-made products.
- Canada: The Mālama Hawai'i campaign continues to be the focus of Hawai'i Tourism Canada's (HTCAN) efforts to promote sustainable tourism and volunteer opportunities by educating the Canadian market (consumer and trade) about Hawai'i as a destination, its culture and the need for a more responsible/respectful traveler that will embrace the value of mālama. HTCAN has been executing programs with Air Canada, WestJet, TravelBrands, OpenJaw and Spoiled Agent.
- Oceania: During the month HTO continued to integrate Mālama Hawai'i into the market including both trade and consumer opportunities. Discussions took place with the Native Hawaiian

Hospitality Association (NaHHA) around trade training and the Hawai'i Visitor & Convention Bureau (HVCB) around industry partner learnings.

- Korea: HTK partnered with Naver Travel+, a travel content platform in Naver to carry out an online content series campaign. The contents are exposed on the main page of Naver, the no. 1 search portal which records billions of daily page views reaching all age groups including the generation x, baby boomers and MZ. So far, HTK published well-crafted editorials on the return of international travel to the Hawaiian Islands, new COVID-19 rules, Mālama Hawai'i messaging and honeymoon to O'ahu and Maui. This campaign will also cover golf themed trip to Hawai'i and kuleana travel tips in December.

## 5. *Collaborations and Communications*

- The brand team continues to communicate with its industry partners to exchange information on market and business development.
- The brand team continues to conduct teleconference meetings with the GMT members to get regular updates on market trends, marketing activities, Hawai'i messaging, airlift development, and visitor and industry education efforts. During these meetings, HTA also conducts financial reviews with the GMT members.
- The brand team met with the research team to discuss and update survey questions for the Visitor Satisfaction Survey and Marketing Effectiveness Study.
- HTA staff attended the Cruise Line MOA Working Group meetings with other state departments and agencies on November 3, 10, 17 and 24.
- HTA staff met with representatives from Access Cruise, MC&A, and the Cruise Lines International Association.
- HTA staff met with Hawaiian Airlines and Hawai'i Tourism China to discuss and explore possible seasonal charter services for the China market.
- HTA staff met with UH Mānoa and UH West O'ahu to get updates on the Ho'oilina scholarship programs.
- HTA staff met with ClimbHI to discuss and plan for the 2022 LEI program.
- CBO spoke with Jayna Omaye at Honolulu Star-Advertiser about planning efforts for FestPAC
- HTA staff had a meet & greet with new citywide sellers on the Meet Hawaii team
- CBO did a Zoom with HTA and Doug Lansky to discuss Rep. Wildberger's Tourism Management bill, which is intended to adjust HTA's statutory mission to align with all the great destination management work
- CBO did a zoom with HTA, HTJ, DBEDT about Travel Corridor
- CBO and John Monahan did a zoom with LPGA
- CBO had a zoom meeting with Eric Co and HTA to discuss the Green Fee and "Pledge to Our Keiki"
- CBO served on a "Future of Tourism panel" with CNHA
- CBO had a zoom meeting with GMTs about International Safe Travels Program updates

- CBO had a zoom meeting with Alexander DeRoode to discuss Maui TIG and Maui county sustainability initiatives
- HTA staff had meetings with Norwegian Cruise Line (NCL) executives to discuss the NCL restart
- CBO did a zoom quarterly meeting with Senator Hirono
- CBO did an interview with Ka Wai Ola about Reshaping Tourism
- CBO did a meeting with LA Clippers to discuss 2022 Preseason Training Camp
- CBO did a zoom orientation for HTA Evaluation Committees (KO & AA)
- CBO recorded a speech for Fuzhou International Tourism Festival
- CBO participated as a panelist on Conde Nast Travel called “How Travel Will Aid the Recovery”
- CBO participated as a panelist in the Hospitality Industry update with Mayor Blangiardi
- CBO did a zoom meeting with Aaron Sala to discuss FestPac
- CBO did an interview with SFGate on the statewide reservation system/kama’āina days

## VI. PLANNING DIVISION

### 1. *Destination Management Action Plans (DMAPs)*

Below is an update on activities undertaken to support the implementation of the various DMAPs.

- The Planning team held meetings with each of the steering committees from November 12-19 to review the progress of their respective DMAPs. Based on the discussion, the progress reports were finalized. They can be found in the attachment to the Board Book.
- O'ahu DMAP:
  - The City & County of Honolulu's Office of Economic Revitalization (OER) held a second meeting with county agencies that have a role in transportation, HTA, and O'ahu Visitors Bureau staff. The meeting's purpose is to continue discussions to move action I ("Manage the visitors' use of cars as transportation on O'ahu.") forward.
  - HTA's Director of Planning (DOP) Caroline Anderson continued to work with OVB's Destination Manager, Catherine Orlans, and Executive Director, Noelani Schilling-Wheeler, on O'ahu DMAP actions relating to the city and county's bill 41 relating to transient accommodations and the City & County's bill relating to the County's 3% TAT.
  - HTA's DOP participated in the North Shore Sustainable Communities Plan Citizens Planning Advisory Committee meeting on November 16. The topic of this meeting was on natural resources and public facilities. HTA was a resource agency at this meeting. Presentations were provided by various departments at the City & County.
  - HTA's DOP presented an overview of the O'ahu DMAP at the Waikiki Business Improvement District's board meeting on November 17.
  - The DOP met with
- Maui Nui DMAP:
  - The DOP continued to work with MVCB's Destination Manager Meagan DeGaia throughout the month to guide her in the implementation of the Maui Nui DMAP actions, and to plan for the rescheduled Lāna'i Community Forum on December 2.
  - The DOP convened a meeting with DOT-Maui Airports District Manager, County of Maui's Director of the Office of Economic Development, MVCB's Destination Manager, and members of the Moloka'i DMAP Steering Committee to further discuss an Aloha Ambassador Volunteer Program at the Moloka'i Airport.

### 2. *Legislative Matters*

- The planning section is putting together the 2021 Annual Report to the Legislature which is due 20 days before the start of the 2022 Legislature session.
- HTA's DOP worked with HTA's Chief Administrative Officer in proposing revised language to be incorporated into the Hawai'i Revised Statute pertaining to HTA.

### 3. *Tourism Recovery and Marketing Plan*

- The planning team is preparing the Tourism Recovery and Marketing Plan with the brand team.

## VII. TOURISM RESEARCH

Pursuant to Act 88, the Tourism Research Division (TRD) was transferred to DBEDT's Research & Economic Analysis Division (READ) effective July 1, 2021, and was renamed the Tourism Research Branch (TRB).

TRB issued the October 2021 monthly visitor statistics on November 29, 2021, including monthly arrivals by country, category expenditures for major markets, and monthly visitor characteristics for each major market area. The press release was issued by DBEDT, distributed by HTA, and the files were posted on HTA's and DBEDT's websites.

TRB posted updates to Seat Outlook data tables for November 2021 through January 2022 to the Infrastructure Research Section of the HTA website and the Air Seats Capacity Outlook page of the DBEDT website. This report also includes flight information and comparisons to 2020 and 2019.

State, market, and island fact sheets were updated with the October 2021 data and were published on the Monthly Visitor Statistics page of the HTA website and the Market Highlights page on the DBEDT website.

TRB issued the October 2021 Hawai'i Hotel Performance Report on November 23, 2021. The report and related October 2021 data tables were posted to the Infrastructure Research section of the HTA website. The Hawai'i Hotel Performance Report is produced using hotel survey data compiled by STR, Inc., the largest survey of its kind in Hawai'i.

TRB issued the October 2021 Hawai'i Vacation Rental Performance Report on November 24, 2021. The report and related October 2021 data tables were posted to the Infrastructure Research section of the HTA website. This report utilizes data compiled by Transparent Intelligence, Inc.

TRB published the October 2021 YouGov Coronavirus Travel Sentiment report prepared by HVCB. This report focuses on the impact of COVID-19 on U.S. Avid Travelers and provide travel planning trends, attitudes, and demographics.

TRB continued publishing the weekly Hawai'i YouGov Destination Brand Index for U.S., Japan, and Canada and the weekly Responsible Traveler Segment for the U.S. The report currently features the U.S. market and presents trends on a by-island basis. Other markets will be added as data becomes available. These reports utilize data from YouGov's Brand Index and are posted on the Other Research Section of the HTA website.

TRB continued publishing weekly Travel Agency Booking Trend reports, which features forward-looking data for the U.S., Japan, Canada, and Australia from Global Agency Pro. These reports are posted on the Other Research Section of the HTA website.

TRB is assisting with the Mandatory 10-Day Quarantine including: posting of daily transpacific passenger arrival data derived from data provided through the Office of Enterprise Technology Service's Safe Travels Program, providing air service schedules for the Safe Travels Program, and supporting State and county law enforcement and prosecutors.

TRB continued to work with the State Attorney General's office to analyze visitor data related to the impacts of the national travel ban on inbound travel from seven affected countries.

TRB continues to reply to requests for information from HTA's Global Marketing Team, industry, media, and the general public. Data requests completed include:

- Additional detailed visitor statistic data for UHERO and DBEDT/READ for their databases, and the monthly data requests.
- Research inquiries routed through DBEDT.

## VIII. ARPA UPDATE

Following is an update on activity related to the American Rescue Plan Act (ARPA) funds that were provided to HTA during the 2021 Legislative Session.

Our team was engaged in numerous discussions with our contacts at Budget and Finance (B&F). These meetings and discussions were primarily focused on finalizing the release of the funds that were approved by Governor Ige. We also discussed the extension of the subaward and received positive feedback on this issue. Based on these discussions, we feel confident that, should any of our encumbrances go beyond the June 30, 2022 period, B&F will grant our extension request. We also have received assurances from the DBEDT Director that he will support an extension request. .

## IX. ADMINISTRATIVE

Contracts List: Pursuant to Hawai'i Revised Statutes §201B-7 (9), please note that the following contract was executed during the month of November 2021. The contracts listed below had their scope modified which is why there is \$0 in the contract amount column/cell.

November 2021						
Contract No.	Contractor	Description	Contract Amount	Total Contract Value	Start Date	End Date
21028 S1	Japan MMA Marketing Management Services	a.link LLC	\$0	\$9,000,000.00	12/3/2021	12/31/2022
20007 S5	Aviareps Marketing Garden Holdings Ltd/HTK	2022 Korea MMA BMP	\$0	\$2,204,000.00	12/7/2021	12/31/2022
21031 S1	iTRAVLOCAL Limited	2022 China MMA BMP	\$0	\$1,800,000.00	12/7/2021	12/31/2022

Contract Type: • Sole Source † Procurement Exemption



## APPENDICES

# Hawai'i Tourism United States

## 2021 Monthly Leisure Marketing Report – November

### Market Intelligence/Market Conditions

#### **Economy**

- COVID variant Omicron, the latest lurching step from pandemic to endemic COVID, has increased economic uncertainty at the end of 2021. The new variant has already had a negative economic impact as international travel gets throttled back in the midst of the usually hectic holiday season. “Financial markets have been jittery. U.S. economic data this week was mostly positive and consistent with our expectation of a step up in real GDP growth in the fourth quarter,” according to Robert Dye of Comerica Economics.
- Total employment rose by 210,000 in November, and the unemployment rate continued its declining trend falling by -0.4 percent to 4.2 percent. Notable job gains occurred in professional services, transportation and warehousing, construction and manufacturing.
- The Conference Board *Consumer Confidence Index* decreased in November, following an increase in October.
  - The *Index* now stands at 109.5 (1985=100), down from 111.6 in October.
  - The *Present Situation Index* based on consumers’ assessment of current business and labor market conditions fell to 142.5 from 145. last month.
  - The *Expectations Index* based on consumers’ short-term outlook for income, business and labor market conditions fell to 87.6, from 89.0 last month.
- “Consumer confidence moderated in November, following a gain in October,” said Lynn Franco, Senior Director of Economic Indicators at The Conference Board. “Expectations about short-term growth prospects ticked up, but job and income prospects ticked down. Concerns about rising prices—and, to a lesser degree, the Delta variant—were the primary drivers of the slight decline in confidence. Meanwhile, the proportion of consumers planning to purchase homes, automobiles, and major appliances over the next six months decreased. The Conference Board expects this to be a good holiday season for retailers and confidence levels suggest the economic expansion will continue into early 2022. However, both confidence and spending will likely face headwinds from rising prices and a potential resurgence of COVID-19 in the coming months.”

#### **Competitive Environment**

- *United Kingdom*. Starting Dec. 7, the U.K. will further tighten its entry requirements for inbound foreign travelers, including those coming from non-red-listed countries, such as the United States. The policy alterations are being made to slow the importation of the Omicron variant. All international travelers aged 12 and over, regardless of vaccination status, will need to provide proof of a negative pre-departure test—either PCR or lateral flow (LFD)—taken no more than 48 hours prior to their departure for the U.K.
- *Fiji*. The South Pacific archipelagic country of Fiji reopened its borders to international travelers just yesterday, Dec. 1, having kept them sealed since the COVID-19 pandemic’s global outbreak in March 2020. While the destination’s economy is highly dependent upon foreign tourism, its small, remote islands have limited medical facilities that it could not risk overwhelming by importing infection.
- *New Zealand*. After almost two years of closed borders and one of the strict approaches to the pandemic in the world, New Zealand has set its official reopening date of April 30, 2022, for fully vaccinated international travelers. Fully vaccinated international travelers would be allowed to enter the country, provided they self-isolate for seven days upon arrival and be tested negative prior to departure and upon arrival. Travelers can self-isolate wherever they choose, instead of staying in

state quarantine facilities. Additionally, vaccinated New Zealanders and those who hold New Zealand residence visas who are living in Australia can now enter New Zealand beginning Jan. 16. The same two groups living in other countries will be allowed to return beginning Feb 13.

## Consumer Trends

Key insights about U.S. consumers from Mintel Trends, November 2021:

- **Control.** In times of uncertainty, consumers crave a sense of control over their lives. Brands can deliver the information and options that consumers need to feel like they're in the driver's seat. "Feelings of precariousness and financial insecurity both created, and exaggerated, by the pandemic mean that consumers are looking for a sense of control over every aspect of their lives," Moriarty explained. "But misinformation is making it harder to carry out the necessary research to make informed decisions. Consumers need clarity, transparency, flexibility and options to make decisions that suit their individual changing needs and circumstances."
- **Enjoyment Everywhere.** Having endured lockdown, consumers are eager to break out of their confines and explore, play and embrace novel experiences, both virtually and in the "real" physical world. "Consumers are seeking sources of joy as the continuing pandemic and other local and global crises have caused them anxiety and stress," Moriarty said. "Many may be feeling a kind of 'survivor's guilt' and, as a result, brands are recognizing the importance of uplifting people by giving them permission to feel happiness once again." He went on to say that "while the stress caused by the pandemic may no longer be central to consumer needs for fun and escapism, they will continue to seek enjoyment and playfulness."
- **Ethics Check.** While many brands have made their voices heard on controversial topics, consumers want to see measurable progress against their goals. "Consumer demand for, and expectations of, brands' ethical commitments are evolving," Moriarty said. "They have moved beyond simply wanting brands to 'be ethical' and are demanding to see measurable, transparent and consistent actions from those they choose to support. Consumers will look beyond a brand's achievements and strengths; businesses will need to be transparent about their weaknesses, too, where and why they fail and how they plan to address these issues in future." He explained that "all the transparency in the world doesn't necessarily help consumers to understand the impact of a brand, which is why it's key to use metrics that accurately reflect the problems brands are trying to solve."

## Media Trends

According to CMS Wire:

- **Social Media Remains Addicted to Ad Revenue**
  - The parade of ads shown alongside news feeds is showing its age, yet the revenue created has grown to new heights. One forecast from eMarketer predicted Twitter will reach \$2 billion in U.S. ad revenue during 2021, despite flat growth. That is a 38.5% increase over 2020. Instagram will for the first time make up over 50% of Facebook's \$50.30 billion in net ad revenues in 2021. Marketers should not pause any awareness for new ads features just yet, as digital ads will still likely provide effective customer journey messaging. But an evolution in options will address increasing pressure to demonstrate ROI.
- **Slimmed-Down Media Models Will Turn Up the Competitive Heat:**
  - It's unlikely any one platform will be the "next Facebook" any time soon — no one is asking for it. The challenge for these slimmed-down business models is generating revenue. It's a last mile problem that promises huge upsides for influencers and platforms through shared revenue on subscriptions, tips or ticketed events. Twitter and Spotify could potentially

leverage this benefit faster, for either current business models (podcasts on Spotify) or for emerging features (such as Twitter Tips). These platforms ultimately mean marketers must cultivate customer experience options that do not appear as attention-grabbing content.

- Calls for Social Media Accountability Will Increase:
  - Public calls for social media platform accountability will increase, buoyed by the fallout from the Facebook papers and the findings implicating Instagram as a negative influence on young users. The findings, first brought to light in a Wall Street Journal report, found 32% of teenage girls surveyed "indicated that when they had negative thoughts about their appearance, Instagram made those feelings worse." Fourteen percent of teen boys reported similar sentiment. Expect more fallout in 2022 to shape what digital media marketers use to connect with customers.

### **Airlift**

- HTA Airline Seat Capacity Outlook for November 2021-January 2022 was updated on Nov. 29<sup>th</sup>. The forecast for domestic scheduled nonstop air seats to Hawai'i during this period will increase by +20.2 percent compared to the same period in 2019. This projection is based on flights appearing in Diiio Mi. The constant fluidity of seats and flights will continue as the COVID-19 pandemic evolves. An overall increase of flights is expected from all major market areas: U.S. West (+21.7%) and U.S. East (+10.1%). The situation is being monitored daily and the forecast adjusted accordingly. Note: Beginning in June, HTA began benchmarking airline seat capacity against 2019.

### **Market Intelligence/Market Conditions Impact on Hawai'i Travel**

- Gov. David Ige and the county mayors announced on Nov. 23 the next phase of state and county measures related to COVID-19. The following basic measures have proven to be effective and will remain unchanged in the next emergency proclamation relating to COVID-19:
  - The Hawai'i Safe Travels Program
  - The indoor mask mandate
- Governor Ige also signed another emergency proclamation on Nov. 29. He announced the following changes:
  - As of Dec. 1, the counties will no longer be required to obtain the approval of the governor or the director of the Hawai'i Emergency Management Agency (HIEMA) prior to issuing county emergency orders, rules or proclamations. Counties will continue to have direct responsibility for emergency management with their respective counties. Emergencies are usually county-specific and county-led, with the state serving in a supporting role.
  - Executive Order 21-08, issued on Nov. 2, 2021 regarding Statewide Limits for Social Gatherings, Restaurants, Bars, Social Establishments, and Gyms will end on Dec. 1, 2021. The counties will implement appropriate measures for social gatherings, restaurant operations, social establishments and other venues within their own counties.
- On Oct. 25, Mayor Rick Blangiardi announced the City and County of Honolulu is easing restrictions for managed events if all attendees are vaccinated and safety measures are followed. The first phase of the Safe O'ahu Response reopening plan begins Nov. 3, followed by phase two on Nov. 24.
  - On Nov. 3 through the end of the year, both indoor and outdoor seated entertainment will be able to operate at full capacity with 100% of attendees vaccinated and masked. Concessions will be limited to water only. These events include sports arenas and concert venues with assigned seating.

- Indoor interactive events are currently not allowed with more than 10 people, however beginning Nov. 3, they will be able to operate at 50% capacity with a maximum of 150 people (including employees). Beginning Nov. 24, they will still be able to operate at 50% capacity, however the maximum number of people will increase to 300 (including employees). Attendees must be vaccinated and masked while not eating or drinking. Employees, contractors, vendors, etc. who are working the event must follow Safe Access O’ahu guidelines. Food and beverages will be allowed in both phases.
- Also on Nov. 23, Honolulu Mayor Rick Blangiardi announced the lifting of capacity limits and social distancing requirements for events on O’ahu, a key to resuming meetings and conventions at the Hawai’i Convention Center and various resort properties. “Capacity restrictions being lifted for events on O’ahu is welcomed news for Hawai’i’s meetings, conventions and incentives (MCI) market and the Hawai’i Convention Center, as it will allow us to retain group bookings and secure new group business,” De Fries said. “The announcement gives meeting planners added confidence to book events and reassure attendees they will have a safe and memorable visit here in the Hawaiian Islands.”
- U.S. West
  - In Arizona, the Department of Health Services had 2,971 cases and 77 deaths, pushing the state’s totals for the pandemic to 1,269,780 infections and 22,307 fatalities. Lack of statewide vaccination and masking requirements, particularly in schools, is resulting in crowded and stressed hospitals and continued fatalities. In recent weeks, Arizona, Colorado, New Mexico, and Utah have seen high rates of COVID-19 transmissions.
  - In Utah, intensive care units in the state remain near capacity. It was reported recently that 91.1% of all ICU beds in Utah and 97% of ICU beds in larger medical centers in the state are occupied, with 44.6% of ICU patients being treated for COVID-19.
  - On Nov. 26, the World Health Organization classified a new variant named Omicron. It was detected first from a vaccinated traveler who returned to California after a trip to South Africa.
- U.S. East
  - In New Jersey, cases are up 66% in the past two weeks, while rates of COVID-19 have remained moderate. Judith Persichilli, the New Jersey Department of Health commissioner, noted that the state’s current hospitalization rate estimated around 830 was far lower than its peak in January. “I think the bigger difference this year is that we have many more people vaccinated,” Ms. Persichilli said.

**Leisure Activity Update**

**Consumer**

- On-line

**Digital Campaign November – Estimated Impressions**

<b>PARTNERS</b>	<b>Impressions</b>
Facebook	3,150,000
Instagram	975,000
YouTube	4,500,000
Pinterest	3,100,000
Total	11,725,000

- Mālama Hawai'i Brand Campaign
  - The Mālama Hawai'i brand campaign continues to garner momentum in November, supported by public relations, paid social and search media, travel trade training and education, and a coordinated promotion with the Hawai'i travel industry to entice travelers with a trip that gives back – to both Hawai'i and to visitors.
  - Travel trade efforts also continued to actively educate travel sellers across the country on the benefits their customers will reap by experiencing a deeper connection with Hawai'i.
- Consumer Paid Media
  - Nothing to report as the national, digital paid media flight ended Oct. 31.

## **Travel Trade**

- Paid Trade Media
  - The Travel Trade campaign continued in November with a flight of digital media that shares the Mālama Hawai'i brand messaging with travel advisors, directs them to get the latest updates and learn more about the current destination entry requirements, and invites them to become certified Hawai'i Destination Specialists. Paid travel media partners include Northstar and TravAlliance and paid social media partners Facebook and Instagram.  
Total estimated digital gross impressions – November: 2,272,569

## **Public Relations**

- Hawai'i Tourism USA (HTUSA)
  - HTUSA secured a major broadcast opportunity with “Entertainment Tonight,” a CBS multi-platform entertainment news brand and top online news network, with hosts Nischelle Turner and Kevin Frazier from Oct. 30-Nov. 6 for several taped segments. The PR team helped coordinate a traditional Hawaiian blessing, *lei* for the hosts and special guests, activities and provided onsite assistance while filming on O'ahu at the Sheraton Waikīkī. Hosts experienced mai tai demonstrations, surf and canoe lessons by Waikīkī Beach Activities, *hula* lessons and participated in a Mālama Hawai'i experience and more. In one of the segments, the host shared that one of his most memorable experiences was that which gave back through Mālama Hawai'i and encouraged visitors to do the same.



- With the welcoming back of vaccinated visitors to the State of Hawai'i in November, the HTUSA and Island Chapter PR teams successfully hosted four individual media visits. Marla Cimini (*USA Today*) visited O'ahu in partnership with the Hawai'i Food and Wine Festival (HFWF). In addition to her culinary focus, she also participated in Mālama Hawai'i as a way to share meaningful experiences with her readers. By way of American Airlines, we were connected with influencer Michelle Lawrence to partially support her visit to O'ahu. Part of her work will include a voluntourism component, in which she participated in a tree planting experience at Gunstock Ranch. Editorial Director Steve Bramucci (*UPROXX*) visited O'ahu on a partially hosted visit covering Turtle Bay's new renovation. While he was visiting, he also wanted to explore story angles for responsible travel, Mālama Hawai'i, surf culture and "How to have the best O'ahu vacation" where the team set up activities and recommendations. Lastly, Kai Oliver-Kurtin (*Marie Claire*) visited Maui and Lāna'i on assignment for "An Instagram Guide to Maui Nui" where she will include a roundup of must-see places and experiences, including Mālama Hawai'i.
- HTUSA and Island Chapter PR teams coordinated and hosted a fall statewide Hawai'i Virtual Media Blitz from Nov. 8-12. During the one-on-one appointments, the teams brought the media up to speed on the latest destination news and meaningful visitor experiences relating to culture, voluntourism, destination management and more. The team had the opportunity to connect one-on-one with various editors with *Fodor's Travel*, *Eater New York*, *Travel + Leisure*, *Discovery Network*, and contributors of *AFAR*, *Forbes*, *Lonely Planet*, *Condé Nast Traveler*, *Outside Magazine* and others. Many of the conversations sparked thoughtful and robust discussions around mindful travel, regenerative tourism and also resulted in opportunities for media visits in 2022 as well as potentially new Hawai'i-focused sections incorporated in their publications.
- With the announcements from the Governor and county mayors issuing new COVID-19-related state and county measures on Nov. 24, the HTUSA PR team disseminated a press release titled, "News Release – Hawai'i Continues to Ease Restrictions" with the updated travel and safety protocols to PR industry professionals, local and national broadcast stations, leisure publications, editors and freelance journalists. In conjunction with the announcement, the PR team distributed a release titled, "Next phase of Hawai'i state and county COVID-19 measures announced" through PR Newswire for further national reach. The release was picked up by a total of 211 publications and reached a total potential audience of 163,718,847.

- As a result of HTUSA hosted visits this past summer, Judy Koutsky (*Forbes*), Kathryn Romeyn (*Travel + Leisure*) and Ben Davidson (*Diablo Magazine*) generated a total of four stories from their experiences in November. Judy produced *Forbes* story “The Insider’s Guide to Kaua’i” sharing everything from adventure, romance, cultural experiences and everything in-between. The guide also features several partners including, Island Helicopters Kaua’i, Kaua’i Backcountry, Holo Holo Charters, Sheraton Kaua’i Coconut Beach Resort, Ko’a Kea Hotel & Resort and Timbers Kaua’i at Hokuala. In her next *Forbes* story, “Spa, Wellness And Romance In Maui” she shares how visitors can unwind from romantic couples’ massages, elegant dinners to thrilling helicopter adventures. Kathryn produced a *Travel + Leisure* story titled, “The Best Destination to Take Your Kids at Each Age — From Infants to College Graduates.” The guide shares an interesting way to frame our youth to travel with respect and dive into culture throughout the years. Ben produced a story in *Diablo Magazine* titled, “Hawaiian Islands of Enchantment” sharing natural wonders and relaxing experiences on Maui, Lāna’i and Kaua’i.



- Media coverage highlights:
  - “The Insider’s Guide to Kaua’i” – *Forbes* – Judy Koutsky – Nov. 1
  - “State Of Hawaii Aligns With Federal International Travel Requirements” – *PR Newswire* – HVCB – Nov. 3
  - “The 18 Best Places To Visit In Hawaii” – *Travel Awaits* – Kara Williams – Nov. 6
  - “Spa, Wellness And Romance In Maui” – *Forbes* – Judy Koutsky – Nov. 9
  - “The Best Destination to Take Your Kids at Each Age — From Infants to College Graduates” – *Travel + Leisure* – Kathryn Romeyn – Nov. 16
  - “The Top 17 Things to Do on Oahu, Hawaii” – *TripSavvy* – John Fischer – Nov. 18



- “Hawaiian Islands of Enchantment” – *Diablo Magazine* – Ben Davidson and Deborah Kirk – Nov. 26
- Kaua‘i Visitors Bureau (KVB)
  - Kaua‘i was featured in:
    - “The Insider’s Guide To Kaua‘i” – *Forbes* (UVPM: 33,730,000) – Judy Koutsky - Nov. 1
    - “An escape to Old Hawai‘i at Waimea Plantation Cottages” – *AAA Explorer Hawaii Magazine* (UVPM: 290,000) – Cheryl Tsutsumi – Nov. 1
    - “The 18 Best Places To Visit In Hawai‘i” – *Travel Awaits* (UVPM: 61,000) – Kara Williams – Nov. 6
    - “The Most Beautiful Small Towns In Every State” – *MSN.com* (UVPM: 71,000) – Brie Dyas, Kara Ladd, Hadley Mendelsohn – Nov. 12
    - “The most beautiful natural landmark in your state” – *MSN.com* (UVPM: 71,000) – Karlina Valeiko – Nov. 22
    - “Kauai: Hawaii’s lush golf playground” – *Golfpass E-Newsletter* (975,000 subscribers) – Jason Deegan – Oct. 6. Article was a result of Jason Deegan attending the Kaua‘i Golf FAM trip in June 2021.
  - Corresponded with national travel writers to gauge interest in visiting Kaua‘i on a KVB mini press trip highlighting mindful travel, Mālama Hawai‘i, history and culture, conservation and sustainability, and outdoor adventure on Kaua‘i.
  - Worked with Matt Ginella of *Fire Pit Collective* regarding an IMV and video story shoot in December 2021 on Kaua‘i. Coordinating itinerary, interviews and shoot schedule for visit.
  - Conferenced via Zoom with the following media for HVCB’s virtual media blitz for Kaua‘i, Nov. 8-12, discussing updates regarding Hawai‘i’s Safe Travels Program, Mālama Hawai‘i, mindful travel and partner updates; including new tours, activities and markets on Kaua‘i.
    - Jill Robinson, *Afar*
    - Sarah Funk, *Travel + Leisure*
    - Barbara Noe Kennedy, *Los Angeles Times*
    - Jim Brody, *Lonely Planet*
    - Michele Bigley, *The New York Times*
    - Kim Westerman, *Forbes*
    - Jennifer Chan, *Travel + Leisure, Lonely Planet*
    - Katie Parker-Magyar, *Insider*
    - Cameron Curtis, *TLC Network*
  - Individual media visits for November:
    - Brodie Smith, *@brodiesmith21/Instagram, Twitter, Facebook, TikTok* and *YouTube* Social Media Influencer. Visited Kaua‘i Nov. 15-20.
    - Kelsey Lowrance Smith, *@Kelseylowrance/Instagram, Twitter, Facebook, TikTok* and *YouTube* Social Media Influencer. Visited Kaua‘i Nov. 15-20.
  - Liaised with 14 media in November:
    - Sunny Fitzgerald, *Travel + Leisure*
    - Sarah Funk, *Travel + Leisure / Social Influencer*
    - Cathy Claesson, *Adventure Sports Journal*
    - Dante Brasco, Actor / Influencer
    - Salvatore DiBenedetto, *Travel + Leisure*
    - Meghan Miner Murray, *Lonely Planet*
    - Jen Murphy, *Condé Nast Traveler*
    - Carrie Bell, *Fodor’s Travel*
    - Victoria Andrews, Social Influencer

- Hannah Gregg, Social Influencer
  - Fredrik Lindblom, Social Influencer
  - Jason Lusk, *Golfweek*
  - Steve Hennessy, *Golf Digest*
  - Matt Ginella, *Fire Pit Collective*
- O’ahu Visitors Bureau (OVB)
    - O’ahu was featured in:
      - *TripSavvy*, “The Top 17 Things to Do on Oahu, Hawaii” as a result of media assistance from contributing editor, Jamie Ditaranto.
    - Individual Media Visits
      - Steve Bramucci, *UPROXX*, O’ahu Nov. 9-16
      - Michelle Lawrence, Influencer, O’ahu Nov. 10-14
      - Marla Cimini, *USA Today*, O’ahu Nov. 9-14
    - Liaised with 7 media in November
      - Jill Robinson, Freelance writer
      - Dobrina Zhekova, *Mariott Bonvoy*
      - Sasha Brady, *Lonely Planet*
      - Bao Ong, *Eater New York*
      - Lorna Corpus-Sullivan, *AAA Explorer Hawaii; Westways*
      - Jamie Ditaranto, *TripSavvy*
      - Anne Sternheim, Freelance writer
- Maui Visitors and Convention Bureau
    - Individual Media Visits: MVCB had no individual media visits in October.
    - Press Trips:
      - MVCB Eat Your Heart Out Press Trip: Nov. 9-14. Media included Kristie Hang, *Travel Pulse*; Christina Liao, *Vogue, Forbes*; Wendy Altschuler, *Forbes*; and Chadner Navarro, *Travel + Leisure, Condé Nast Traveler*. Activities included local farms and Mālama activities: Traveling Plum Forage & Forment, Hali’imaile Pineapple Co., Lapa’au Farm, Haleakalā National Park/Haleakalā Conservancy, Wailuku Small Town\*Big Art, Maui Brewing Co., Wailea Beach Resort and Lumeria Maui.
    - Liaised with and/or provided information or image(s) assistance to the following media:
      - Courtney Fries, freelance, *Family Vacations Critic* (uvpm: 588K). Provided information for possible 2022 visit.
      - Eric Grossman, freelance, *USA Today* (uvpm: 110K). Liaised regarding *USA Today* Top Ten Lists for Maui small towns.
      - Tim Ebner, freelance, *Edible DC* (circ: 30K) and *Thrillist* (uvpm: 13Mil). Provided continued assistance for possible Maui visit in December.
      - Sarah Sekula, freelance, *Lonely Planet* (uvpm: 7.6K). Provided assistance with images and fact-checking content for *Lonely Planet* guidebook.
      - Amber Gibson, freelance, *TripSavvy* (uvpm: 4.9Mil). Provided assistance with images.
      - Katherine Parker Magyer, freelance, *The Islands*, (uvpm: 387K). Provided assistance with list of scuba diving locations on Maui Nui.
      - Tracey Minkin, editor, *Coastal Living* (uvpm: 702K, circ: 591.2K). Provided information on Lāhainā to be featured in article on “Best Places to Live on the Coast” in the Spring 2022 edition.
      - Greg Archer, freelance, *Moon Guidebooks* (uvpm: 7.6K). Provided images.

- Jennifer Matthewson, managing editor, *Daily Blender* (uvpm: 10K). Provided recommendations for December visit.
- Articles
  - Antonio Grant, *Families Love Travel*, Nov. 3, (uvpm: 80K): “11 Hot Places to Visit in December that Families will Love”
  - Ben Davidson, *Diablo Magazine*, December 2021 (uvpm: 48K, circ: 37K): “Hawaiian Islands of Enchantment”
- Island of Hawai‘i Visitors Bureau (IHVB)
  - Island of Hawai‘i was featured in:
    - *Hawai‘i Tribune Herald* (uvpm: 34,427), “Destination Manager Hired for Visitors Bureau,” Nov. 16
    - *Big Island Gazette* (uvpm: 665), “IHVB Welcomes Back Rachel Kaiama as Destination Manager,” Nov. 16
    - *KWXX* (uvpm: n/a), “Island of Hawai‘i Visitors Bureau Names Rachel Kaiama Destination Manager,” Nov. 16
    - *HawaiiNews.Online* (uvpm: n/a), “Island of Hawai‘i Visitors Bureau Names New Destination Manager,” Nov. 16
    - *Pacific Business News* (uvpm: n/a), “Island of Hawai‘i Visitors Bureau Names New Destination Manager,” Nov. 16
    - *Travel Pulse* (uvpm: 279,093), “Island of Hawai‘i Visitors Bureau Welcomes Rachel Kaiama as Destination Manager,” Nov. 16
    - *Travel Weekly* (uvpm, 232,275), “Big Island Hires Destination Manager,” Nov. 22
  - Liaised with 12 media in November:
    - Al Bonowitz, *AAA*
    - Cheryl Tsutsumi, *AAA, TravelAge West*
    - Brad Japhe, Freelance Writer
    - Jules Older, Freelance Writer
    - Kate Siber, Freelance Writer
    - Kathryn Parker-Magyar, Freelance Writer
    - Lee Daley, Freelance Writer
    - Christine Hitt, *SF Gate*
    - A.C. Shilton, *Triathlete Magazine*
    - Chauncey Carothers, Social Media Influencer
    - Rick Millikan, *Inspired Magazine*
    - William Ecenbarger, *Philadelphia Inquirer*
  - Press Releases / Communications
    - Drafted/distributed DMAP Personnel Release, Nov. 15
    - Distributed November media enewsletter, *What’s Sizzlin’*, Nov. 1
  - When appropriate, continue to support/promote: DMAP action items (14), Hawai‘i Made Products (13), Hawai‘i Island Events (11), and Voluntourism Programs (10)

## Travel Trade Activities

### B2B Calls, Trade Shows, Training Events

	Airline/Wholesaler/TA/TO/OTA
<b>HTUSA</b>	13
<b>KVB</b>	1
<b>OVB</b>	2
<b>MVCB</b>	2
<b>IHVB</b>	4

### Summary of Key Activities

- HTUSA
  - For the month of November, there were 13 travel trade activities consisting of educational webinars, trade shows and training sessions for a total of 1,475 participants. Travel trade participated in three industry partner meetings with a total of nine partners. HTUSA and the Island Chapters continue to communicate with industry partners and travel advisors regarding updates and changes to the Safe Travels Program, lifted restrictions for those who have been vaccinated, and sharing all the important links via the travel agent website, linking to [gohawaii.com](http://gohawaii.com) and the DOH accordingly.
  - The team fielded all inquiries received from travel advisors across the United States via the [agents.gohawaii.com](http://agents.gohawaii.com) site who required assistance to plan their clients' trips and navigate the Safe Travels program.
  - HTUSA conducted a webinar in partnership with Expedia TAAP (Travel Agent Affiliate Program) reaching 50 travel advisors on Nov.4.
  - Cruise Planners hosted a Hawai'i webinar on Nov. 4 reaching 40 Cruise Planners advisors.
  - HTUSA, KVB, OVB and IHVB attended Signature Travel Network's 2021 Conference in Las Vegas, NV, from Nov. 9-12, drawing 1,142 travel advisors. Sponsorship included a 30-minute workshop reaching 100 travel advisors, a two-day trade show and 40 one-on-one appointments.
  - ASTA Small Business Network held their Destination Expo in Savannah, GA, from Nov. 14-17. HVCB's sponsorship included a trade show, a one-hour workshop reaching 75 travel advisors, general sessions and networking events.
  - *Travel Weekly* held their annual CruiseWorld Conference in Miami, FL, from Nov. 10-12 with over 800 travel advisors in attendance. HTUSA presented a Hawai'i Destination Workshop for 76 advisors and participated in the trade show. During the conference, *Travel Weekly* hosted their annual Travvy Awards where Hawai'i won gold awards for *Best Luxury Destination – North America* and *Best Honeymoon Destination – U.S./Canada*. Hawai'i also won a silver award for *Best Expedition/Adventure Destination – Domestic* and bronze for *Best Wedding Destination – Overall*. As a prelude to the CruiseWorld Conference, HTUSA was invited to participate in virtual appointments with 10 STAR (Select Travel Advisor Recognition) Program Advisors on Nov. 4.
  - MAST held their annual Sales Sensation event on Nov. 16 in Oakbrook, IL. HTUSA conducted two seminar workshops for a total of 54 advisors, participated in the trade show and presented on Mālama Hawai'i during the event dinner in front of all 270 travel advisors in attendance.
  - Legato, a new host agency, provided a complimentary one-hour webinar to HTUSA on Nov. 23 attended by 10 travel advisors.
  - Travel agent website [agents.gohawaii.com](http://agents.gohawaii.com) update: There were 320 online graduates who completed the Hawai'i Destination Specialist and/or Island Specialist educational courses online, and 382 new registrants signed up for access to online resources. The overall travel agent database numbers are now at 125,831 email contacts, which includes 71,169 active U.S. travel advisor profile records.

- KVB
  - Participated in Signature Travel Network Conference in Las Vegas, NV. 98 appointments with travel advisors over two days plus trade show with 1,400 registered attendees; Nov. 9-11.
- OVB
  - Participated in Signature Travel Network Conference in Las Vegas, NV. 123 appointments with travel advisors over two days plus trade show with 1,700 attendees, 481 first-time attendees and 600+ suppliers; Nov. 9-11.
  - Participated in IMEX America in Las Vegas, NV. 22 appointments with meeting planners over two days plus trade show.
- Maui Visitors and Convention Bureau
  - Webinar on November 10, Texas American Vacation agents – 22 Travel Agents participated.
  - Webinar on November 15, Canadian ALG (Apple Leisure Group) – 61 Travel Agents participated.
- IHVB
  - Carefree Travel / Phoenix, AZ. Nov. 4. Destination updates (9 advisors).
  - Signature Network/Las Vegas NV. Nov. 10-11. Destination updates (144 advisor appointments).
  - Julie's Travel / Lake Oswego, OR. Nov. 19. Destination updates (13 advisors).
  - Plaza Travel / Woodland Hills, CA. Nov. 22. Destination updates (13 advisors).

**Key Performance Indicators - Leisure Market**

**Consumer**

**Digital Campaign October Actual Impressions**

<b>PARTNERS</b>	<b>Impressions</b>
AdTheorent	3,307,522
BuzzFeed	879,436
Complex	1,314,861
Condé Nast	4,187,896
Matador	11,363,135
Ogury	434,792
Programmatic	3,352,510
Search	117,951
Tremor	1,084,438
Facebook	7,735,551
Instagram	3,511,900
YouTube	29,543,092
Pinterest	6,676,392
<b>Total</b>	<b>73,509,476</b>

## Public Relations

- Month-end impressions and publicity values for articles that included Hawai'i – October results

### Impressions and Publicity Values for October

OCTOBER	Impressions	Publicity Values
Print	58,306,021	\$17,043,883
Online	34,157,050,868	\$13,167,804
Broadcast	860,572,854	\$27,730,192
<b>Total</b>	<b>35,075,929,743</b>	<b>\$57,941,879</b>

## Countermeasures

- HTUSA shared Governor Ige's messages regarding the State of Hawai'i's alignment with the federal government for direct, international travel which follows CDC guidelines, and that a Safe Travels account was no longer needed for these passengers. Also, the state continues to ease restrictions, and the counties will determine the emergency orders by island beginning Dec. 1. This information was communicated with the airlines, OTAs, media, travel trade industry, MCI clients/potential clients and Hawai'i partners. The call/email team and staff continued to respond to inquiries about requirements for travel to Hawai'i and the Safe Travels program.
- The HTUSA 1-800-GoHawaii call center fielded nearly 18,000 calls in November. In addition, HTUSA staff and call center agents responded to 7,100 Safe Travels inquiries to [info@gohawaii.com](mailto:info@gohawaii.com).

## Responsible Tourism Update

- Hawaiian Culture
  - HTUSA – The consumer and travel trade enewsletters focused on efforts and organizations dedicated to restoring and teaching the cultural aspects of Hawai'i's native forests as part of Mālama Hawai'i.
  - KVB
    - Meetings and presentations included components of Hawaiian history, culture and information about Mālama Hawai'i.
    - DMAP: Initiated conversations with Cultural Managers at resorts to discuss/strategize action items listed under Anchor Action C – Hawaiian Culture.
  - OVB – All presentations at webinars and meetings included a component of Hawaiian culture.
  - MVCB – All presentations at webinars and interviews included a component of Hawaiian culture.
  - IHVB – All webinars included components of Hawaiian history and culture. Promotion of Mālama Hawai'i projects and HOST (Hawai'i Ocean Science Technology) sustainable tours.
- Natural Resources
  - HTUSA – The consumer and travel trade enewsletters focused on efforts and organizations dedicated to restoring Hawai'i's native forests as part of Mālama Hawai'i.

- KVB – Mālama Hawai'i information was provided to those participating in individual media visits. Beach clean-ups were suggested as a way to participate in Mālama Hawai'i.
- OVB
  - As a part of O'ahu's destination management efforts, educational Travel Tips are being displayed (digitally) in the baggage claim areas of Terminals One and Two at Daniel K. Inouye International Airport on O'ahu. The travel tips include important information for travelers and are focused on ways to preserve Hawai'i's culture, protect wildlife, hike safely and responsibly, and support ocean conservation and safety.
  - Attended Media Blitz with AMG and presented on Regenerative Tourism and the O'ahu DMAP to 5 writers on Nov. 10.
  - AllTrails completed updates to O'ahu sites including updating DMAP Identified Hot Spot Mā'eli'eli Trail (Kāne'ohe) to closed and removed Spitting Caves/China Walls (Hawai'i Kai) and Mermaid Cave (Nānākuli) from their listings as follow up from our October meeting on Nov. 9.
  - Attended CCOH budget committee meeting for Bill 40 - relating to TAT for O'ahu, in relation to O'ahu DMAP's Action F (regenerative tourism fee), the council is deciding on a set percentage to dedicate to natural resources on Nov. 17.
  - Attended CCOH zoning & planning committee meeting for Bill 41 - relating to illegal short term vacation rentals on O'ahu, in relation to O'ahu DMAP's Action A, this bill has a 120-day extension, will attend future meetings in 2022 to track progress on Nov. 18.
- MVCB – Nothing new to report
- IHVB – Participated in DMAP Steering Committee Zoom Update, continued to support Councilperson Heather Kimball in organizing/contracting third-party facilitator for Waipi'o Valley Stakeholder meeting
- Community
  - HTUSA
    - Nothing new to report
  - KVB
    - In response to the current pandemic, KVB continued to work in conjunction with local business, organization and State and County offices to assist with information regarding Safe Travels, International Travel, and State and County rules, restrictions and updates.
    - KVB continued to provide a weekly update of activities open or closed for the County of Kaua'i's website, *kauaiforward.com*.
    - KVB, HTA, and the County of Kaua'i met to review and report updates and progress on the action items of the DMAP on Nov. 12.
    - KVB distributed 29 RFPs to the CEP – Kaua'i Selection Committee for reviewing and scoring on Nov. 16.
    - KVB and the Island Chapters finalized the members for the Statewide Community Enrichment Program (CEP) Selection Committee.
    - DMAP: Contacted General Manager of local community television to discuss opportunities on using platform to promote/share info on DMAP to island residents. Tentative meeting set for mid-December.
    - DMAP: Conversation with General Sales Manager at local radio station inquiring about promoting DMAP via PSA's, Community Calendars, etc.
    - DMAP: Contact made with Kaua'i representative on Sustainable Tourism Association of Hawai'i (STAH) Board of Director Kaua'i member. Will be setting up meeting in December to discuss DMAP/STAH.
    - Participated in Hawai'i Lodging & Tourism Association Kaua'i's 4<sup>th</sup> Quarter Pau Hāna Event at the Ocean Course at Hokuāla on Nov. 17.

- OVB
  - Held an O’ahu Mālama Hawai’i Introduction and update webinar. Partners featured were: Hawai’i Legacy Reforestation Initiative, Gunstock Ranch, Kanu Hawai’i and NaHHA. Also featured HTA’s Community Enrichment Program, Kūkulu Ola and Aloha ‘Āina programs. Two non-profits on O’ahu attended on Nov. 2.
  - Attended a meeting with HTA and Green Fee Hawai’i to understand the upcoming legislative session efforts and how a green fee would relate to the O’ahu DMAP Action F - Establishing a Regenerative Tourism fee on Nov. 3.
  - Held an O’ahu Mālama Hawai’i Introduction and update webinar. Partners featured were: Hawai’i Legacy Reforestation Initiative, Gunstock Ranch, Kanu Hawai’i and NaHHA. Also featured HTA’s Community Enrichment Program, Kūkulu Ola and Aloha ‘Āina programs. Ten non-profits on O’ahu attended on Nov. 4.
  - Held an O’ahu DMAP introduction meeting with Kyo-ya’s O’ahu and Marriott brands hotel management teams for Moana Surf rider, The Royal Hawaiian, Sheraton Waikīkī, Sheraton Princess Ka’iulani and The Ritz-Carlton Residences Waikīkī Beach on Nov. 9.
  - Attended The U.S. Army Corps of Engineers (USACE) in partnership with the City and County of Honolulu’s virtual public workshops for the Ala Wai Flood Risk Management General Reevaluation Study and provided input based on O’ahu DMAP actions on Nov. 10.
  - Held an O’ahu DMAP introduction for The Retail Merchants of Hawai’i. 52 people including their members and guests from the Land Use Resource Foundation attended on Nov. 12.
  - Attended a preview lunch for Liliha Bakery’s Grand Opening at The International Market Place hosted by PacRim Marketing Group. Survey response feedback given were based on O’ahu DMAP on Nov. 15.
  - Met with NOAA discussing various hotspots offshore affecting marine life as well as potential connections to DMAP hotspots including Ka’ena Point on Nov. 16.
  - Met with Paul Dyson (USS Missouri Memorial Association) and Russ Murakami (The SSA Group), consulting on O’ahu DMAP and DMAP Action H, buy local on Nov. 18.
  - CEP proposals for O’ahu and Statewide organized and distributed to the Evaluation Committee members on Nov. 18.
  - Attended CCOH zoning & planning committee meeting for Bill 41 - relating to illegal short term vacation rentals on O’ahu, in relation to O’ahu DMAP’s Action A on Nov. 18. This bill has a 120-day extension, will attend future meetings in 2022 to track progress.
  - Met with the O’ahu DMAP Steering Committee and HTA to discuss O’ahu DMAP progress on Nov. 19.
  - Met with HTA and CCOH Transportation sub-group to present "GetAround" website plans and DMAP Action I (Alternative modes of Transportation) and hotspots that overlap with the goals of the O’ahu Resiliency Plan and O’ahu Pedestrian Plan on Nov. 19.
  - Held an O’ahu DMAP introduction with CCOH Councilmember Andria Tupola (District 1) discussed possible "Tourism Town Hall" for her district in Q1 of 2022 on Nov. 24.
  - Met with O’ahu Limu Hui non-profits/DLNR to discuss OVB support for their year of the *limu* 2022 monthly events with marketing and stewardship support Nov. 30.
- MVCB
  - Supporting Maui County’s Mālama Maui County Pledge promotion with distribution of a rack card to hotel and activity partners. Continuing to showcase video on social media channels in October 2021. Also showcasing Mālama Hawai’i videos on social media channels.
  - Two “HI Now” segments featuring Mālama partners, Ka’ehu and Na Mahi’ai ‘o Keanae aired on “HI Now Holoholo Maui” program on Nov. 12 and are now available online.



- All webinar presentations include Mālama Hawai'i and Road to Hāna Code of Conduct.
- IHVB
  - All webinars included components of Hawaiian history and culture. Promotion of Mālama Hawai'i projects and HOST (Hawai'i Ocean Science Technology) sustainable tours.
- HTA Events and Programs.
  - Provided media assets on behalf of HTA for event and program sponsorships.
    - Big West Conference: Provided basketball court logo signage and ticket brochure assets for execution and review.

**Island Chapters Engagement Update**

- OVB
  - Held an O'ahu DMAP introduction meeting with Hawai'i Tourism Canada on Nov. 2.
  - Held an O'ahu DMAP introduction meeting with Hawai'i Tourism Oceania on Nov. 2.
  - Held an O'ahu Mālama Hawai'i Introduction in partnership with Hawai'i Tourism Japan for the Japan Hawai'i Travel Association (JHTA), including 64 people from 22 O'ahu tour operators on Nov. 17.
  - Gave destination education and itinerary support to Hawai'i Tourism Korea's Korean Airlines Mālama Hawai'i FAM on Nov. 16-19 (13 agents participated).
- IHVB
  - Hawai'i Tourism Korea's Top Agents Mālama Hawai'i FAM brought to Hawai'i Island 9 agents who toured the island and participated at the Waikoloa Dry Forest Initiative, a Mālama Hawai'i ambassador whose focus is to revitalize the drylands forest.

**“Coming Attractions” for Leisure Market**

	<b>What</b>	<b>When</b>	<b>Where</b>
<b>HTUSA</b>	Amber Gibson ( <i>TripSavvy</i> )	Dec. 14-23	Maui, O'ahu
	The Hawaiian Islands “Mālama Ambassadors” Travel Trade Virtual Event	Dec. 1-2	Virtual
	Avoya Conference	Dec. 6-8	Virtual
	Gifted Travel Network Virtual Vendor Presentation	Dec. 7	Virtual
	Webinar with Travelex International	Dec. 7	Virtual
	CP Live (Webinar)	Dec. 8	Virtual
<b>KVB</b>	KVB Mini Press Trip	Dec. 13-18	Kaua'i, HI
<b>OVB</b>	Destination Hawai'i Post FAM	Dec. 8-12	O'ahu
<b>MVCB</b>	Nothing new to report		
<b>IHVB</b>	Consumer Opt-in Email (KOA Airport Mural)	Dec. 9	N/A

# Hawai'i Tourism Japan

## 2021 Monthly Leisure Marketing Report – November

### Market Intelligence/Market Conditions

#### Economy

- The government has decided on a new economic measure with a record-large business scale of ¥78.9 trillion to boost real GDP by about 5.6% and it is expected to support the resumption of socio-economic activities of the Kishida administration. ([source](#))
- **3<sup>rd</sup> Qtr. GDP:** GDP preliminary figures for July-September 2021 were down 0.8% from the previous quarter and down 3.0% on an annualized basis with real seasonally adjustment excluding the effects of price fluctuations. Personal consumption fell due to the declaration of an emergency due to the spread of COVID-19 and exports were slower due to the reduction in automobile production.
- **GoTo Travel (Domestic Travel Stimulus) Resumption:** The government is currently ironing out details of how and when to resume the program with an eye toward a restart in January or February. The [GoTo Travel campaign](#) initially kicked off in July last year and was backed by a gargantuan ¥1.35 trillion budget to stimulate tourism demand that had been devastated by the pandemic. It covered half of a person's travel expenses - a 35% discount on things like accommodation or transportation, and special coupons worth the remaining 15% that could be used at shops and restaurants during the travel period - if people purchased trip plans through designated travel agencies or made reservations at designated hotels. ([source](#))
- **Digital Currency in 2022:** A new digital currency backed by bank deposits is set for a test run in Japan as early as this year, an effort that will involve the nation's top banks and about 70 other companies and organizations. The test run will focus on the digital currency's feasibility for low-cost business transactions, such as large payments between companies. The group aims to bring the currency into circulation as soon as the latter half of 2022. ([source](#))

#### Outbound Travel Market

- **New Entry Restriction for Foreigners:** The Japanese government announced on November 30 that foreigners would be suspended from entering the country. As a result, the number of returnees from December 1 has decreased to 3,500 peoples per day from 5,000 per day. The Ministry of Land, Infrastructure, Transport and Tourism requested each airline to suspend new reservations for international flights (return flights) arriving in Japan from December 1st. Regardless of nationality, new entry is not possible and the regulation is scheduled to continue for one month for the time being. It seems that the weekly boarding restrictions of Japanese airlines on return flights will be restricted to about 3,000 seats while foreign-affiliated airlines to regulation changed from 140 seats per flight to 100 seats. Currently, the participation number of Honolulu Marathon and year-end and New Year reservations have not been affected yet, but the government may announce a request to refrain from traveling during the year-end and New Year holidays, so HTJ will keep an eye on future trends.
- **Ministry of Justice Immigration Statistics:** The number of Japanese nationals traveling abroad in October increased by 63.7% from the same month of the previous year however, decreased by 96.9% from the same month of 2019 to 50,800. In August, when Tokyo Olympics and Paralympics was held, the number was 66,000, in September it was 52,400, and in October it was 50,800. From October 1st, the quarantine period after returning to Japan from some of the target countries was shortened from 14 days to 10 days for those with a valid vaccination certificate, however the effect seemed to have less impact. If this trend continues, the number of Japanese leaving in 2021 is expected to remain at around 500,000. This number is the level of 1969 (492,880 people) five years after the liberalization of overseas travel, and it will retreat to the level 52 years ago.

- According to the Ministry of Foreign Affairs, the number of countries / regions where the COVID-19 vaccination certificate for overseas travel issued in Japan can be used has expanded to 66 countries / regions as of November 9.

### Competitive destination travel initiatives

#### Tourism re-open

Destination	Details
Thailand	Starting November 1, Thailand has been accepting foreign travelers with completed vaccination over 63 countries/area including Japan without quarantines.
Australia	The government of Australia announced accepting Japanese visitors without quarantine starting December 1; however, due to the omicron variant, it pushed back for 2 weeks.

#### Promotion

Destination	Details
Guam	GVB collaborated with United Airlines invited Japanese TV media to showcase Guam's allure.
Singapore	Singapore Tourism Bureau announced new campaign SJ55 (the Singapore and Japan's 55 <sup>th</sup> anniversary of the relation) by appointed "Ultraman" as image character and just released the 3 series video message.
Taiwan	Taiwan Visitor Bureau, Taiwan Café chain "Chai Sui Tang", and JTB collaborated and conducted "Taiwan Fair" in Japan over 3 weeks starting 12/10. This promotion is not only showcasing the Taiwan gourmet, but also promoting JTB dynamic package "LOOK JTBMystyle" Taiwan product.

#### Consumer Trend

- **2021 Winter Travel Trend Survey:** According to a travel awareness survey conducted by TripAdvisor from October 5 to 14, 2021, Japanese travelers' feeling towards travel during the year-end and New Year holidays (November 2021 to January 2022) was "cautious," "excited," and "optimistic" as top three, and there was a tendency to look forward to traveling while maintaining a cautious attitude. More than half said they have "planned" or "not sure yet" about their New Year holidays, and 59% of them already spent time researching destinations and browsing travel-related websites. As for the timing to decide the travel plan for the year-end and New Year holidays, 56% answered in November and December combined, and 69% of the respondents answered that they haven't planned the trip and will make the reservation when the timing is closer ([source](#))

#### 2021 Popular foreign destination to travel

1. Honolulu (USA)
  2. Paris (France)
  3. Bangkok (Thailand)
  4. Dubai (United Arab Emirates)
  5. London (England)
- **2022 Travel Forecast:** 74% of Japanese travelers say that traveling leads to happiness more than any rest or relaxation, and many believe that going on a trip is more self-care than daily exercise or meditation. On the other hand, regarding work and private life, 70% answered, "In 2022, I want to make my vacation time a time when I do not work at all." In addition, 46% believe that it is important that the behavior of travelers is beneficial to the local community at the destination, and it is likely that sustainable awareness will increase. ([source](#))

- **Japanese Youth to Lead Ethical Consumption:** Compared to Japan's average, high percentage of younger generation, higher percentage are conscious of environmentally ethical consumption. Young people are in the environment where they can check their favorite influencers and close friends' actions on SNS on a daily basis, and are in an environment where they can not only receive but also send out their lifestyles and opinions at any time. The tendency of SNS to have a great influence on the values of young people is seen not only in Japan but also in other countries. [\(source\)](#)

### Digital Marketing Trend

- **Telework Rate:** The Tokyo Metropolitan Government has compiled a survey on the implementation status of telework by companies in Tokyo in September. The implementation rate was 63.9%, down 1.1 points from August. As a countermeasure against COVID-19, Tokyo has requested to actively implement it during the period of the state of emergency and to continue to control the spread of infection, it is expected to continue to implement telework because it is effective for business continuity and work style reform in the event of a disaster. [\(source\)](#)

### Media Trends

- Values conducted a survey of 25,401 men and women over the age of 20 to see the current state of consumer trends in the second year of the impact of COVID-19.
  - Internet (smartphones, tablets: 45.5%, PC: 31.5%) recorded high numbers
  - TV has decreased. Paid video distribution service has rose and may have shifted .
  - As far as offline is concerned, it can be said that TV still has a strong influence as a source of new information.
  - Magazine advertisement has decreased to 79.7% compared to January 2020
  - TVer is popular service that shows missed can be watched
  - Newspaper is losing its share from January 2020 (50.8%) to January 2021 (48.4%)
  - Contact time of Instagram and Twitter has increased
  - The number of users of "TikTok" has doubled, but it will not reach each SNS
- Japan Magazine Advertising Association has conducted the E-magazine reader profiling survey in September 2020.
  - Electronic magazine (all-you-can-read) users are mainly men and women in their 30s and 40s, with high unmarried rate, employment rate, and disposable income.
  - PV is higher on weekdays (Monday to Friday), more than 2-3 times the average on Saturdays and Sundays
  - Traveling through multiple magazines on smartphones and tablets, the page contact rate per issue is also high
  - More than 40% of weekly and women's magazine users are positive about information and advertising

### Travel Trends

Major wholesalers package tour stop-sell

Wholesalers	Stop-sell until
HIS	1/7, 2022
JTB, KNT	1/31, 2022
Club-Tourism	2/28, 2022

### Airlift

- Four airlines (ANA, Hawaiian, JAL and ZIPAIR) operated direct flights to Honolulu (53 flights with 13,379 air seats) in November. With increased flights by ANA, JAL and flight resumption of United Airlines, a total of 81 flights with 20,016 seats will be operated in December. JAL also announced daily flight from Narita starting February 1, 2022.

Operation	Details
All Nippon Airways (ANA)	2 flights/week from Haneda until 1/12/22 Increase flight in December (14 flights, 3,444 seats)

Hawaiian Airlines (HA)	3 flights/week from Narita & 1 flight from Kansai (total 4 flights per week) until 1/31/22
Japan Airlines (JAL)	Total 3 flights/week until 1/31/22 From February 1, 2022, daily flight from Narita (total 7 flights per week including 2 flights from Haneda)
United Airlines (UA)	Resume flights from 12/16
ZIPAIR	3 flights per week

## Leisure Activity Update

### Mālama Hawai'i initiatives

- Mālama Hawai'i message video diffusion:** Continuing from last month, the Japanese subtitled Mālama Hawai'i video is being delivered from November 15th to December 6th as YouTube advertisements, targeting people who like travel and are interested in sustainability. There were 693,713 views, 9,248,043 impressions and 2,294,466 engagements. In December, HTJ plans to distribute advertisements for concept videos produced for the Japanese market to raise awareness of Mālama Hawai'i on YouTube, SNS (IG & FB), and TVer.
- Mālama Hawai'i creatives:** In order to further increase the exposure of Mālama Hawai'i, HTJ created creatives for advertisement and web banners.
- Made in Hawai'i products promotion:** As part of Mālama Hawai'i initiative and to promote made in Hawai'i products, HTJ promoted Made in Hawai'i Festival on owned media, including official SNS. HTJ also conducted Instagram live with local media "Tsunagu Hawai'i" from the festival on November 13 to 4,173 audiences, implemented an SNS campaign for viewers to win made in Hawai'i products, which led to 119 applicants. In addition, HTJ filmed the event and interviewed 15 vendors to share their stories. Edited videos will be available during December to raise awareness of Hawai'i-made products.
 
- Mālama Hawai'i featured in Hawai'i media:** Free paper specializing in Hawai'i, Lani Lani published a SDGs special issue in November and HTJ provided information for a 4-page advertorial about Mālama Hawai'i and a 3-page advertisement. This issue was a special issue which Japanese idols navigate about the activities relating to SDGs in Hawai'i with the theme of "Sustainable Hawai'i." Only 140 copies were published.
 
- HTJ participated in the "Youth Conference", a contest that Mynavi x Antil college students participated. 16 groups presented their ideas on how to promote and protect the nature and culture of Hawai'i cherished by the locals and visitors.
 
- Since September, HTJ has been collaborating with BS12's "Hawai'i ni Koi Shite" and has been broadcasting Mālama Hawai'i message and sharing HTJ's initiatives. In November's show, HTJ updated information about Hawai'i as well as new eased regulation starting from November 8. There are 1,210,000 monthly viewers and 5,236,400 impressions.

- In November issue of “LightHouse Hawai‘i,” a free paper for the Japanese community in Hawai‘i featured made in Hawai‘i products and Hawai‘i’s food culture to educate about Hawai‘i made products as homecoming souvenirs to Japan and local unique food culture and it reached 20,000 people.
- Collaborated with Hawai‘i media, Aloha Express to create 2022 calendar with the concept of Mālama Hawai‘i. 63,000 copies of Aloha Express were issued on November 26.

### Other Marketing Activities

- HTJ conducted the "Awareness Survey on Hawai‘i Travel" and 14,595 people responded. Although the desire to travel to Hawai‘i is very high, more than 88% of the respondents answered that it would be difficult to travel unless the quarantine after returning to Japan is eased. Other survey results are below:
  - When choosing a destination, they emphasis on security, price, hotel quality, and hygiene
  - 73% answered that they would like to travel abroad rather than domestically once the COVID-19 situation calms down
  - Hawai‘i is the number one destination for overseas
  - Most popular experience they would like to do in Hawai‘i was revenge shopping followed by relaxing.
- HTJ distributed consumer mail magazine on November 11 to 364,781 people and open rate was 18.4%. Information were about Made in Hawai‘i Festival, Prince lot Festival, and King Kalākaua and his achievements.
- Knowledge Bank assets: HTJ received requests for updated assets from the media and the travel industry. HTJ has been planning and coordinating to film in each island.

### Public Relations

- In November, HTJ supported 44 media. Iolani Palace was featured in wealthy magazine PAVONE and the interview article with the HTJ country director was featured in the YEAR BOOK of the Hawai‘i magazine Aloha Express.
- **Communication with local partners for images:** HTJ communicated with CBS about Hawai‘i film programs, Hawai‘i FIVE-O and NCIS for aruco scheduled to be published in February 2022. HTJ also contacted Aha Punana Leo for the images of campus and students learning for company in Japan that publishes textbooks for high school students. It was an opportunity to promote Hawaii and to educate the next generation in Japan.
- **Introducing Hawai‘i Companies and NPOs:** Japan Airline business class inflight magazine Eheu’s autumn / winter issue will feature Mālama Hawai‘i. HTJ communicated with partners and NPOs to provide images. Also, Mālama Hawai‘i website will be featured in this issue.
- **Support Mana Up showcase:** HTJ posted Mana UP’s showcase on 11/12 on owned platforms and Facebook and gained 8,400 impressions and 7,511 reach.

**Media Exposure:** In month of November, total 186 media exposures, 10,025,881,655 impressions and \$1,651,660.19 AVE were earned through Public Relations.

**Press Releases:** HTJ distributed two news releases to 1,438 media in November. The result was 81 exposures, 9,380,990,383 impressions and \$ 525,400 AVE.

### Event support

- For domestic events, from November, the limit has become 5,000 people or capacity of 50% or less. With this ease of restriction, 6 sponsored events were held in November. Three events for festivals and one of the events with the theme of protecting the sea.

- **Hug the Earth in Daikanyama (11/20):**  
This event was held as an ethical event to promote the conservation of the marine environment. A screening of the Hokule'a documentary "Hokelea A Her Farthest Journey" was held on the day, and about 70 people participated. The significance and efforts of Hokule'a was also introduced at talk shows by former Hokule'a crew members. Many participants commented that they were impressed with Hokule'a's activities to connect people through the voyage. At the venue, HTJ played Mālama Hawai'i videos between screenings to educate people about the concept of Mālama Hawai'i.



### Aloha Program

- To grow new members and lead existing members to become advanced Hawai'i specialists, HTJ has been holding exam preparation webinars and has been conducting a campaign to aim for advanced members until the end of December. By distributing the webinars live and with archived videos, the number of intermediate level examinees in November was about three times as many as usual. HTJ will be conducting Jake Shimabukuro's exclusive concert for advanced specialists in December.

#### Webinar

Date	Detail	Participants
11/13	Hawai'i Specialist Intermediate Examination Preparation Course	86
11/19	How was hula born?	110

- On November 19th, HTJ distributed an e-newsletter for Aloha program members, focusing on the announcement of webinars in November and December, and appealing for new Mālama Hawai'i concept videos and campaigns to promote examinations. It was delivered to 44,479 people and the opening rate was 37.45%. In addition, on November 30th, 44,795 newsletters was distributed with the topic specifically focused on Mele Kalikimaka concert by Jake Shimabukuro on December 18th. This special issue also had an opening rate of 39.75%, indicating that the members were highly interested in the special concert.

### Island Chapters Engagement Update

- On each SNS, HTJ introduced the beauty and attractiveness of O'ahu, Island of Hawai'i, Maui, and Kaua'i.

Islands	Reach	# posts	Featured contents
O'ahu	587,800	30	i.e. Price lot festival, Made in Hawai'i Festival, beautiful landscape of Northshore, Waikiki, etc.
Island of Hawai'i	166,163	5	i.e. Sharing dynamic nature and unique landscape; Pololo Valley and the Waterfall
Maui	188,057	4	i.e. Beautiful sunset at Kaanapali Beach
Kaua'i	131,241	3	i.e. Dynamic landscape of Napali coast, Waimea Valley

### Travel Trade Activities

- **Mālama Hawai'i in travel agency pamphlets:** Next year's tour pamphlets of major travel agencies are being published one after another, such as wedding series and special editions featuring each hotel. HTJ will continue to post and enlighten the concept of Mālama Hawai'i with a banner.

- **JATA Online Travel Mart (11/10-12 JST):** HTJ conducted a webinar as part of JATA Online Travel Mart on 11/9 (JST) and updated current Hawai'i situations and shared 2022 travel trade initiatives. HTJ were able to reach 875 travel trade professionals through the webinar. Along with HTJ webinar presentation, 30 members of Hawai'i Promotional Committee also participated in the webinar and updated each partner's initiatives.

- **Mālama Hawai'i diffusion:** In November, HTJ continued to collaborate with travel agencies and airlines to raise awareness of Mālama Hawai'i. At Chubu Centrair International Airport, a special page for Hawai'i was created to promote the message of Mālama Hawai'i. In addition, through broadcasting Mālama Hawai'i videos and explanations of the Mālama Hawai'i concept at travel agency information sessions and events, the industry as a whole will educate travelers about new travel styles with deeper experience of true Hawai'i cultural experiences.



- **Sales tool creation:** To prepare tourism recovery, HTJ has conducted virtual site inspection tour video (VSIT) creation by involving with Hawai'i stakeholders. In November, HTJ arranged and shot 2 partner properties (Waikiki Beachcomber and Prince Waikiki). Also, over 10 partners VSIT are scheduled and coordinated in December and January. Once these videos are created HTJ utilizes for the sales educational tool and diffuse via HTJ's owned media and SNS.
- **Travel Trade website enhancement:** HTJ continued posting the columns in Travel Trade website including Hawai'i visitor statistics, COVID19 updates, Made in Hawai'i Festival event information and more.
- **Satellite office activities:**
  - 35 articles were posted on Aloha Program by satellite offices. Top popular articles are the latest news of Hawai'i, Mālama Hawai'i messages, and each agent's virtual tour info. HTJ will continue to communicate with satellite offices to educate the staff and customers to be Pono traveler.
  - **Additional Satellite office in Hawai'i:** HTJ discussed with JTB Hawai'i to become 4<sup>th</sup> Satellite office in Hawai'i. Currently, over 150 staff are Hawai'i Specialists including over 80 of them are Advanced level.
- **Monthly Mail Magazine:** Travel trade e-magazines were distributed to over 7,632 members on November 22. In the e-mail magazines, HTJ continued diffusing Mālama Hawai'i concept videos, COVID19 information, Safe Access O'ahu and other updates of Hawai'i and the new contents featuring for MICE. Web media/GDS system, Infini picked up this mail magazine and distributed the information to their member (UU: 35,000, PV: 40,000/Monthly).
- **SNS reach:** HTJ posted total 20 columns on Travel Trade member Twitter and increased 123 followers in the month of November and total 1,108 followers were resulted. The tweets are: Mālama Hawai'i message, COVID-19 updates, and the Honolulu marathon news.
- Travel Trade Sales

Airline	Wholesaler/TA/TO/OTA	Other	Total
21	23	25	69

### Partners Relations

- **O'ahu DMAP:** With the collaboration with O'ahu Visitor Bureau, HTJ conducted O'ahu DMAP special session to Japan Hawai'i Travel Association (JHTA) on 11/17. Over 70 members of JHTA participated and HTJ shared Oahu's current situation, residents' input toward tourism and asked for their support to attract mindful travelers from Japan.



- **Information distribution:** HTJ continued sharing not only COVID19 conditions/changes, but also HTA visitors' arrival data and Airlift. Soon after government officials announced HTJ translated in Japanese, distributed to Hawai'i partners, and posted on allHawai'i.jp. HTJ distributed the email news and update information to over 750 partners/agents in Japan and Hawai'i through HTJ contact list.
- **Made in Hawai'i Festival:** HTJ worked with the Made in Hawai'i Festival organizer to promote the event. HTJ reached out to Hawai'i Media and Travel agents to showcase the event.

**COVID-19**

- **Update of COVID19 website and Hawai'i Travel Chart:** with the announcement of US entry by President Biden, HTJ updated COVID19 site, FAQ and renewed the Hawai'i Travel Chart. HTJ shared the update and chart with airlines and other Hawai'i stakeholders. Also, HTJ translated Gov. Ige and Mayor Blangiardi's announcements and posted on the website on the same day. In the month of November, COVID19 site received 16,603 UU and 55,207PV.
- **Additional Trusted Testing Partners:** HTJ announced additional 70 trusted testing partners and posted the list on COVID19 site. (total 154 TTP as of 12/1)
- **Inquiries assistance:** HTJ received 362 inquiries (General consumers: 331, Travel Trade partners: 31) in the month of November. The total number of inquiries were almost doubled compared to last month. 90% of the inquiries were questions and concerns about COVID19 information of vaccination certificate requirement starting from November 8<sup>th</sup>. Airlines seemed to be confused about their in-charge processes and consumer's only choice was to ask HTJ. HTJ has updated information and FAQ on COVID-19 website to meet the new requirement.

**"Coming Attractions" for Leisure Market**

<b>What</b>	<b>When</b>	<b>Where</b>
Aloha Program webinar (Virtual Hotel Tour at Halekulani)	12/3	Online
Centrair Online Hawai'i Tour	12/4	Online
INFINI Travel agency webinar	12/8	Online
JTB Counter and planning staff seminar	12/16 & 17	Online
Aloha Program special Christmas concert	12/18	Online

**Hawai'i Tourism Canada  
2021 Monthly Leisure Marketing Report – November**

**Market Intelligence/Market Conditions**

**Economy**

- The Canadian economy is expected to grow robustly in the near term, before gradually decelerating to a rate close to potential by the end of 2023. Real GDP is projected to grow 4.6% during 2022 (Q4 to Q4) and 2.3% during 2023.
- According to some experts, by the end of 2023, output in Canada will be about 6.9% higher than at the end of 2019. Under this scenario, core inflation will fall to slightly over 2% by end-2022 and remain there in 2023. The Bank of Canada will probably start raising its policy rate in the spring or early summer, and bring it to 0.75% by the end of 2022, and 1.75% by the end 2023.
- Canadian labour markets have largely recovered from the pandemic but pressures that existed pre-COVID have resumed and indeed have been exacerbated. Evidence of labour shortages is now more widespread, spanning high-skilled to lower-skilled occupations. The policy and market response can include growing the supply of labour: incenting older workers to stay in the workforce, to and beyond age 65, and bolstering our immigration intake of knowledge workers.
- The loonie remained stable throughout the third quarter, at an average value of USD \$0.79.

**Outbound Travel Market**

- Overall, almost 2.4 million trips were recorded during the first three quarters of 2021, compared to 8.49 million last year, and 25.8 million in 2019. Close to half of the trips recorded so far in 2021 occurred in the past two months. More than 1.1 million Canadian residents returned from overnight trips in August and September. The first five months of the summer travel season (May-Sept) saw 1.75 million Canadians return from an international trip, compared to more than 14 million in 2019. More than half (52%) of the trips recorded this summer were to overseas destinations, a larger share than recorded throughout the same period in 2019 (34%).
- Almost 237 thousand Canadians return from an overnight transborder trip in September. Activity was up 331 per cent from September 2020 and now reflects 14 per cent of the monthly volume seen pre-pandemic. So far in 2021, 1.1 million Canadians have taken an overnight transborder trip, 59 per cent of which occurred in Q3. The national ADR averaged CAD\$148 throughout the first nine months of 2021, an 8 per cent increase over 2020 (\$137) but a 15 per cent drop compared to 2019 (\$175).

## **Competitive Environment**

- There were almost 257 thousand arrivals in the Caribbean, Mexico, and Central America throughout the first nine months of 2021—61 per cent of which occurred in the third quarter. So far this year, there has been a 94 per cent drop in activity compared to 2019. With activity in September almost double the activity recorded in the previous two months, the first five months of the summer season recorded 186 thousand arrivals—five and a half times the activity seen last summer.
- The first nine months of 2021 saw just 50 thousand Canadian arrivals in the Asia-Pacific region, a 93 per cent decline compared to 2020, and a 98 per cent drop over 2019. The majority of APAC countries still have significant visitor entry restrictions in place, which continue to affect Canadian travellers. The first five months of the summer season saw just 24 thousand Canadian arrivals in the region, a 98 per cent drop compared to 2019.

## **Consumer Trends**

- After a slight uptick last month, the Index of Consumer Confidence faltered in November, falling 5-points to 108.2. This is the lowest level recorded since May, pushing the index back to 10 per cent below its pre-pandemic level. Lower confidence levels were recorded across Canada, except in Ontario. Unlike last month, confidence regarding future job prospects lost steam, but the share of consumers with optimistic views remains higher than before the pandemic. At the same time, extremely high inflation has eroded positive sentiment regarding future finances and potential purchasing power. Just 19 per cent of survey respondents believe now is a good time to make a major purchase.

## **Travel Trends**

- The month of October saw 9,600 Canadian arrivals—the highest monthly volume since March 2020 and more than a third of the visitors recorded so far in 2021.
- This follows the arrival of 10,500 visitors in Aug and Sept—more than the entire April 2020-June 2021 pandemic period.
- Notwithstanding this improvement, compared to 2019, direct arrivals have declined by 95%, while indirect arrivals have dropped 90%.
- Nine-in-ten visitors so far this year were independent travellers, a higher share than previous years.

## Media Trends

- Infrastructure impacts how Indigenous people in the north use media

MTM oversampled a group that is usually overlooked by many other surveys of media and technology habits.

Despite Indigenous peoples' importance in the Canadian mosaic, not much is known about how they use media technology, due to the fact that surveys weighted for population often overlook them or don't provide a representative sample.

Media Technology Monitor has made its first attempt to address this, adding an oversample among Indigenous communities across Canada and in the North.

The report found that Indigenous Peoples are a younger population on the whole, with a median age of 29, and are 35.5% more likely to have someone aged 19 or under in the home, compared to 22.1% of the general population.

Indigenous peoples tend to own similar devices to non-Indigenous people, and are as likely to have a smartphone, tablet or smart speaker as other Canadians, but are less likely to own a computer or laptop.

When looking at internet, Indigenous peoples in the north are less likely to have a home connection (86%) than the average Canadian (93%), although Indigenous peoples living in the rest of Canada (91%) are almost as likely as the general population. That points to ongoing infrastructure and supply chain issues that often disproportionately impact Northern communities, with MTM further referencing the possibility of the quality of internet service being a factor, due to the lack of availability of high-speed and fibre optic services.

That leads to Indigenous peoples living in the north spending roughly two hours fewer online than Indigenous peoples living elsewhere in Canada, on average. They also listen to less AM/FM radio in a typical week, likely due to both online access and radio signals being less accessible in the North.

TV and internet service penetration is high overall among Indigenous Peoples, but that can vary depending on where they live, namely between remote or more urban settings, because of access to services. Satellite TV penetration is much higher among Indigenous households for this reason.

Indigenous peoples show a lot of interest in getting content digitally and are slightly more likely to watch content on SVODs or on YouTube than the average Canadian, which may in part be due to a greater prevalence of Indigenous-made content on digital platforms than traditional ones. Music on YouTube is also more prevalent with this group.

More than three-quarters of Indigenous peoples (77%) engage in social networking, slightly higher than the 74% of the general population who do the same. Mirroring trends in the rest of the province, Franco Indigenous peoples are less interested in social networking. Facebook usage is nearly universal among Indigenous Peoples at 92% (vs 87% of the general population). As a population that skews younger, they are also very drawn to SnapChat and TikTok (32% and 35%, respectively, compared to 22% and 18% of the general population).

Overall, Indigenous survey respondents are slightly less likely to watch Canadian TV news channels; however, when they do, they are more likely to watch the CTV News Channel. Franco-Indigenous Peoples are more likely to watch TVA Nouvelles than other Francophones.

- Meta removes sensitive ad targeting options

While there will be an impact on advertisers looking to do good, the company cited experts who have been pointing to the potential for misuse.

Meta plans to remove the ability to target ads based on interest topics that reference causes, organizations or public figures that relate to health, race, ethnicity, political affiliation, religion or sexual orientation – despite the fact that advertisers want to reach audiences interested in the positive change their brands are trying to create in those areas.

Effective Jan. 19, 2022, advertisers will no longer be able to target ads based on those potentially sensitive topics, with the company using examples such as health-related topics like “lung cancer awareness,” “World Diabetes Day,” and “Chemotherapy”; topics related to sexual orientation like “same-sex marriage” and “LGBT culture”; topics based on religious groups like “Catholic Church” and “Jewish holidays”; and anything related to political beliefs and social issues.

Meta was careful to note that these interests associated with particular users had nothing to do with their actual characteristics or personal attributes but were based on content they had interacted with on Facebook and Instagram.

While the move will surely impact well-intentioned advertisers looking to create a positive impact, or even non-profits looking to fundraise, experts have long warned that these targeting options have the potential for more harm than good, be it through discrimination or even targeted harassment campaigns. Meta’s VP of ad product marketing Graham Mudd referenced those experts directly in a blog post detailing the changes, saying “targeting options like these could be used in ways that lead to negative experiences for people in underrepresented groups.”

For example, last year, ongoing backlash resulted in Facebook removing certain ad targeting categories that advertisers had used to discriminate against certain users, such as an ad for housing that blocked Black, Asian and Hispanic people from seeing it.

In the blog post, Mudd attempted to dispel the concerns the company has heard from advertisers worried about the changes by pointing to other targeting options that remain available.

Those include creating custom audiences based on users that have directly engaged with an advertiser’s content or website, lookalike audiences based on those interactions, geographical targeting or targeting options based on an advertiser’s own first-party data.

In addition, the company is also introducing new user-facing ad controls that will allow them to opt out and see fewer ads in potentially sensitive areas. Those include politics, alcohol (which could be potentially triggering for those with addiction issues), parenting and pets (which could be unwanted for those in mourning). Further subjects like gambling and weight loss are being added early next year.

## **Airlift**

- Carriers offered almost 42 thousand direct seats throughout the first ten months of 2021, compared to 183 thousand in 2020 and 378 thousand in 2019.
- After suspending service in January, Air Canada offered more than 10 thousand seats in the past three months.
- WestJet has offered 28 thousand seats so far in 2021, 60% of which were available in August, September, and October.
- Carriers are now offering 148 thousand seats in 2021, with 80% of this service available in Q4.

## **Market Intelligence/Market Conditions**

- As of Dec. 9 - 31,212,118 people (85.87% of the population ages 5+) have received their first doses, at least 29,144,837 people (80.18% of the population ages 5+) have been fully vaccinated, and 2,074,665 3rd doses have been administered.
- Canada has reintroduced on-arrival testing and quarantine for travelers for all countries except the U.S. Fully vaccinated travelers must take a test upon arrival and quarantine at home or at a designated facility until they receive the results.
- Federal Public Safety Minister Marco Mendicino has said that travelers who cannot access the government's ArriveCan app, or simply forget to fill it out, may soon be allowed to skip it entirely.
- Federal Transport Minister Omar Alghabra shared a series of border measures for air travel via Twitter that is helpful in determining what steps to follow and when.
- Effective Dec. 6, all airline passengers to the U.S. ages 2 and older, regardless of vaccination status or citizenship, must provide a negative COVID-19 test taken within one calendar day of travel.
- Canada's omicron watch list, first announced last week, now stands at 10 countries.

## **Consumer**

- Air Canada: a cooperative campaign was launched on November 1<sup>st</sup> including the insertion of one of the Mālama videos in two landing pages, one with AC and the other with Expedia.
- WestJet Vacations and HTCAN started a campaign with a high number of insertions in company owned channels including placement of the Mālama Stewardship of the Land video at the airline's lounge in Calgary Airport and all their flights bound to Hawai'i in January and February.

## Travel Trade

- Spoiled Agent Webinar Campaign  
In November Spoiled Agent continued the series of webinars, Eblasts, banners, and Facebook live stream events to promote the Hawaiian Islands. The Spoiled Agent Hawaii dedicated page has become a valuable resource of information for Travel Advisors and it receives more than 280 views monthly. The Eblasts promoting the webinars and the Mālama Hawaii Campaign have an average opening rate 17.72 % & click through rate 5.76 %. On December 9th and 15th, Spoiled Agent will host 2 destination-focused webinars with representatives from the island's chapter of Oahu and Maui.



- OpenJaw Contest to win a getaway to experience Hawai'i!

HTCAN continues the promotion of the Hawai'i Destination Expert Incentive with OpenJaw to win a trip to Hawai'i. Travel advisors across Canada need to complete the Hawai'i Destination Specialist Program to automatically be entered the contest. The promotion started on November 1 and ends on December 15. The Prize Package includes one roundtrip flight for two people from any Canadian WestJet destination to Hawaii on any regularly scheduled and marketed WestJet flight and Seven nights' accommodation – three nights at the Sheraton Waikiki & four nights at Waikiki Beach Marriott.

- TravelBrands “Explore the Islands of Aloha” Training Webinars

HTCAN participated in a series of successful training webinars with Travel Advisors from TravelBrands. Titled “Explore the Islands of Aloha” the objective of the webinars was to present an introduction to the Hawaiian Islands, encourage enrollment on the Hawai'i destination specialist program, and to offer an overview of the Mālama Hawai'i campaign.

On December 1 HTCAN representative Rene Wilson presented the webinar to French-speaking Travel Advisors. 105 attended the session.

On December 2 HTCAN Account Manager Gustavo Inciarte presented the webinars in English. 36 agents Trave Advisors tuned in. Both webinars will be featured on TravelBrands' learning platform for all agents across Canada to watch. As an incentive for their participation, one winner will be selected for each webinar to win a \$50 Gift Card.

2 other Product training Hawai'i Tourism sessions were presented by Account Manager Gustavo Inciarte on November 25th. 32 Travel Advisors from TravelBrands joined the sessions.

- TDC Travel Trade Show  
HTCAN participated on the TDC trade show which focuses on the Québec market. As an approach to Francophone and Anglophone agents within Québec and the Atlantic provinces (Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland & Labrador), to promote the new seasonal route YUL-HNL that services these markets. The result of this trade show was an approach to 206 agents (95 English speakers, 111 French speakers).

## Public Relations

- Proactive and reactive pitching with prior approvals from the HTA. Pitching themes include a mix of virtual experiences and 2022 in destination activities for future press trips.
- In regular conversation with media to ensure they are updated on all regulations and safety protocols pertaining to COVID testing.
- In discussion with journalists for potential visits to Hawaii in 2022. Themes include outdoor adventure, culture, culinary and responsible travel. Potential press trips include:
  - Sandrine Champigny (Le Bel Age) looking to visit in January 2022.
  - La Presse (assigned writer TBD) looking to visit in January 2022, with article expected shortly after visit.
  - Andrew Penner (freelance writer – Calgary Herald) looking to visit in February 2022. Theme: golf.
- Shared details on above media with HTA for approval. Awaiting feedback and next steps before confirming.
- Janice Mucalov (Sand in my Suitcase) travelled to Maui in November. HTCAN previously committed to providing assistance with a few meals. Will update HTA on coverage when received.
- In discussion with Air Canada to send one journalist each from Toronto, Montreal, Vancouver, and Calgary on the new routes launching in the winter. Journalists will not be on the inaugural flights. HTCanada with work with Air Canada on selecting tier A journalists. Working with Four Seasons rep to secure hotel stays for media. Exact dates TBD.
- Secured several top-tier Montreal media to attend Air Canada YUL-HNL nonstop flight event on December 8<sup>th</sup>. Will update HTA on any coverage received.

## Travel Trade Activities

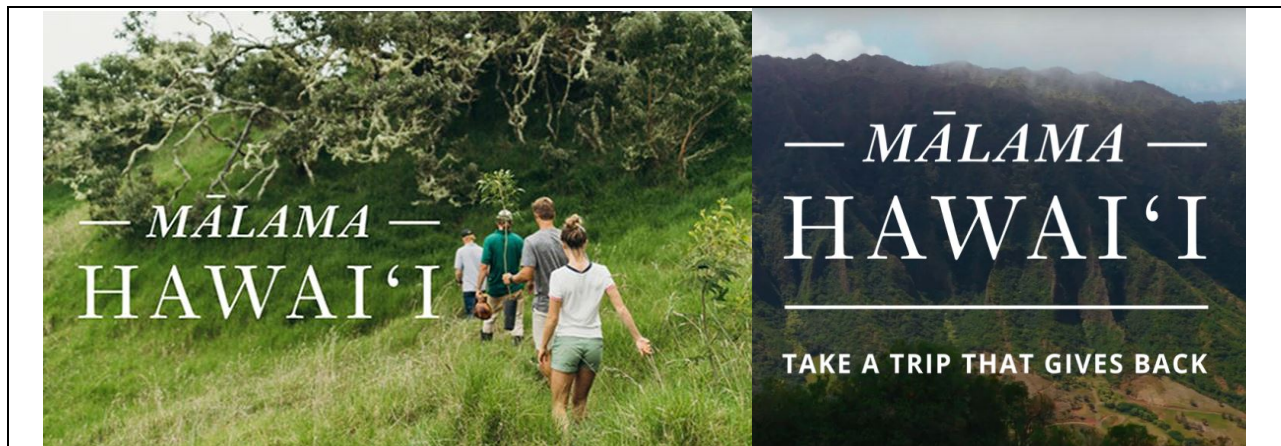
Airline	Wholesaler/TA/TO/OTA	Total
6	21	25



- COVID-19 new requirements create concerns among travellers.  
The US government recently announced that all air passengers 2 years of age or older with a flight departing to the United States from a foreign country on December 6, 2021, are required to show a negative COVID-19 viral test result taken no more than 1 day before travel. Canadian Travellers are willing to get tested but expressed concerns about the short period to get the results. Travellers fear they will have to scramble to get a COVID-19 test completed one day prior to taking off.
- Severe weather and state of emergency in Hawai'i  
Travellers planning to visit Hawai'i have reached out to HTCAN with inquiries about the latest severe weather warnings. Hawai'i Gov. David Ige has declared a state of emergency through Dec. 10. Travellers were able to fly to the Hawaiian islands since only a handful of flights to Honolulu's Daniel K. Inouye International Airport were canceled. HTCAN has recommended connecting with the emergency management agencies across the Hawaiian islands and visiting the official websites.
- Travel Advisors see extraordinary surge of business  
Many Travel Advisors have reported an increase in business to the Hawaiian Islands, they have been planning trips for their clients during the holidays and upcoming winter vacations in January and February 2022. With more people getting vaccinated and Covid19 travel testing been more accessible, travellers are contacting their travel advisor with inquiries to Hawaii. During the last year Travel Advisors have gained new relevancy, thanks to pent-up demand and the constant changing rules and restrictions that travelers must navigate.

### **Responsible Tourism Update**

- Mālama Hawai'i Campaign  
The Mālama Hawai'i campaign continues to be the main focus of HTCAN's efforts to promote sustainable tourism and volunteer opportunities.



- Hawaiian culture is the center of the promotion.
- An effort has been made to create awareness in the travel advisors to pass along the message to their clients about visitors being respectful of the communities, traditions, environment, etc. when visiting Hawai'i.

- HTCAN is continuously looking for “greener” partners to engage with.
- Mālama Advocate incentive with Spoiled Agent (Travel Trade section).
- OpenJaw campaign focused on Mālama

**Island Chapters Engagement Update**

- HTCAN is in communication with the Island Chapters. The design of the social posting calendars has been sent for their approval.
- HTCAN has set the calendar for the Spoiled Agent series and is working with them to produce the e-bast previous to its webinar.

**“Coming Attractions” for Leisure Market**

<b>What</b>	<b>When</b>	<b>Where</b>
Educational Campaign with Spoiled Agent	August to January	Canada-wide
Air Canada Cooperative Campaign	Nov-Dec-Jan	Canada-wide
Air Canada Vacations Campaign	November	Canada-wide
WestJet Campaign	Nov-Dec-Jan	Canada-wide
Trade Campaign with Open Jaw	November December	Canada-wide
TravelBrands Cooperative Campaign	December-January	Canada wide
YUL-HNL Inaugural Flight Launch	December 8	Montreal

# Hawai'i Tourism Oceania 2021 Monthly Leisure Marketing Report – November

## Market Intelligence/Market Conditions

### Australia & New Zealand

Both Australia and New Zealand are approaching a significant achievement with both countries being only 1% away from a 90% fully vaccinated adult population. This is hugely significant and is fundamental to the re-opening domestically as well as the staggered plan for international tourism.

For Hawai'i, this begins in December with the upcoming re-start of flights from Sydney on 15<sup>th</sup> December. There is excellent interest and excitement around this.

Omicron has added some nervousness and additional logistics for travelers. In particular around the shortened testing time frames.

There has been downward pressure on both currencies over the month. Currently the rates are sitting at AUD.71cents & NZD.68cents against the USD which is nearer the lower end of the 12 month range – but still stronger than pre-Covid levels.

## **Outbound Travel Market**

### Australia & New Zealand

- Australia has now removed restrictions around international travel which has led to the restart of outbound travel. Each state still applies their own rules, with the most open being New South Wales (Sydney) and Victoria (Melbourne). Flights have begun returning ex these gateways, including Hawaiian Airlines and Qantas (both with services to Honolulu)

## **Competitive Environment**

### Australia & New Zealand

- There has been a notable increase in advertising by destinations, airlines and retail partners. The destination with one of the biggest budgets appears to be Fiji which is welcoming Australian visitors from 01 December. While the advertising has attracted some controversy around how well the culture has been respected, it has certainly been successful in terms of sales with the small island nation now pretty much booked for the next few months.

## **Consumer Trends**

### Australia & NZ

- Nothing new to report

## **Travel Trends**

### Australia & New Zealand

- Nothing new to report

## Media Trends

### Australia & New Zealand

- The upcoming re-opening of borders has seen a return to more internationally themed travel stories. We have also been pleased to see more Hawai'i content start to come through

## Airlift

### Australia & New Zealand

- The market continues to look forward to the upcoming restart of airlift between Sydney and Honolulu. The first flight on 15<sup>th</sup> December will be operated by Hawaiian Airlines and we have been working with HA's PR department around hosted journalist opportunities.

## Market Intelligence/Market Conditions Impact on Hawai'i Travel

### Australia & NZ

- The outlook continues to be very positive. In our discussions with trade partners over the month, we have discovered that Hawai'i continues to rate as one of the most desired destinations to return to. The arrival of Omicron into Australia did create some additional caution from some travelers as well as additional logistical challenges for airlines. But we are hopeful that this will settle down and the extra regulations introduced will be loosened again.

## Leisure Activity Update

### Consumer

- **Social media/Blog:** HTO continues to produce content in line with an increasing interest in travel from our engaged followers.
- **Mastercard:** HTO partnered Mastercard around a consumer direct promotion to their highly valued MasterCard membership. HTO have helped to design the promotion and have incorporated mālama aligned messaging to help promote the Hawai'i brand and a regenerative tourism approach.
- **Research:** HTO (in partnership with HTA/DBEDT) completed training with the YouGov research data platform. The Australia data will provide excellent insights and impacts as the market re-opens again.

### Travel Trade

- **Trade meetings** – A targeted schedule of travel trade meetings continued through the month as HTO discussed partnership opportunities with key trade.
- **Travel Daily industry event** – HTO partnered with Norwegian Cruise Lines and Hawaiian Airlines to create a strong Hawaiian theme at the Travel Daily travel industry event. The event was attended by 400 industry members and feature a lei welcome as well as a grand prize to Hawai'i which included a mālama Hawai'i experience sponsored by HTO

- **Trade newsletter** – This month’s eDM focused on helping travel agents with regards to the processes and protocols when travelling to and from Hawai’i. In particular with regards to vaccination and testing requirements.

**Public Relations**

- **Amazing Race** - PR activities during the month included discussions around the TV show Amazing Race Australia including Hawai’i in their upcoming filming. The initial discussion was around ensuring that the show could be true to the concept of mālama and sensitive to the local community and customs. HTO also assisted with providing information and contacts around the US visa requirements for the crew. It was the visa challenges that eventually led to the decision by the production crew to not include the US this time.
- **Travel Daily Aloha Friday** – Our previously popular Hawai’i feature in Travel Daily will recommence soon. This feature, every Friday, is distributed digitally to all travel agents in Australia and showcases what is new in Hawai’i along with selected brand messaging.

**Travel Trade Activities**

Trade Calls (Please list # of calls only without company names)

<b>Airline</b>	<b>Wholesaler/TA/TO/OTA</b>	<b>Other</b>	<b>Total</b>
1	5	5	11

**Responsible Tourism Update**

During the month HTO continued to integrate Mālama Hawai’i into the market including both trade and consumer opportunities. Discussions took place with NaHHA around trade training and HVCB around industry partner learnings.

**Island Chapters Engagement Update**

With the re-opening of travel again, there has been more opportunity to connect with the Island Chapters, particularly around connecting trade partners with Hawai’i industry. HTO are also beginning to acquaint ourselves with the individual island DMAPs including upcoming training with OVB (initiated by OVB)

**“Coming Attractions” for Leisure Market**

Activities through to the next two months include:

- Mastercard Initiative
- Luxury Escapes promotion
- Aloha Friday trade feature returns

# Hawai'i Tourism Korea

## 2021 Monthly Leisure Marketing Report – November

### Market Intelligence/Market Conditions

#### **Economy**

- Korea's exports increased 32.1% YOY. The Ministry of Trade, Industry and Energy announced on December 1 that Korea's exports increased 32.1 percent year-on-year to USD 60.4 billion. Imports jumped 43.6 percent to \$57.4 billion, resulting in a trade surplus of \$3.1 billion. Exports advanced for 13 straight months and exceeded \$60 billion for the first time on record in November.
- The average USD/WON exchange rate in November was KRW 1,183.68 won, slightly depreciated compared to the previous rate of 1,181.92 won in October.

#### **Outbound Travel Market**

- The number of outbound travelers from Korea in September recorded 124,399, 72.8% year-on-year increase.
- The search volume for "overseas travel" on domestic portal sites has doubled in the recent one month. The number of searches that had been slightly below 40,000 in July rose to 50,000 in August, reached 60,000 in September, and jumped to more than 120,000 in October by recording the 3 times higher than a year ago.

#### **Competitive Environment**

- There are tour packages, insurance, and countries that cover all or part of the quarantine and hospitalization treatment expenses of travelers if they are diagnosed with COVID-19 while traveling abroad.
  - In the case of Saipan, the first travel bubble, the state of Northern Mariana pays the full cost of isolation and treatment.
  - Thailand requires travelers to purchase COVID-19 insurance as a mandatory requirement.
  - According to the Korea Centers for Disease Control and Prevention, as of November, 121 countries were able to cover all or part of the expenses incurred for quarantine and hospitalization treatment. Countries fully supported include Canada, Australia, Italy, United Kingdom, Greece, Japan.

#### **Consumer Trends**

- The Composite Consumer Sentiment Index (CCSI) in South Korea rose by 0.8 points to 107.6 in November of 2021, the highest since June and marking the third consecutive monthly increase. Households were more optimistic about the current state of the economy (+1 to 81), while the index measuring their future spending rose by 3 points to 112 (source: Bank of Korea)

#### **Travel Trends**

- The Korean golf market grew rapidly during the pandemic, and especially the inflow of the MZ generation was notable. As overseas travel is gradually recovering, domestic golfers are turning their eyes to overseas destinations due to its reasonable price and good infrastructure. Travel agencies are also introducing various overseas golf travel products for Guam, Saipan, Chiang Mai and Vietnam using charter flights.

## Airlift

- Korean Air resumed the Incheon-Honolulu route in November, and plans to increase the current 3 weekly schedule to 5 weekly from January next year and daily schedule from April.
- Hawaiian Airlines is maintaining its weekly 3 flights and planning weekly 4 flights from January 22 to mid-February during the holiday season.
- Asiana Airlines will resume operations from April next year and operate 3 times a week.

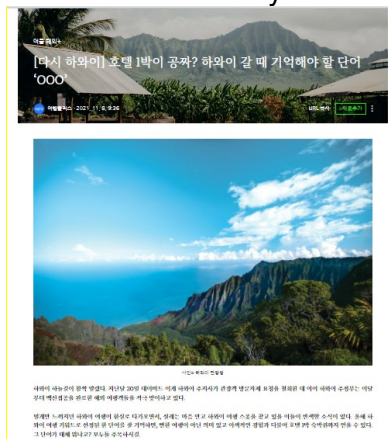
## Market Intelligence/Market Conditions Impact on Hawai'i Travel

- From December 3, with the advent of Omicron, Korea requires 10-day self-quarantine for those arriving from abroad regardless of whether they are vaccinated or not.

## Leisure Activity Update

### Consumer

- **Digital Recovery Consumer Co-op Campaign with Naver Travel+:** HTK is carrying out online contents series campaign with Naver Travel+, a travel content platform in Naver targeting a wide range potential travelers. The contents are exposed on the main page of Naver, the no. 1 search portal which records billions of daily page views reaching to all age groups including the generation x, baby boomers and MZ. So far, HTK published well-crafted editorials on the return of international travel to the Hawaiian Islands, new COVID-19 rules, Mālama Hawai'i Campaign and honeymoon to O'ahu and Maui. The campaign will cover golf themed trip to Hawai'i, Hawaiian traditional culture, Kuleana Campaign and Travel tips until the end of this year.



- **Media FAM:** HTK organized the itinerary with collaboration with OVB and MVB to showcase the Mālama Hawai'i activities and unique offerings. As the first media FAM since the outbreak of COVID-19, the editors planned to develop stories to refresh and inspire the Korean travelers presenting the Hawaiian Islands as the first go-to travel destination. The itinerary include voluntourism activities such as Kualoa Ranch Mālama 'Āina activity and Gunstock Ranch Tree Planting which will be emphasized as part of the ongoing Mālama Hawai'i campaigns. Also, International Marketplace local shop tour is also added to encourage Korean visitors to experience Hawaiian local shops. HTK also included outdoor activities such as beach yoga, snorkeling,

kayaking as a way to indulge in Hawai'i's mother-nature. Due to the appearance of Omicron in early December and the announcement of 10-day self-quarantine rule upon returning to Korea, HTK has postponed the media fam to January next year.

- **Mālama Hawai'i Advertorial Campaign:** HTK is preparing for year-end advertorial campaign to introduce Mālama Hawai'i messaging to Korean consumers through leading consumer magazine as Korea's outbound travel market starts to recover along with KE's 3 weekly flight resumption. In order to help consumers understand the meaning and concepts of Mālama Hawai'i, a one-page advertorial introducing Mālama Hawai'i will be published. The advertorial will introduce Aquaculture, Reforestation, Habitat Stewardship and Sustainable Farming in Hawai'i.

### Travel Trade

- **Trade FAM with KE:** In time for Korean Air's return to Hawai'i from November, HTK organized a trade fam from November 14 to 19 with the department heads and team leaders of top travel agencies to stimulate the travel demand for Hawai'i. Fam tour attendees experienced firsthand Mālama Hawai'i activities, including reforestation of the dry forests of Waikoloa, planting trees at Gunstock Ranch, and cleaning up Waikīki beach.



### Travel Trade Activities

#### Travel Trade Calls

Airline	Wholesaler/TA/TO/OTA	Other	Total
2	9	-	11

- **Summary of Key Travel Trade Activities**

- **Airlines:**
  - Met with KE and discussed their schedule increase plan
  - Met with HA to discuss co-promotion on 11<sup>th</sup> street
- **Travel Agencies:**
  - Met with Hana Tour, Mode Tour, Online Tour, Doctor Travel, Hanjin Travel, Interpark, Lotte Travel, Yellow Balloon Tour, Very Good Tour and Korean Air to update market situation and discuss future promotions.

### Responsible Tourism Update

- **HTK has promoted responsible tourism and Mālama Hawai'i through below activities:**
  - Advertorial Campaign



- Mālama Hawai'i campaign with key wholesalers
- Mālama Hawai'i themed trade fam

**Island Chapter Engagement Update**

- Travel Agent FAM (November 14 -19): HTK worked with island chapters on the trade fam to Hawai'i Island and O'ahu.
- Media FAM (December 5 -10): HTK has invited the director-level editors of three major consumer fashion/lifestyle magazines, and discussed with island chapters for fam itinerary. The fam is postponed to January next year.

**Coming Attractions for Leisure Market**

<b>What</b>	<b>When</b>	<b>Where</b>
Digital Recovery Consumer Co-op Campaign with Naver Travel+	November - December	Korea
Co-promotion with Hawaiian Airline	December	Korea
Mālama Hawai'i Advertorial Campaign	December	Korea



## Group Sales Status Report – November 2021

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### OVERVIEW

In a recent poll by Global Business Travel Association (GTBA), 66 percent of companies are allowing non-essential domestic business travel. Increased vaccinations and reduced COVID-19 infection rates will accelerate the return of business travel as safety is a top concern. With the U.S. boarder scheduled to open on November 8, an increase of international travel is expected in the next six months. A recent article by *Skift*, IMEX Americas in Las Vegas will be the first major event after the return of international travel. Managing expectations will be critical as it can impact the success of the event. International events hosted in the U.S. will be a critical for the recovery of domestic and global economies.

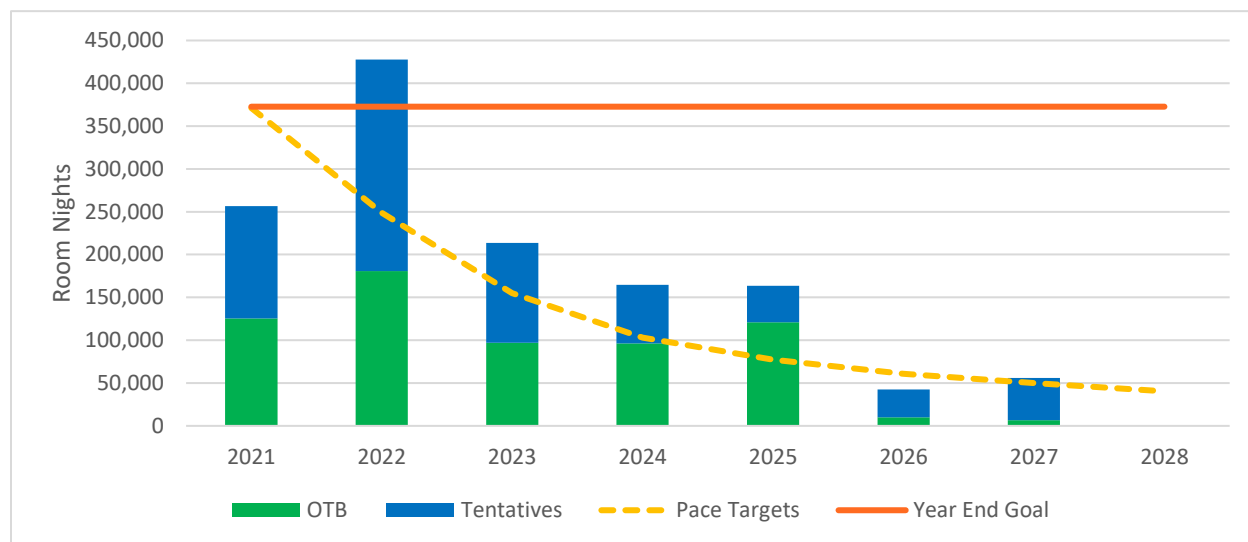
As the impact of the Delta variant decreases, feelings of normalcy continue to return. According to Destination Analyst 44.9 percent of Americans will embark on holiday related trip, a 17 percent gain from 2020 which showed a decline in travel due to the COVID-19 pandemic. There is an increase in American travelers planning overnight trips in the upcoming months for leisure (57.7%, up from 49.3%) and business (14.7%, up from 11.8%). With more travel coming up in the holiday season, an increase in spending is expected as well. As the fall season approaches, American travelers have a bright outlook for upcoming holiday travel.

## CONSUMPTION

The FuturePace Reports on the next page show the number of events and room nights on the books for each year 2021-2028 against a 3-Year Average Year-End Goal.

**Table 1: FuturePace Report: Hawai'i 8-year Pace (citywide and single property)**

Period Ending: November 30, 2021



### Room Nights

Year	OTB	Pace Targets	Variance	Variance %	LTB	Tentatives	Year End Goal
2021	125,555	371,177	(245,622)	-66%	247,155	130,911	372,710
2022	180,805	248,756	(67,951)	-27%	191,905	247,048	372,710
2023	96,968	155,116	(58,148)	-37%	275,742	116,644	372,710
2024	96,277	103,164	(6,887)	-7%	276,433	68,525	372,710
2025	121,100	77,392	43,709	56%	251,610	42,510	372,710
2026	9,977	60,775	(50,798)	-84%	362,733	32,588	372,710
2027	6,508	49,980	(43,472)	-87%	366,202	49,410	372,710
2028	0	40,410	(40,410)	-100%	372,710	0	372,710

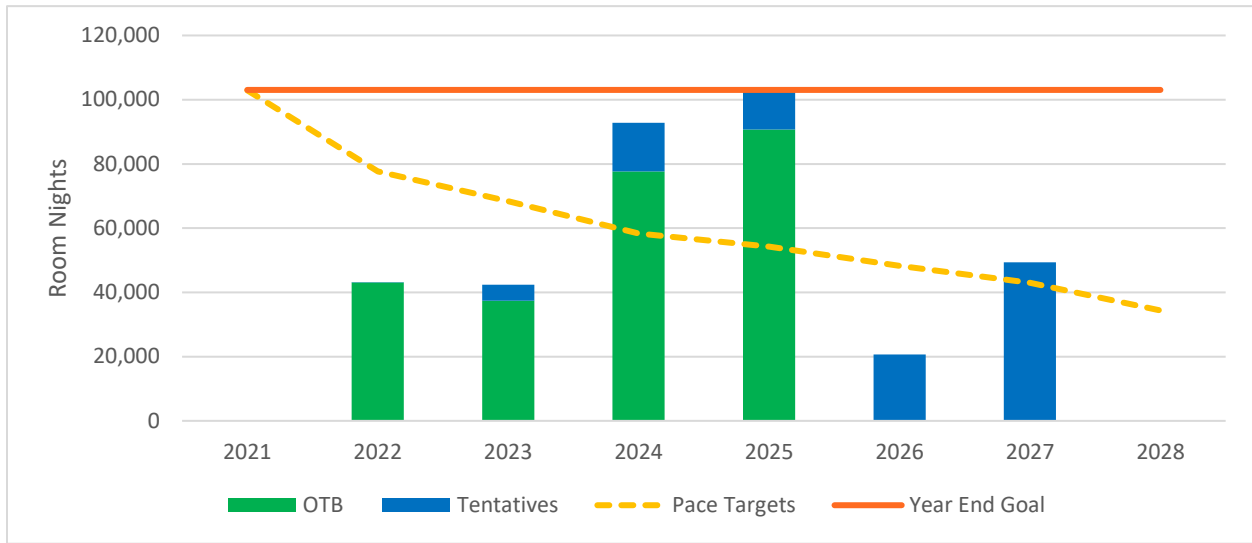
### Events

Year	OTB	Pace Targets	Variance	Variance %	LTB	Tentatives	Year End Goal
2021	149	594	(445)	-75%	454	269	603
2022	112	228	(116)	-51%	491	376	603
2023	42	80	(38)	-47%	561	125	603
2024	20	37	(17)	-45%	583	37	603
2025	17	18	(1)	-6%	586	20	603
2026	5	10	(5)	-50%	598	8	603
2027	2	6	(4)	-66%	601	2	603
2028	0	4	(4)	-100%	603	0	603

The number of events reported in FuturePace is slightly higher than the actual number of events due to a number of overflow programs and the splitting of some bookings into two in order to track shared credit.

**Table 2: FuturePace Report: Convention Center 8-year Pace (citywide only)**

Period Ending: November 30, 2021



**Room Nights**

Year	OTB	Pace Targets	Variance	Variance %	LTB	Tentatives	Year End Goal
2021	0	102,914	(102,914)	-100%	103,041	0	103,041
2022	43,110	77,682	(34,572)	-45%	59,931	120	103,041
2023	37,435	68,370	(30,935)	-45%	65,606	4,913	103,041
2024	77,650	58,305	19,345	33%	25,391	15,189	103,041
2025	90,687	54,279	36,408	67%	12,354	11,895	103,041
2026	0	48,251	(48,251)	-100%	103,041	20,700	103,041
2027	0	42,971	(42,971)	-100%	103,041	49,410	103,041
2028	0	34,373	(34,373)	-100%	103,041	0	103,041

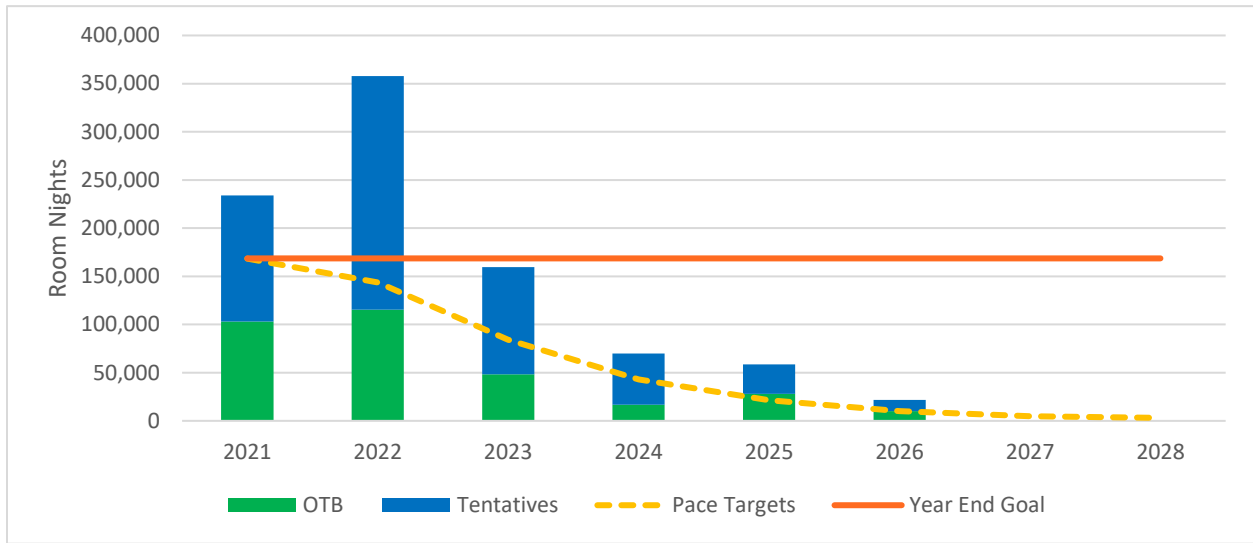
**Events**

Year	OTB	Pace Targets	Variance	Variance %	LTB	Tentatives	Year End Goal
2021	0	28	(28)	-100%	28	0	28
2022	9	14	(5)	-35%	19	1	28
2023	7	9	(2)	-20%	21	2	28
2024	7	7	0	6%	21	2	28
2025	5	5	(0)	-8%	23	2	28
2026	0	4	(4)	-100%	28	2	28
2027	0	3	(3)	-100%	28	2	28
2028	0	2	(2)	-100%	28	0	28

The number of events reported in FuturePace is slightly higher than the actual number of events due to a number of overflow programs and the splitting of some bookings into two in order to track shared credit.

**Table 3: FuturePace Report: Single Property 8-year Pace (HTUSA only)**

Period Ending: November 30, 2021



**Room Nights**

Year	OTB	Pace Targets	Variance	Variance %	LTB	Tentatives	Year End Goal
2021	103,065	168,404	(65,339)	-39%	65,547	130,839	168,612
2022	115,458	143,614	(28,156)	-20%	53,154	242,300	168,612
2023	48,302	84,051	(35,749)	-43%	120,310	111,281	168,612
2024	16,629	43,017	(26,388)	-61%	151,983	53,336	168,612
2025	27,981	21,353	6,628	31%	140,631	30,615	168,612
2026	9,977	10,040	(63)	-1%	158,635	11,888	168,612
2027	0	4,945	(4,945)	-100%	168,612	0	168,612
2028	0	3,078	(3,078)	-100%	168,612	0	168,612

**Events**

Year	OTB	Pace Targets	Variance	Variance %	LTB	Tentatives	Year End Goal
2021	105	269	(164)	-61%	165	268	270
2022	71	171	(100)	-58%	199	366	270
2023	28	67	(39)	-58%	242	121	270
2024	11	29	(18)	-62%	259	35	270
2025	11	12	(1)	-11%	259	18	270
2026	5	6	(1)	-9%	265	6	270
2027	0	3	(3)	-100%	270	0	270
2028	0	1	(1)	-100%	270	0	270

The number of events reported in FuturePace is slightly higher than the actual number of events due to a number of overflow programs and the splitting of some bookings into two in order to track shared credit.

## Glossary of FuturePace Report Terms

**Cancelled:** The status of a Lead for an event that was once in a Booked or Definite status but now will no longer occur.

**Definite:** The status of a Lead indicating the event is booked or confirmed. To qualify or count as Definite, the Lead snapshot must show the 'Booked' status type within the selected date range. In addition, the Lead cannot show in a Lost or Cancelled status during the report time frame.

**LTB:** An acronym for "Left to Book," this term reflects the number of room nights that still need to be booked to reach the Year-End Goal(s).

**OTB:** An acronym for "On the Books," this designation refers to a confirmed or definite booking.

**Pace Target:** A performance goal based on the percentage of your Year-End Goal that should be booked as of the report's run date, for a certain month, quarter or year. The Pace Target reflects the total number of room nights or events that should be booked as of the report's run date.

**Tentatives:** Business or Leads that have yet to move to a booked or Definite status. In other words, Tentatives are Leads in an unbooked or Lead status in the arrival month/year. For the Long-Term Pace report, Tentatives reflect the current count, as of the report's run date, for the years displayed on the report.

**Variance:** In the Long-Term Pace report, Variance reflects the OTB (or Cancelled or Tentative) figure minus the Pace Target, as of the report's run date. Positive numbers indicate performance is also positive; negative numbers suggest booking deficiencies.

**Variance %:** The Variance Percentage, or percentage of variance, reflects the Variance divided by the Pace Target, multiplied by 100 and then expressed as a percentage. Positive percentages indicate performance is also positive; negative numbers suggest booking deficiencies.

**Year-End Goal:** The Long-Term Pace report includes a 3-Year Average Year-End Goal to establish a benchmark for the years displayed on the report.

## SALES PRODUCTION (in the month for any year)

**Table 4: Total Sales Production – November 2021**

Room Nights	2021 Actual Month	2019	Variance to 2019	2021 Year-to-Date	2019	Variance to 2019
Definite & Assist-Definite	1,251	54,278	-98%	49,653	258,166	-81%
Tentative & Assist-Tentative	26,788	58,771	-54%	517,519	843,175	-39%

Definites and Tentatives generated by HTUSA plus definites, assist-definites, tentatives and assist-tentatives generated by the international GMTs. Production measured to 2019, the last normal production year for more relevant comparison.

**Table 5a: Hawai'i Tourism USA (HTUSA) Sales Production  
November 2021**

Room Nights	2021 Actual Month	2019	Variance to 2019	2021 Year-to-Date	2019	Variance to 2019	Annual Goal	YTD as % of Annual Goal
<b>Citywide</b>								
Definite	0	1,140	-100%	3,911	25,175	-84%	40,000	10%
New to Hawai'i	0	0	N/A	0	11,805	-100%	15,000	0%
Tentative	120	0	N/A	94,243	170,477	-45%	190,000	50%
<b>Single Property</b>								
Definite	1,251	42,841	-97%	44,545	166,817	-73%	125,000	36%
New to Hawai'i	0	17,985	-100%	27,121	73,155	-63%	65,000	42%
Tentative	22,928	45,945	-50%	410,717	587,015	-30%	200,000	205%

The ongoing auditing and database cleansing may result in changes to previously reported figures.

### COMMENTS

#### Sales Production vs. Goals Analysis

Overall production mirrors the continual effects of COVID-19 on MCI events. The confusion of whether Hawai'i is open for MCI business and changing restrictions has made meeting customers weary of booking Hawai'i. Citywide business is most impacted as these large events only make up 3.2 percent of overall MCI events booking for the future nationwide. Citywide customers are faced with re-evaluating their booked Q1 and Q2 2022 events due to impacts of the Delta variant and additional new COVID-19 variants of concern, repeating a familiar exercise seen in 2020 and 2021.

The silver lining is in the uptick in single property tentative room nights that indicate hope for stronger business in 2022 and 2023. At the time of this report, news of Omicron, a "variant of concern," has the entire world watching and concern about its transmission rate and vaccine evasion. Unsure of Omicron's impact, Meet Hawai'i remains focused to assist MCI customers on how to book Hawai'i and navigate events in a COVID-19 environment.

#### Highlights of Any Key Definites

- Convention – veterans association, May 2022 (1,251 room nights)

#### Highlights of Any Key Tentatives

Citywide

- Sports group – sports, April 2022 (120 room nights)

## Single Property

- Incentive – high tech corporation, May 2023 (3,130 room nights)
- Convention – medical, pharm corporation, March 2022 (2,746 room nights)
- Convention – medical, pharm corporation, April 2022 (1,503 room nights)
- Incentive – medical, pharm corporation, May 2023 (1,497 room nights)
- Convention – trade association, March 2024 (1,281 room nights)

## Marketing Efforts

- Activity highlights include:
  - Digideck IMEX Edition: A new digital sales tool was produced in time for the IMEX America trade show to provide the Meet Hawai'i sales team with an impactful digital asset and resource for productive business meetings onsite in the Hawai'i Booth, to be shared with MCI customers, and to be used for follow up sales communications. It presented an overview of Hawai'i's statewide offerings for hosting group meetings business and addressed key content areas of importance for the meeting planner audience. Hawai'i industry partners who participated with a podium in the Meet Hawai'i booth were included with a listing in the IMEX Edition Digideck.
  - SendSites Bid Book: Production work continued on the content development of a digital solution that will empower the Meet Hawai'i sales team to more rapidly and easily respond to event inquiries and RFPs.

## Advertising Efforts

- Meetings, conventions and incentives (MCI) Paid Media Recap
  - None to report for the month.

## Public Relations Efforts

- Activity highlights include:
  - Due to Governor Ige's announcement encouraging travel to the islands again as of November 1, proactive PR outreach has resumed.
  - In preparation for HTUSA's participation in at IMEX 2021, Anthology pitched a list of key media attendees in an effort to secure media appointments for J. Reyes and D. Morikawa during the conference days (Nov. 7-11). Met and conducted follow-ups with staff from Northstar Meetings Groups, *Meetings Today*, and Facilities Media Group.
  - Anthology updated the MCI editorial calendar for CY 2022 with relevant story angles and corresponding deadlines for when each story will break.
- Media Coverage Highlights:
  - [With restrictions easing, Hawai'i Convention Center starts adding large events to its calendar](#) – Hawai'i News Now – November 26, 2021
  - [Hawai'i Convention Center to Fully Reopen Exhibit Halls in January 2022](#) – Maui Now – November 30, 2021
- Impressions and Publicity Values for Articles that included Hawai'i:

October	October
<u>Impressions</u>	<u>Publicity Values</u>
Print: 586,780	Print: \$41,803
Online: 590,506,620	Online: \$431,084
Broadcast: 3,616,800	Broadcast: \$265,446
Total: 594,710,200	Total: \$738,334



**Table 5b: Hawai'i Tourism Canada Single Property Sales Production  
November 2021**

Room Nights	2021 Actual Month	2019	Variance to 2019	2021 Year-to- Date	2019	Variance to 2019	Annual Goal	YTD as % of Annual Goal
Definite & Assist-Definite	0	0	N/A	1,197	1,305	-8%	2,000	60%
New to Hawai'i	0	0	N/A	1,197	1,305	-8%	1,000	120%
Tentative & Assist-Tentative	900	2,059	-56%	7,169	11,313	-37%	10,000	72%

**COMMENTS**

**Market Conditions**

- The U.S. land border is set to reopen to non-essential (i.e. tourism) travel effective Nov. 8. After 19 months Canadians are already heading south, with long lines of people waiting to cross the border.
- All of Canada's major airlines have reinstated many of their most popular routes across the world.
- Air Canada released its Q3 results on November 1, and while the airline posted a \$640M net loss, it also reported revenues of \$2.1B, almost triple the revenue of \$757M in Q3 2020. AC attributes its Q3 growth to "strong advance ticket sales and a significant increase in passengers carried versus both the second quarter of 2021 and the third quarter of 2020."
- In its newly released BTI Outlook, the Global Business Travel Association (GBTA) reports that the business travel recovery in 2021 proceeded at a slower, more cautionary pace than expected from a year ago. But it also notes that global business travel spending is expected to surge in 2022 with a full recovery in 2024 - ending the year on pace with the 2019 pre-pandemic spend of \$1.4 trillion, and a year sooner than previously forecast.

**Sales Production Analysis**

Hawai'i Tourism Canada (HTCAN) has received a couple inquiries for the month of November. Commitments and RFPs are still slow. A couple of reasons are the hotel room rates are extremely high and unattainable for some of the groups and of course the uncertainty of COVID-19 and the new variant Omicron. The interest is still there but many clients are still holding off. There are planners who are still confused by the Hawai'i Safe Travels program and are reaching out to HTCAN for clarification.

**Highlights of Any Key Tentatives/Assist-Tentatives**

- Incentive – real estate, February 2023 (400 room nights)
- Incentive – automotive, April 2022 (500 room nights)

**Advertising and PR Activity**

- None to report for the month.

**Table 5c: Hawai'i Tourism Japan Single Property Sales Production  
November 2021**

Room Nights	2021 Actual Month	2019	Variance to 2019	2021 Year-to- Date	2019	Variance to 2019	Annual Goal	YTD as % of Annual Goal
Definite & Assist-Definite	0	9,964	-100%	0	48,268	-100%	5,000	0%
New to Hawai'i	0	4,175	-100%	0	27,072	-100%	3,600	0%
Tentative & Assist-Tentative	2,400	8,575	-72%	4,950	47,033	-89%	7,000	71%

**COMMENTS**

**Market Conditions**

- On November 5, the government announced to ease the quarantine period from 10 days to 3 days for travelers who are vaccinated and will be traveling with business purpose as a new border measure against COVID-19 infection.
- From November 10 to 12, HTJ participated in JATA sponsored online business meeting. This opportunity has given hints for trend in the group market and future measures. As for the current state of the MCI market, requests for quotations from each company are continuing, and the market itself is highly expected to be deregulated for three days after returning to Japan by business trucks. There will be no implementation of the project within the year, but the current issue is whether or not Q1 and Q2 can be held. Compared to other destinations, overseas projects are looking forward to revival in Hawai'i first. Major inquiries are groups of small with 20-30 people, 50 people, 80 people, and 100 people or less. Mainly insurance, automobile, semiconductors, real estate, and multi-level marketing industries are requesting for estimates but haven't scheduled their trips. Inquiries on educational travel projects are increasing. Since it is estimated that resumption of acceptance in other countries will take longer, many inquiries are focusing in Hawai'i and Okinawa. Junior high and high school students under the age of 18 or younger is no longer required to be vaccinated prior to their departure, however, each market's future movement on the timing of taking PCR test is what industry will see it as a factor in the movement. The market has responded very positively to the abolition of Hawai'i's Safe Travel Program, however there are concerns about the PCR test prior to the departure from Hawai'i and negative certificate issuance process.

**Sales Production Analysis**

Hawai'i Tourism Japan (HTJ) has no definite production to report for the month amid the COVID-19 pandemic.

**Highlights of Any Key Tentatives/Assist-Tentatives**

- Incentive – real estate, January 2023 (2,400 room nights)

**Advertising and PR Activity**

- None to report for the month.

**Table 5d: Hawai'i Tourism Korea Single Property Sales Production  
November 2021**

Room Nights	2021 Actual Month	2019	Variance to 2019	2021 Year-to- Date	2019	Variance to 2019	Annual Goal	YTD as % of Annual Goal
Definite & Assist-Definite	0	333	-100%	0	9,477	-100%	0	N/A
New to Hawai'i	0	188	-100%	0	5,149	-100%	0	N/A
Tentative & Assist-Tentative	0	342	-100%	0	9,416	-100%	0	N/A

**COMMENTS**

Market Conditions

- **Travel preference of Asia Pacific:** According to a survey from Visa card, three out of 10 Koreans are willing to travel abroad within a year, and Hawai'i was among the top five preferred destinations.
- **Airlift updates:** Korean Air plans to operate three weekly flights from Incheon to Honolulu starting in November and five weekly flights in January and daily flights in April next year. Asiana Airlines will resume operations in April next year and operate three weekly files. Hawaiian Airlines is maintaining its three weekly flights and is planning four weekly flights starting mid-January during the winter peak season.

Sales Production Analysis

Hawai'i Tourism Korea (HTK) has no production to report for the month.

Advertising and PR Activity

- None to report for the month.

**Table 5e: Hawai'i Tourism Oceania Single Property Sales Production  
November 2021**

Room Nights	2021 Actual Month	2019	Variance to 2019	2021 Year-to- Date	2019	Variance to 2019	Annual Goal	YTD as % of Annual Goal
Definite & Assist-Definite	0	0	N/A	0	7,124	-100%	250	0%
New to Hawai'i	0	0	N/A	0	6,500	-100%	0	N/A
Tentative & Assist-Tentative	440	1,850	-76%	440	17,921	-98%	1,000	44%

**COMMENTS**

**Market Conditions**

- New South Wales has reached a milestone with 92.4 percent of its population aged 16 and over fully vaccinated in November. The high rate has boosted MCI clients' confidence to start planning overseas programs once again.
- A first case of the new Omicron variant was identified in NSW on November 28 after passengers who arrived in Sydney from southern Africa tested positive for COVID-19. Subsequently the state Government announced that all fully vaccinated travellers who have been in any other overseas country during the 14-day period before their arrival in NSW must travel directly to their place of residence or accommodation and isolate for 72 hours.
- From a competitive perspective, Fiji is attracting a lot of interest due to being the first of the Pacific nations to allow Australian visitors in with no quarantine starting December 1.

**Sales Production Analysis**

Hawai'i Tourism Oceania (HTO) has begun rebuilding its team in preparation for the recommencement of flights in December. This has enabled an increase in sales activities and conversations with MCI prospects. This, along with more certainty in the market, has led to the completion of new leads looking ahead to 2022 and 2023.

**Highlights of Any Key Tentatives/Assist-Tentatives**

- Meeting – educational, June 2023 (50 room nights)
- Incentive – medical, pharm, August 2022 (390 room nights)

**Advertising and PR Activity**

- *LATTE Luxury News* published an article on November 24, 2021, regarding the reopening for MCI market on O'ahu.  
[O'ahu reopens to large group gatherings from 1 December \(latteluxurynews.com\)](http://latteluxurynews.com).

**Table 6: Island Distribution of HTUSA Single Property Sales – Year-to-Date  
November 2021**

Island	Tentative Room Nights YTD Actual*	Definite Room Nights Annual Goal	Definite Room Nights Month Actual	Definite Room Nights YTD Actual	Percent of Goal	Lead-to-Booking Conversion (Room Nights) Goal	Lead-to-Booking Conversion (Room Nights) Actual
O‘ahu	282,803	34,000	1,251	19,062	56%	12%	7%
Kaua‘i	126,783	9,000	0	0	0%	11%	0%
Maui County	307,668	52,000	0	19,408	37%	18%	6%
Hawai‘i	197,496	30,000	0	6,075	20%	15%	3%
<b>Total</b>	<b>914,750</b>	<b>125,000</b>	<b>1,251</b>	<b>44,545</b>	<b>36%</b>		

\*Tentative room nights do not match those in Table 5a for Single Property because many leads are distributed to more than one island.

## **‘ELELE PROGRAM**

Meetings and updates for the month from Deborah Zimmerman, ‘Elele Program Director from New Millennium Meetings (NMM):

- ‘Elele Program Director had a zoom meeting with a new ‘Elele interested in pursuing a national medical convention for the Hawai‘i Convention Center. The physician was surprised and delighted to learn of the support provided by HTUSA.
- ‘Elele Director also had a zoom session to assist with promotion of a scientific association meeting scheduled for June 2022. Unfortunately, later in the month, the 2022 convention was cancelled because many international countries continue to require quarantine for returning overseas travelers. The scientific association will revisit future opportunities for Hawai‘i in the first quarter of 2022.

## LOST BUSINESS

**Table 7a: HTUSA Citywide Lost Business  
November 2021**

Market	Vertical Market Segment	Total Room Nights	Total Attendees	Meeting Dates	Competing Destinations	Reason for Lost Business
Convention (19856)	Scientific	13,600	3,600	06/04/2022 - 06/11/2022	Initially, Hawai'i only	Program cancelled due to COVID-19 travel restrictions.

**Table 7b: HTUSA Single Property High Profile Lost Business  
November 2021**

Market	Vertical Market Segment	Total Room Nights	Total Attendees	Meeting Dates	Competing Destinations	Reason for Lost Business
Convention (19966)	High Tech	1,600	400	01/24/2022 - 01/27/2022	Initially, Hawai'i only	Program lost to Miami.
Convention (20081)	Food, restaurants	715	340	07/31/2022 - 08/04/2022	Initially, Hawai'i only	Group will be conducting this program stateside in 2022.
Meeting (20118)	High Tech	800	200	01/17/2022 - 01/20/2022	Initially, Hawai'i only	Program cancelled due to COVID-19 travel restrictions.

**Table 7c: International Single Property Lost Business  
November 2021**

Market	Vertical Market Segment	Total Room Nights	Total Attendees	Meeting Dates	Competing Destinations	Reason for Lost Business
HT Canada: Incentive (19148)	High Tech	545	250	01/23/2022 - 01/27/2022	New Zealand, Bali, Athens, Dubai, Caribbean and Marrakesh	Program cancelled due to COVID-19 travel restrictions.

## New-to-Hawai'i Definite Bookings

**Table 8a: HTUSA Citywide New to Hawai'i Definite Bookings  
November 2021**

Market	Vertical Market Segment	Total Room Nights	Total Attendees	Meeting Dates	Competing Destinations
<b>None to report for the month.</b>					
TOTAL NEW TO HAWAI'I CITYWIDE BOOKINGS FOR THE MONTH					0
TOTAL ROOM NIGHTS FOR NEW TO HAWAI'I CITYWIDE BOOKINGS					0

**Table 8b: HTUSA Single Property High Profile New to Hawai'i Definite Bookings  
November 2021**

Market	Vertical Market Segment	Total Room Nights	Total Attendees	Meeting Dates	Competing Destinations
<b>None to report for the month.</b>					
TOTAL NEW TO HAWAI'I SINGLE PROPERTY BOOKINGS FOR THE MONTH					0
TOTAL ROOM NIGHTS FOR NEW TO HAWAI'I SINGLE PROPERTY BOOKINGS					0

**Table 8c: International Single Property New to Hawai'i Definite Bookings  
November 2021**

Market	Vertical Market Segment	Total Room Nights	Total Attendees	Meeting Dates	Competing Destinations
<b>None to report for the month.</b>					
TOTAL NEW TO HAWAI'I SINGLE PROPERTY BOOKINGS FOR THE MONTH					0
TOTAL ROOM NIGHTS FOR NEW TO HAWAI'I SINGLE PROPERTY BOOKINGS					0

New to Hawai'i bookings are accounts that have never met in Hawai'i before or, in the case of citywides, have not met in Hawai'i in the last 10 years or for single property bookings, not in the past five years.

## MAJOR SALES AND MARKETING ACTIVITIES

Meet Hawai'i participated in the following MCI events for the month:

- 1 client promotional event
  - HTUSA
    - Materials Research Society (MRS) Fall Meeting & Exhibit, Boston, MA, November 29-December 2
  
- 1 trade show
  - HTUSA
    - IMEX America, Las Vegas, NV, November 9-11
  
- 4 major site visits and familiarization (FAM) tours with clients and potential clients
  - HTUSA
    - 1 site visit, island of Hawai'i
    - 3 site visits, O'ahu

## FUTURE SALES AND MARKETING ACTIVITIES

Meet Hawai'i will participate in the following MCI events in the upcoming months:

<b>December 2021</b>			
Dec. 6-8	Destination Hawai'i, Maui, HI	Trade Show	HTUSA
Dec. 7-9	International Association of Exhibitions and Events (IAEE) Expo! Expo!, Philadelphia, PA	Attendance Promo	HTUSA
Dec. 12-14	SITE SoCal Holiday Event & Charity Gala, Palm Desert, CA	Industry Event	HTUSA
<b>None to report for January 2022.</b>			
<b>None to report for February 2022.</b>			



## CONVENTION CENTER PERFORMANCE

**Table 9: Convention Center Performance – October 31, 2021 Year-to-Date**

PERFORMANCE MEASURE	YTD	TARGET	VARIANCE
Occupancy	21%	20%	1%
Total Events	92	54	38
Total Attendance	150,929	19,875	131,054
Visitor Spending	\$0	\$0	\$0
Tax Revenue	\$0	\$0	\$0
Revenue per Attendee	\$26.53	\$190.50	-\$163.97

### COMMENTS

The Hawai'i Convention Center (HCC) began the new fiscal year in July 2021 with the Department of Labor and Industrial Relations (DLIR), Department of Health (DOH) and Hawai'i Housing Finance Development Corporation (HHFDC) continuing to use the facility for unemployment calls and claims, contract tracing and its housing rent relief program. With the surge in COVID cases locally during July and August 2021, the State and City and County of Honolulu implemented an updated order restricting gatherings to 10 indoor/25 outdoor effective August 25, 2021. While restrictions are slowly loosening, HCC has experienced 23 event cancellations due to this new order including three significant offshore events scheduled during this fiscal year ending June 30, 2022. In addition, HCC was notified by DLIR of its intent to discontinue use of the facility by December 31, 2021. The other agencies, DOH and HHFDC, are following suit to move out by the end of the year. On a positive note, HCC picked up a Netflix production running from November 2021 through February 2022. Cost mitigating efforts including reductions in departmental expenses, sending two F&B (Levy) staff to assist at other venues, and deferring filling vacant positions remain in effect. Currently, HCC's reforecast for the fiscal year ending June 30, 2022 reflects a net loss of \$5.4M which is \$80k improvement from the budget.

Visitor spending and tax revenue remain at \$0 until the return of offshore events. All other performance metrics are a function of the local events.

## DEFINITIONS

- **Single Property Group:** A group that can be booked into a single hotel for both guest rooms and meeting space.
- **Citywide Group:** A group that books Hawai'i Convention Center for meeting space; and which needs two or more hotels and has a minimum of 1,000 out-of-town attendees.
- **Group Bookings:** The total number of group room nights booked for the future. A group is defined as needing a minimum of 10 hotel rooms.
- **MCI and Non-MCI Bookings:** Both MCI and Non-MCI Bookings must primarily be off-shore bookings requiring attendees to stay in visitor accommodations. An MCI booking is an association or corporate meeting, convention or incentive program that requires meeting space. A Non-MCI booking requires off-site meeting space or no meeting space, or is public/consumer-facing like expos, sporting events, etc.
- **Definite Room Night:** Room nights associated with groups that have a signed contract or letter of commitment with the convention center and or a signed contract with a hotel.
- **Tentative Room Night:** Room nights associated with groups that have indicated interest in holding a meeting or convention in Hawai'i and a lead has been sent to the convention center and/or the hotels. Citywide leads are considered tentative when space is blocked at the convention center. Includes leads generated by partners at HTUSA coordinated trade shows.
- **Economic Impact:** The direct and induced spending generated from a group meeting in Hawai'i. The economic impact formulas are based on research of attendee spending patterns.
- **Lead-to-Booking Conversion:** Conversion of tentative leads into definite bookings as measured by dividing tentative room nights generated in the month/year by definite room nights for the same month/year.
- **Consumed Room Night:** Room nights generated from groups that have convened in Hawai'i. For citywide events, this figure is calculated from the number of attendees. For single property meetings, the figure is the contracted room nights.
- **Goal:** A level of achievement that has been determined through the goal setting process that includes industry stakeholders and the HTA board.
- **International Markets:** Current areas of focus for international groups. These markets are supported by contractors of HTA.
- **New to Hawai'i – New Business:** A group that has never met or has not had a single property meeting in Hawai'i over the past five years or a citywide meeting within the past 10 years.
- **Repeat Business:** A group that has had a single property meeting in Hawai'i within the past five years or a citywide meeting in Hawai'i within the past 10 years.

- **Island Distribution:** The breakdown of room nights that have been booked on the neighboring islands. This includes Maui, Kaua'i, O'ahu and the Island of Hawai'i.
- **Pace:** A calculation that evaluates the annual sales activity level by comparing production to the same time frames for previous years. This calculation shows if the current year-to-date room night bookings are at the same or higher/lower levels than the past year.
- **Need Period:** A future timeframe where the projections for room night demand are lower, therefore warranting specific sales strategies to attract business.
- **Lost Business:** A group where a lead has been generated due to client interest and Hawai'i was not chosen for the meeting or convention.
- **Total Events:** Total licensed events held at the Hawai'i Convention Center.
- **Total Attendance:** Total delegate attendees at licensed events at the Hawai'i Convention Center.
- **Visitor Spending:** State economic impact of offshore licensed events.
- **Tax Generation:** State tax generation of offshore licensed events.

## **6**

Report by the ***Administrative & Audit Standing Committee*** of their Meetings held on December 14, 2021 and December 20, 2021

## **6a**

Presentation, Discussion and Action on the  
**Hawai'i Tourism Authority's Fiscal Year 2021  
Financial Audit**



**ACCUIITY**

# Hawaii Tourism Authority

(A Component Unit of the State of Hawaii)

Financial Statements

June 30, 2021

DRAFT



**Hawaii Tourism Authority**  
(A Component Unit of the State of Hawaii)  
**Index**  
**June 30, 2021**

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## Report of Independent Auditors

The Auditor  
State of Hawaii

The Board of Directors  
Hawaii Tourism Authority

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Hawaii Tourism Authority (the "Authority"), a component unit of the State of Hawaii, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the index.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.





## Opinions on the Financial Statements

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Authority as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Emphasis of Matters

As discussed in Note 1, the financial statements of the Authority include only the governmental activities and each major fund of the Authority, and are not intended to present fairly the financial position of the State of Hawaii as of June 30, 2021, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 9 and budgetary comparison schedules for the Tourism Special Fund and Convention Center Enterprise Special Fund on page 40 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2021, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

**Hawaii Tourism Authority**  
(A Component Unit of the State of Hawaii)  
**Management's Discussion and Analysis (Unaudited)**  
**June 30, 2021**

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The Hawaii Tourism Authority (the "Authority") was established on January 1, 1999 by Act 156, Session Laws of Hawaii 1998. The Authority is responsible for developing and implementing a strategic tourism marketing plan to enhance and promote the Hawaii brand. As management of the Authority, we offer readers of these basic financial statements, this narrative overview and analysis of the financial activities of the Authority for the year ended June 30, 2021. This discussion and analysis is designed to assist the reader in focusing on the Authority's significant financial matters and activities and to identify any significant changes in the Authority's financial position. We encourage readers to consider the information presented here in conjunction with the basic financial statements as a whole.

**Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements.

***Government-Wide Financial Statements***

The government-wide financial statements are designed to provide readers with a broad overview of the Authority's finances. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources, accounted for with an economic resources measurement focus using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the fiscal year's revenues and expenses are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses are reported in these statements for some items that will result in cash flows in future fiscal periods. Government-wide financial statements are comprised of the following:

- The *Statement of Net Position*, which presents all of the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.
- The *Statement of Activities*, which presents information showing the Authority's revenues and expenses for the fiscal year. Functional activities are highlighted in this statement, whereby direct and indirect functional costs are shown, net of related program revenue. This statement shows the extent to which the various functions depend on taxes and nonprogram revenues for support.

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***Fund Financial Statements***

A fund is a grouping of related accounts, which is used to maintain control over resources that have been segregated for specific activities or objectives.

*Governmental Funds* – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Authority's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities of the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Authority's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation on pages 14 and 16, respectively, to facilitate this comparison between governmental funds and governmental activities.

The Authority maintains three governmental funds (Tourism Special Fund, Convention Center Enterprise Special Fund, and Tourism Emergency Special Fund). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for each of these funds.

***Notes to the Basic Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Hawaii Tourism Authority**  
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**Condensed Financial Information**

The following are summaries from the Authority’s government-wide financial statements as of and for the years ended June 30, 2021 and 2020:

**Condensed Statements of Net Position**  
**As of June 30, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>Assets</b>		
Current assets	\$ 105,475,000	\$ 103,204,000
Capital assets, net	192,929,000	194,881,000
Investments – noncurrent	-	2,014,000
Other noncurrent assets	20,574,000	24,192,000
Total assets	<u>\$ 318,978,000</u>	<u>\$ 324,291,000</u>
<b>Deferred outflows of resources</b>		
Deferred outflows on net pension liability	\$ 973,000	\$ 985,000
Deferred outflows on net other postemployment benefits liability	366,000	596,000
Total deferred outflows of resources	<u>\$ 1,339,000</u>	<u>\$ 1,581,000</u>
<b>Liabilities</b>		
Current liabilities	\$ 438,000	\$ 3,276,000
Noncurrent liabilities	12,571,000	12,410,000
Total liabilities	<u>\$ 13,009,000</u>	<u>\$ 15,686,000</u>
<b>Deferred inflows of resources</b>		
Deferred inflows on net pension liability	\$ 54,000	\$ 175,000
Deferred inflows on net other postemployment benefits liability	467,000	73,000
Total deferred inflows of resources	<u>\$ 521,000</u>	<u>\$ 248,000</u>
<b>Net position</b>		
Net investment in capital assets	\$ 192,929,000	\$ 194,881,000
Restricted	113,858,000	115,057,000
Total net position	<u>\$ 306,787,000</u>	<u>\$ 309,938,000</u>

A reconciliation on page 14 facilitates the comparison between governmental funds and governmental activities.

**Hawaii Tourism Authority**  
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**Condensed Statements of Activities**  
**For the Years Ended June 30, 2021 and 2020**

	2021	2020
<b>Revenues</b>		
Program revenues		
Charges for services	\$ 5,839,000	\$ 6,716,000
General revenues		
Transient accommodations taxes	38,005,000	79,583,000
Other	2,250,000	2,676,000
Total revenues	<u>46,094,000</u>	<u>88,975,000</u>
<b>Expenses</b>		
Hawaii Convention Center management		
Contract	7,945,000	14,418,000
Depreciation	7,944,000	7,525,000
Payroll	321,000	316,000
Pension	96,000	77,000
Postemployment	56,000	41,000
Other	210,000	280,000
Total Hawaii Convention Center management expenses	<u>16,572,000</u>	<u>22,657,000</u>
Tourism and marketing		
Contract	28,425,000	61,210,000
Payroll	2,654,000	2,668,000
Pension	751,000	608,000
Administrative and general	222,000	343,000
Postemployment	437,000	323,000
Other	184,000	198,000
Total tourism and marketing expenses	<u>32,673,000</u>	<u>65,350,000</u>
Total expenses	<u>49,245,000</u>	<u>88,007,000</u>
Change in net position	(3,151,000)	968,000
<b>Net position</b>		
Beginning of year	<u>309,938,000</u>	<u>308,970,000</u>
End of year	<u>\$ 306,787,000</u>	<u>\$ 309,938,000</u>

A reconciliation on page 16 facilitates the comparison between governmental funds and governmental activities.

The effects of the COVID-19 pandemic have been substantial globally. Its impacts have been particularly extensive for our local economy, with tourism being one of Hawaii’s largest industries and a vital economic driver. Effective May 2020, the Authority’s allocation of transient accommodations tax (“TAT”), its primary source of revenue, was suspended. In June 2021, TAT funding was temporarily restored, representing the entire amount of TAT received by the Authority in fiscal year 2021. Due to

**Hawaii Tourism Authority**  
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this timing, the allocation of TAT revenues will help in funding the Authority's fiscal year 2022 operations. In anticipation of the decrease in fiscal year 2021 TAT revenue, toward the start of the pandemic in fiscal year 2020, the Authority reassessed all of its contracts to identify programs that could not be completed or should be reduced. These measures helped to bolster the Authority's operating reserve, which operationally included funds set aside for pension and postemployment liabilities. The Authority released its operating reserve to fund operations in fiscal years 2021 and 2022.

**Financial Analysis**

*Current Assets* increased by approximately \$2,271,000, or 2.2%, primarily due to an increase in cash and cash equivalents of approximately \$2,775,000, partially offset by decreases in accounts receivable and other assets of approximately \$236,000 and \$268,000, respectively.

*Capital Assets* decreased by approximately \$1,952,000, or 1.0%, primarily due to the recording of current year depreciation expense of approximately \$7,944,000, partially offset by capital asset additions. A substantial portion of the Authority's capital asset additions pertains to renovations and improvements to the Center. See Note 3 to the financial statements.

*Investments* decreased by approximately \$2,041,000, or 100%, due to increasing cash equivalents in the Tourism Emergency Special Fund as a result of the maturing of investments. Due to the pandemic, investments were placed into cash equivalents to maintain liquidity for potential deployment.

*Other Noncurrent Assets* decreased by approximately \$3,618,000, or 15.0%. This represents funds held by ASM Global and the Department of Accounting and General Services for emergency capital improvements, repair or maintenance purchases, and funds earmarked for various capital improvement projects for the Center.

*Current Liabilities* decreased by approximately \$2,838,000, or 86.6%, primarily due to a decrease in vouchers payable of approximately \$2,712,000, or 95.3% due to a decrease in operations and expenses.

*Noncurrent Liabilities* increased by approximately \$161,000, or 1.3%, primarily due to an increase in net pension liability of approximately \$411,000.

*Net Position* changed from a net position of approximately \$309,938,000 at June 30, 2020 to a net position of approximately \$306,787,000 at June 30, 2021 due to operating results of the Authority.

Effective July 1, 2002, the Convention Center Fund was established by Act 253, Session Laws of Hawaii 2002 ("Act 253"). In accordance with Act 253, the Convention Center Fund was placed within the Authority and was created to receive all revenues generated from the Center's operations and an allocated portion of the revenues received from the State of Hawaii's ("State") TAT.

*Expenses* decreased by approximately \$38,762,000, or 44.0%, primarily due to the decrease in contract expenses in the current year as compared to the prior year and correlates with the decrease in the Authority's TAT revenues discussed below. Expenses also decreased as the Authority paused typical marketing efforts in favor of sustaining a base level of brand awareness in our core markets, while awaiting the right time to begin messaging in light of the pandemic. Further, while the pandemic

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began in spring 2020, fiscal year 2021 reflects an entire year under the circumstances of the pandemic. Convention Center expenses decreased due to the inability or uncertainty of groups being able to hold meetings and conferences due to the pandemic. Activity at the Convention Center was largely comprised of other State agencies holding operations at the Center. The Center charged these State agencies at cost for no profit to the Center.

*Revenues* decreased by approximately \$42,881,000, or 48.2%, primarily due to suspension of the Authority's allocation of TAT revenue under the Governor's emergency proclamation relating to the COVID-19 global pandemic.

**Financial Analysis of the Authority's Individual Funds**

As noted earlier, the Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

***Governmental Funds***

The focus of the Authority's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Authority's financing requirements.

As of the end of the current fiscal year, the Authority's governmental funds reported combined ending fund balances of approximately \$105,195,000, an increase of approximately \$3,018,000 in comparison with the prior fiscal year-end. The Authority's entire fund balance is committed to indicate that it can only be used for specific purposes pursuant to formal action of the Authority's board of directors.

The Tourism Special Fund is used to account for functions related to the development and promotion of Hawaii's brand as a visitor destination. At the end of the current fiscal year, committed fund balance of the Tourism Special Fund was approximately \$63,064,000, a decrease of 12.1% from the prior fiscal year-end. As a measure of the Tourism Special Fund's liquidity, it may be useful to compare the committed fund balance to total fund expenditures. Committed fund balance represents 196.7% of total Tourism Special Fund expenditures, an increase of 86.7% from the prior fiscal year.

The Convention Center Enterprise Special Fund was established by Act 253 to receive all revenues generated from the operation of the Center and an allocated portion of the revenues received from the State's TAT. Funds collected by the Convention Center Enterprise Special Fund are used to pay all expenses arising from the use and operation of the Center. In accordance with Act 253, the operations of the Convention Center Enterprise Special Fund are included in the Authority's financial statements. At the end of the current fiscal year, the Convention Center Enterprise Special Fund had a committed fund balance of approximately \$37,131,000.

The Tourism Emergency Special Fund was established by Hawaii Revised Statutes Section 201B-10. Monies in the Tourism Emergency Special Fund shall be used exclusively to provide for the development and implementation of emergency measures to respond to any tourism emergency including providing emergency assistance to tourists during the tourism emergency. At the end of the current fiscal year, the Tourism Emergency Special Fund had a committed fund balance of approximately \$5,000,000.

**Hawaii Tourism Authority**  
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**Management’s Discussion and Analysis (Unaudited)**  
**June 30, 2021**

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**Capital Assets**

As of June 30, 2021, the Authority had approximately \$192,929,000 invested in capital assets as shown in the following table. There was a net decrease (additions, deductions and depreciation) of approximately \$1,952,000 from the end of the prior fiscal year.

	<b>2021</b>	<b>2020</b>
Capital assets		
Land	\$ 131,497,000	\$ 131,497,000
Buildings and improvements	227,861,000	221,198,000
Furniture, fixtures and equipment	7,728,000	7,903,000
Construction in progress	3,060,000	3,739,000
Total capital assets	<u>370,146,000</u>	<u>364,337,000</u>
Less: Accumulated depreciation and amortization	<u>(177,217,000)</u>	<u>(169,456,000)</u>
Total capital assets, net	<u>\$ 192,929,000</u>	<u>\$ 194,881,000</u>

Additional information regarding the Authority’s capital assets can be found in Note 3 to the financial statements.



**Hawaii Tourism Authority**  
(A Component Unit of the State of Hawaii)  
**Statement of Net Position – Governmental Activities**  
**June 30, 2021**

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Current assets	
Equity in cash and cash equivalents and investments in State Treasury	\$ 104,589,885
Accounts receivables	683,423
Other current assets	201,516
Total current assets	<u>105,474,824</u>
Noncurrent assets	
Capital assets	
Land	131,496,508
Construction in progress	3,060,686
Other capital assets, net	58,371,736
Capital assets, net of depreciation	<u>192,928,930</u>
Other noncurrent assets	<u>20,574,132</u>
Total noncurrent assets	<u>213,503,062</u>
Total assets	<u>318,977,886</u>
Deferred outflows of resources	
Deferred outflows on net pension liability	973,112
Deferred outflows on net other postemployment benefits liability	365,619
Total deferred outflows of resources	<u>1,338,731</u>
Total assets and deferred outflows of resources	<u>\$ 320,316,617</u>

The accompanying notes are an integral part of these financial statements.

**Hawaii Tourism Authority**  
(A Component Unit of the State of Hawaii)  
**Statement of Net Position – Governmental Activities**  
**June 30, 2021**

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Current liabilities	
Vouchers payable	\$ 134,582
Accrued payroll	145,282
Accrued vacation	157,619
Total current liabilities	<u>437,483</u>
Long-term liabilities	
Accrued vacation, net of current portion	403,753
Net other postemployment benefits liability	5,233,608
Net pension liability	6,933,564
Total long-term liabilities	<u>12,570,925</u>
Total liabilities	<u>13,008,408</u>
Deferred inflows of resources	
Deferred inflows on net pension liability	53,851
Deferred inflows on net other postemployment benefits liability	467,020
Total deferred inflows of resources	<u>520,871</u>
Total liabilities and deferred inflows of resources	<u>13,529,279</u>
Net position	
Net investment in capital assets	192,928,930
Restricted	113,858,408
Total net position	<u>306,787,338</u>
Total liabilities and net position	<u>\$ 320,316,617</u>

The accompanying notes are an integral part of these financial statements.

**Hawaii Tourism Authority**  
(A Component Unit of the State of Hawaii)  
**Statement of Activities – Governmental Activities**  
Year Ended June 30, 2021

	<b>Functional Programs</b>		
	<b>Hawaii Convention Center Management</b>	<b>Tourism and Marketing</b>	<b>Total</b>
<b>Expenses</b>			
Contracts	\$ 7,945,499	\$ 28,425,070	\$ 36,370,569
Depreciation	7,944,335	-	7,944,335
Payroll	320,689	2,653,523	2,974,212
Pension	95,785	750,698	846,483
Postemployment	55,788	437,227	493,015
Administrative and general	-	222,223	222,223
Other	209,688	184,279	393,967
Total expenses	<u>\$ 16,571,784</u>	<u>\$ 32,673,020</u>	49,244,804
Program revenues – charge for services			5,839,120
Net expenses			<u>43,405,684</u>
<b>General revenues</b>			
Transient accommodations tax			38,004,557
Interest and investment income			609,848
Net decrease in fair value of investments			(13,660)
Other			1,654,089
Total general revenues			<u>40,254,834</u>
Change in net position			<u>(3,150,850)</u>
<b>Net position</b>			
Beginning of year			309,938,188
End of year			<u>\$ 306,787,338</u>

The accompanying notes are an integral part of these financial statements.

**Hawaii Tourism Authority**  
(A Component Unit of the State of Hawaii)  
**Balance Sheet – Governmental Funds**  
**June 30, 2021**

	Tourism Special Fund	Convention Center Enterprise Special Fund	Tourism Emergency Special Fund	Total Governmental Funds
<b>Assets</b>				
Equity in cash and cash equivalents and investments in State Treasury	\$ 62,758,513	\$ 36,813,430	\$ 5,017,942	\$ 104,589,885
Due from State Department of Budget and Finance	372,269	174,726	-	546,995
Due from other fund	17,942	-	-	17,942
Other assets	177,652	160,292	-	337,944
Total assets	<u>\$ 63,326,376</u>	<u>\$ 37,148,448</u>	<u>\$ 5,017,942</u>	<u>\$ 105,492,766</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Vouchers and contracts payable	\$ 134,582	\$ -	\$ -	\$ 134,582
Due to other funds	-	-	17,942	17,942
Other accrued liabilities	127,985	17,297	-	145,282
Total liabilities	<u>262,567</u>	<u>17,297</u>	<u>17,942</u>	<u>297,806</u>
<b>Fund balances</b>				
Committed	<u>63,063,809</u>	<u>37,131,151</u>	<u>5,000,000</u>	<u>105,194,960</u>
Total liabilities and fund balances	<u>\$ 63,326,376</u>	<u>\$ 37,148,448</u>	<u>\$ 5,017,942</u>	<u>\$ 105,492,766</u>

The accompanying notes are an integral part of these financial statements.

**Hawaii Tourism Authority**  
(A Component Unit of the State of Hawaii)  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
**June 30, 2021**

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Total fund balance – governmental funds	\$ 105,194,960
Amounts reported for governmental activities in the statement of net position are different because	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of	
Land	131,496,508
Construction in progress	3,060,686
Other	235,588,920
Accumulated depreciation and amortization	<u>(177,217,184)</u>
	192,928,930
Other assets are not available to pay or be used for current-period expenditures and are not recognized in governmental funds.	20,574,132
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of	
Accrued vacation payable	(561,372)
Net other postemployment benefits liability	(5,233,608)
Net pension liability	<u>(6,933,564)</u>
	(12,728,544)
Deferred outflows of resources are for future periods and are not reported in the funds. Those deferred outflows consist of	
Deferred outflows on net pension liability	973,112
Deferred outflows on net other postemployment benefits liability	<u>365,619</u>
	1,338,731
Deferred inflows of resources benefit future periods and are not reported in the funds. Those deferred inflows consist of	
Deferred inflows on net pension liability	(53,851)
Deferred inflows on net other postemployment benefits liability	<u>(467,020)</u>
	<u>(520,871)</u>
Net position of governmental activities	<u>\$ 306,787,338</u>

The accompanying notes are an integral part of these financial statements.

**Hawaii Tourism Authority**  
(A Component Unit of the State of Hawaii)  
**Statement of Revenues, Expenditures, and Changes in**  
**Fund Balances – Governmental Funds**  
**Year Ended June 30, 2021**

	Tourism Special Fund	Convention Center Enterprise Special Fund	Tourism Emergency Special Fund	Total Governmental Funds
<b>Revenues</b>				
Transient accommodations tax	\$ 21,504,557	\$ 16,500,000	\$ -	\$ 38,004,557
Hawaii Convention Center revenues	-	5,839,120	-	5,839,120
Interest and investment income	407,420	186,266	16,162	609,848
Other	1,508,811	145,278	-	1,654,089
Total revenues	<u>23,420,788</u>	<u>22,670,664</u>	<u>16,162</u>	<u>46,107,614</u>
<b>Expenditures</b>				
Contract	28,425,070	10,411,796	-	38,836,866
Personnel	3,213,215	409,991	-	3,623,206
Administrative and general	209,515	-	12,708	222,223
Net decrease in the fair value of investments	-	-	13,660	13,660
Other	214,279	179,686	-	393,965
Total expenditures	<u>32,062,079</u>	<u>11,001,473</u>	<u>26,368</u>	<u>43,089,920</u>
Excess of revenues over expenditures	<u>(8,641,291)</u>	<u>11,669,191</u>	<u>(10,206)</u>	<u>3,017,694</u>
<b>Other financing sources (uses)</b>				
Transfers in	120,000	-	130,206	250,206
Transfers out	(130,206)	-	(120,000)	(250,206)
Total other financing sources (uses)	<u>(10,206)</u>	<u>-</u>	<u>10,206</u>	<u>-</u>
Net change in fund balances	<u>(8,651,497)</u>	<u>11,669,191</u>	<u>-</u>	<u>3,017,694</u>
<b>Fund balances</b>				
Beginning of year	<u>71,715,306</u>	<u>25,461,960</u>	<u>5,000,000</u>	<u>102,177,266</u>
End of year	<u>\$ 63,063,809</u>	<u>\$ 37,131,151</u>	<u>\$ 5,000,000</u>	<u>\$ 105,194,960</u>

The accompanying notes are an integral part of these financial statements.

# Hawaii Tourism Authority

(A Component Unit of the State of Hawaii)

## Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities Year Ended June 30, 2021

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Total net change in fund balances – governmental funds	\$ 3,017,694
Amounts reported for governmental activities in the statement of activities are different because	
Capital outlays are reported as expenditures in governmental funds; however, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are	
Capital asset additions	6,072,214
Capital asset deductions	(262,798)
Accumulated depreciation on disposals	183,060
Depreciation expense	(7,944,335)
Loss on disposal	79,738
Excess of capital outlay over depreciation expense	<u>(1,872,121)</u>
Other assets are not available to be used for current period expenditures and are not recognized in governmental funds.	(3,605,919)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	
Change in accrued vacation payable	(148,891)
Net pension activity	(301,467)
Net other postemployment benefits activity	(240,146)
	<u>(690,504)</u>
Change in net position of governmental activities	<u>\$ (3,150,850)</u>

The accompanying notes are an integral part of these financial statements.

**Hawaii Tourism Authority**  
(A Component Unit of the State of Hawaii)  
**Notes to Financial Statements**  
**June 30, 2021**

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**1. Summary of Significant Accounting Policies**

**The Financial Reporting Entity**

The Hawaii Tourism Authority (“Authority”) was established on January 1, 1999 by Act 156, Session Laws of Hawaii 1998, and 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 (the “Center”) 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, which opened to the general public in June 1998, is used for a variety of 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 of 12 voting members, including those recommended by the State Legislature. The Governor of the State appoints the 12 voting members.

The accompanying basic financial statements of the Authority, a discretely presented component unit of the State of Hawaii (“State”), have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for governments as prescribed by the Governmental Accounting Standards Board (“GASB”).

**Government-wide and Fund Financial Statements**

The government-wide financial statements, which are the statement of net position and the statement of activities, report information on the activities of the Authority. For the most part, the effect of interfund activity has been removed from these government-wide financial statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges to customers who purchase, use or directly benefit from goods or services provided by a given function. Resources that are dedicated internally are reported as general revenues rather than program revenues.

The Authority uses funds to report on its financial position and the results of its operations in its fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain functions or activities.

Net position is restricted when determined by a formal action of the State Legislature.



**Hawaii Tourism Authority**  
(A Component Unit of the State of Hawaii)  
**Notes to Financial Statements**  
**June 30, 2021**

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The financial activities of the Authority are recorded in individual funds, each of which is deemed to be a separate accounting entity. The Authority uses fund accounting to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

**Governmental Funds**

Governmental funds are those through which the governmental functions of the Authority are financed. The Authority's major funds are as follows:

- **Tourism Special Fund** –The Tourism Special Fund (“Tourism Fund”) is used to account for functions related to the development and promotion of the tourism industry.
- **Convention Center Enterprise Special Fund** – The Convention Center Enterprise Special Fund (“Convention Center Fund”) is used to account for functions related to the operation and management of the Center.
- **Tourism Emergency Special Fund** – The Tourism Emergency Special Fund (“Emergency Fund”) is used to account for functions related to the maintenance of a tourism emergency fund.

**Basis of Accounting**

The Governmental Funds financial statements are reported using the current financial resources measurement focus and the modified-accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal year.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

**Transient Accommodations Tax**

In accordance with Sections 201B-11 and 237D-6.5, Hawaii Revised Statutes (“HRS”), the primary source of funding for the Authority's Tourism Fund and Convention Center Fund is the transient accommodations tax (“TAT”) collected by the State. The TAT is assessed at a rate of 10.25% on the gross rental proceeds derived from providing transient accommodations.

Effective July 1, 2018, the maximum amount of funding of TAT revenues that may be deposited into the Convention Center Fund and the Tourism Fund was \$16,500,000 and \$79,000,000, respectively.

**Hawaii Tourism Authority**  
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**Notes to Financial Statements**  
**June 30, 2021**

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Of the total TAT revenues deposited into the Tourism Fund, 0.5% is allocated to a subaccount in the Tourism Fund to provide funding for the safety and security budget, pursuant to Section 237D-6.5, and at least \$1,000,000 shall be made available to support efforts to manage, improve and protect Hawaii's natural environment and areas frequented by visitors, pursuant to Section 201B-11. Effective July 1, 2007, funds shall be deposited into the Emergency Fund, established in Section 201B-10, in a manner sufficient to maintain a fund balance of \$5,000,000 in fund.

Effective July 1, 2013, of the total TAT revenues deposited into the Tourism Fund, \$1,000,000 shall be allocated for the operation of a Hawaiian center and the museum of Hawaiian music and dance at the Center.

The governor's Sixth Supplementary (emergency) Proclamation, issued on April 25, 2020, suspended specific provisions of law. Included were Sections 237D-6.5(b), HRS, distribution of the TAT. In June 2021, the Governor temporarily restarted the distribution of TAT revenues to the Authority. Total TAT revenues deposited into the Convention Center Fund and Tourism Fund was \$16,500,000 and \$21,505,000, respectively, for the year ended June 30, 2021.

Act 001, Special Session of 2021 ("Act 001"), amended specific provisions of law effective July 1, 2021. Included were Sections 237D-6.5(b), HRS, distribution of the TAT revenues as detailed in Note 9.

**Investments**

The Authority's investments are reported at fair value within the fair value hierarchy established by generally accepted accounting principles.

**Fair Value Measurements**

The Authority measures the fair value of assets and liabilities as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants at the measurement date. The fair value hierarchy distinguishes between independent observable inputs and unobservable inputs used to measure fair value, as follows:

- **Level 1** – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2** – Inputs other than quoted market prices included in Level 1 that are observable for an asset or liability, either directly or indirectly.
- **Level 3** – Unobservable inputs for an asset or liability reflecting the reporting entity's own assumptions. Level 3 inputs are used to measure fair value to the extent that observable Level 1 or Level 2 inputs are not available.

### **Capital Assets**

Capital assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the statement of net position. Capital assets acquired by purchase are recorded at cost. Donated capital assets are valued at the estimated fair value on the date received. Maintenance, repairs, minor replacements, and renewals are charged to operations as incurred. Major replacements, renewals and betterments are capitalized. Capital assets are defined as assets with an initial individual cost of \$100,000 or more for buildings and improvements, and \$5,000 or more for furniture, fixtures and equipment, and are depreciated on the straight-line method over the estimated useful lives of the respective assets (buildings and improvements – 30 years and furniture, fixtures and equipment – five to seven years). Depreciation is recorded on capital assets in the government-wide statement of activities.

### **Accrued Vacation**

Employees hired on or before July 1, 2001 earn vacation at the rate of one and three-quarters working days for each month of service. Employees hired after July 1, 2001 earn vacation at rates ranging between one and two working days for each month of service, depending upon the employees' years of service and job classifications. Each employee is allowed to accumulate a maximum of 90 days of vacation as of the end of the calendar year. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements, or expected to be paid with expendable available financial resources.

### **Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Employees' Retirement System of the State of Hawaii ("ERS"), and additions to/deductions from the ERS's fiduciary net position have been determined on the same basis as they are reported by the ERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at their fair value.

### **Postemployment Benefits Other Than Pensions**

For purposes of measuring the net other postemployment benefits ("OPEB") liability, deferred outflows of resources, and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the Hawaii Employer-Union Health Benefits Trust Fund ("EUTF"), and additions to/deductions from the EUTF's fiduciary net position have been determined on the same basis as they are reported by the EUTF. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at their fair value.

### **Net Position and Fund Balance**

In the government-wide financial statements, net position is reported in two categories: net investment in capital assets and restricted net position. Restricted net position represents net

**Hawaii Tourism Authority**  
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**Notes to Financial Statements**  
**June 30, 2021**

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position restricted by parties outside of the Authority (such as citizens, public interest groups, or the judiciary), or imposed by law through enabling legislation, and includes unspent proceeds of bonds issued to acquire or construct capital assets.

In the Fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

The Authority classifies fund balance based primarily on the extent to which a government is bound to follow constraints on how resources can be spent in accordance with GAAP.

Classifications include:

- **Restricted** – Balances that are restricted for specific purposes by external parties such as creditors, grantors, or other governments. Sources of these externally enforceable legal restrictions include creditors, grantors, or other governments.
- **Committed** – Balances that can only be used for specific purposes pursuant to constraints imposed by formal action (i.e., legislation) of the State’s Legislature, the highest level of decision-making authority. Legislation is required to modify or rescind a fund balance commitment.
- **Assigned** – Balances that are constrained by management to be used for specific purposes, as authorized by the HRS, but are not restricted or committed. For general fund only, encumbrance balances at fiscal year-end are classified as assigned.
- **Unassigned** – Residual balances that are not contained in the other classifications. The General Fund is the only fund that reports a positive unassigned fund balance.

**Marketing Contractors**

The Authority contracts with the following seven major marketing contractors to provide tourism, planning, implementation, and other services to assist the Authority in executing its marketing mission:

- Hawaii Visitors and Convention Bureau – United States of America and Global Meetings and Conventions
- a.Link LLC, dba Hawaii Tourism Japan – Japan
- Aviareps Marketing Garden (Holdings) Ltd. – Korea
- The Walshe Group, dba Hawaii Tourism Oceania – Australia and New Zealand
- Hawaii Visitors and Convention Bureau – United States
- ITravLocal Ltd. – China
- VoX International Inc. – Canada

**Hawaii Tourism Authority**  
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**Notes to Financial Statements**  
**June 30, 2021**

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**Center Contract**

The Authority contracts with ASM Global (“ASM”), a private contractor, to manage and operate the Center. ASM is on a cost-reimbursement contract whereby it is reimbursed by the Authority for costs incurred in operating the Center. Through December 31, 2019, ASM held the responsibility for the Center’s sales and marketing efforts. Starting January 1, 2020, Act 026, Session Laws of Hawaii 2019, authorized contracts entered by the Authority for the marketing of the Center to be issued separately from the management, use, operation or maintenance of the facility. Effective January 1, 2020, the Authority amended ASM’s contract to reflect responsibilities for local sales.

Effective January 1, 2020, the Authority contracted with the Hawaii Visitors and Convention Bureau to be responsible for the Center’s sales and marketing efforts as part of a global meetings and conventions program.

**Intrafund and Interfund Transactions**

Transfers of financial resources within the same fund are eliminated. Transfers from funds receiving revenues to funds through which the resources are to be expended and funds disbursed to fiduciary funds are recorded as transfers.

**Use of Estimates**

The preparation of basic financial statements in conformity with GAAP requires 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.

**Newly Issued Accounting Pronouncements**

***GASB Statement No. 84***

During fiscal year 2021, the State implemented GASB Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement did not have any effect on the Authority’s financial statements.

***GASB Statement No. 87***

The GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the provisions of the contract. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019, postponed by GASB Statement No. 95 for eighteen months. The Authority has not yet determined the effect this Statement will have on its financial statements.

***GASB Statement No. 92***

The GASB issued Statement No. 92, *Omnibus 2020*. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency

of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective at multiple periods depending on when certain Statements are implemented, postponed by GASB Statement No. 95 for one year. The Authority has not determined the effect this Statement will have on its financial statements.

***GASB Statement No. 94***

The GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The Authority has not determined the effect this Statement will have on its financial statements.

***GASB Statement No. 96***

The GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The Authority has not determined the effect this Statement will have on its financial statements.

**2. Equity in Cash and Cash Equivalents and Investments in State Treasury**

The State Director of Finance is responsible for the safekeeping of cash and investments in the State Treasury in accordance with State laws. The Director of Finance may invest any monies of the State which, in the Director's judgment, are in excess of the amounts necessary for meeting the immediate requirements of the State. Cash is pooled with funds from other State agencies and departments and deposited into approved financial institutions or in the State Treasury Investment Pool System. Funds in the investment pool accrue interest based on the average weighted cash balances of each account.

The State requires that depository banks pledge, as collateral, government securities held in the name of the State for deposits not covered by federal deposit insurance.

GAAP requires disclosures over common deposit and investment risks related to credit risk, interest rate risk, and foreign currency risk. Investments can be categorized by type, maturity and custodian to determine the level of interest rate, credit and custodial risk assumed by the Authority. However, as these funds are held in the State investment pool, the Authority does not manage these investments and the types of investments, and related interest rate, credit and custodial risks are not determinable at the Authority's level. The risk disclosures and fair value leveling table of the State's investment pool are included in the State's Annual Comprehensive Financial Report ("ACFR") which may be obtained from the Department of Accounting and General Services' ("DAGS") website: <http://ags.hawaii.gov/accounting/annual-financial-reports/>.

**Hawaii Tourism Authority**  
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Cash and short-term investments held outside of the State Treasury are primarily held in a financial institution in the State of Hawaii. The Authority considers all cash and investments with original maturities of three months or less to be cash equivalents.

At June 30, 2021, the Authority's deposits with DAGS totaled \$104,590,000.

**3. Capital Assets**

The following is a summary of changes in capital assets during the year ended June 30, 2021:

	Balance at July 1, 2020	Additions	Deductions	Balance at June 30, 2021
<b>Capital assets not being depreciated</b>				
Land	\$ 131,496,508	\$ -	\$ -	\$ 131,496,508
Construction in progress	3,738,667	4,922,090	(5,600,071)	3,060,686
Total capital assets not being depreciated	<u>135,235,175</u>	<u>4,922,090</u>	<u>(5,600,071)</u>	<u>134,557,194</u>
<b>Capital assets being depreciated</b>				
Buildings and improvements	221,198,256	6,662,716	-	227,860,972
Furnitures, fixtures and equipment	7,903,267	87,479	(262,798)	7,727,948
Total capital assets being depreciated	<u>229,101,523</u>	<u>6,750,195</u>	<u>(262,798)</u>	<u>235,588,920</u>
Less: Accumulated depreciation and amortization				
Buildings and improvements	(164,430,621)	(7,410,282)	-	(171,840,903)
Furnitures, fixtures and equipment	(5,025,288)	(534,053)	183,060	(5,376,281)
Total accumulated depreciation and amortization	<u>(169,455,909)</u>	<u>(7,944,335)</u>	<u>183,060</u>	<u>(177,217,184)</u>
Total capital assets, net	<u>\$ 194,880,789</u>	<u>\$ 3,727,950</u>	<u>\$ (5,679,809)</u>	<u>\$ 192,928,930</u>

Depreciation expense charged to the Hawaii Convention Center management function amounted to \$7,944,000 for the year ended June 30, 2021.

**4. Other Assets**

Other assets represent funds held by ASM for emergency capital improvements, repair or maintenance purchases, and various capital improvement projects. At June 30, 2021, funds held amounted to \$20,494,000.

**5. Changes in Long-Term Liabilities**

The following is a summary of changes in long-term liabilities during the year ended June 30, 2021:

	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021	Due Within One Year
Accrued vacation payable	\$ 412,481	\$ 201,457	\$ (52,566)	\$ 561,372	\$ 157,619
Net other postemployment benefits liability	5,617,949	528,111	(912,452)	5,233,608	-
Net pension liability	6,522,577	772,696	(361,709)	6,933,564	-
	<u>\$ 12,553,007</u>	<u>\$ 1,502,264</u>	<u>\$ (1,326,727)</u>	<u>\$ 12,728,544</u>	<u>\$ 157,619</u>

The accrued vacation liability attributable to the governmental activities will be liquidated by the Authority's governmental funds. All of the accrued vacation liability was paid by the Tourism Fund during the year ended June 30, 2021.

**6. Retirement Benefits**

**Pension Plan**

***Plan Description***

Generally, all full-time employees of the State and counties are required to be members of the ERS, a cost-sharing multiple-employer defined benefit pension plan that administers the State's pension benefits program. Benefits, eligibility, and contribution requirements are governed by HRS Chapter 88 and can be amended through legislation. The ERS issues publicly available annual financial reports that can be obtained at the ERS website: <http://ers.ehawaii.gov/resources/financials>.

***Benefits Provided***

The ERS Pension Trust is comprised of three pension classes for membership purposes and considered to be a single plan for accounting purposes since all assets of the ERS may legally be used to pay the benefits of any of the ERS members or beneficiaries. The ERS provides retirement, disability and death benefits with three membership classes known as the noncontributory, contributory and hybrid retirement plans. The three classes provide a monthly retirement allowance equal to the benefit multiplier (generally 1.25% to 2.25%) multiplied by the average final compensation multiplied by years of credited service. Average final compensation for members hired prior to July 1, 2012 is an average of the highest salaries during any three years of credited service, excluding any salary paid in lieu of vacation for members hired January 1, 1971 or later and the average of the highest salaries during any five years of credited service including any salary paid in lieu of vacation for members hired prior to January 1, 1971. For members hired after June 30, 2012, average final compensation is an average of the highest salaries during any five years of credited service excluding any salary paid in lieu of vacation.

Each retiree's original retirement allowance is increased on each July 1 beginning the calendar year after retirement. Retirees first hired as members prior to July 1, 2012 receive a 2.5% increase each year of their original retirement allowance without a ceiling. Retirees first hired as members after June 30, 2012 receive a 1.5% increase each year of their original retirement allowance without a ceiling. The annual increase is not compounded.

The following summarizes the provisions relevant to the largest employee groups of the respective membership class. Retirement benefits for certain groups, such as police officers, firefighters, some investigators, sewer workers, judges, and elected officials, vary from general employees.

**Noncontributory Class**

- ***Retirement Benefits*** – General employees' retirement benefits are determined as 1.25% of average final compensation multiplied by the years of credited service. Employees with ten years of credited service are eligible to retire at age 62. Employees with 30 years of credited service are eligible to retire at age 55.



**Hawaii Tourism Authority**  
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- Disability Benefits – Members are eligible for service-related disability benefits regardless of length of service and receive a lifetime pension of 35% of their average final compensation. Ten years of credited service is required for ordinary disability. Ordinary disability benefits are determined in the same manner as retirement benefits but are payable immediately, without an actuarial reduction, and at a minimum of 12.5% of average final compensation.
- Death Benefits – For service-connected deaths, the surviving spouse/reciprocal beneficiary receives a monthly benefit of 30% of the average final compensation until remarriage or re-entry into a new reciprocal beneficiary relationship. Additional benefits are payable to surviving dependent children up to age 18. If there is no spouse/reciprocal beneficiary or surviving dependent children, no benefit is payable.

Ordinary death benefits are available to employees who were active at time of death with at least ten years of credited service. The surviving spouse/reciprocal beneficiary (until remarriage/re-entry into a new reciprocal beneficiary relationship) and surviving dependent children (up to age 18) receive a benefit equal to a percentage of the member's accrued maximum allowance unreduced for age or, if the member was eligible for retirement at the time of death, the surviving spouse/reciprocal beneficiary receives 100% joint and survivor lifetime pension and the surviving dependent children receive a percentage of the member's accrued maximum allowance unreduced for age.

Contributory Class for Members Hired Prior to July 1, 2012

- Retirement Benefits – General employees' retirement benefits are determined as 2% of average final compensation multiplied by the years of credited service. General employees with five years of credited service are eligible to retire at age 55.
- Disability Benefits – Members are eligible for service-related disability benefits regardless of length of service and receive a one-time payment of the member's contributions and accrued interest plus a lifetime pension of 50% of their average final compensation. Ten years of credited service is required for ordinary disability. Ordinary disability benefits are determined as 1.75% of average final compensation multiplied by the years of credited service but are payable immediately, without an actuarial reduction, and at a minimum of 30% of average final compensation.
- Death Benefits – For service-connected deaths, the surviving spouse/reciprocal beneficiary receives a lump sum payment of the member's contributions and accrued interest plus a monthly benefit of 50% of the average final compensation until remarriage or re-entry into a new reciprocal beneficiary relationship. If there is no surviving spouse/reciprocal beneficiary, surviving dependent children (up to age 18) or dependent parents are eligible for the monthly benefit. If there is no spouse/reciprocal beneficiary or surviving dependent children/parents, the ordinary death benefit is payable to the designated beneficiary.

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Ordinary death benefits are available to employees who were active at time of death with at least one year of service. Ordinary death benefits consist of a lump sum payment of the member's contributions and accrued interest plus a percentage of the salary earned in the 12 months preceding death, or 50% joint and survivor lifetime pension if the member was not eligible for retirement at the time of death but was credited with at least ten years of service and designated one beneficiary, or 100% joint and survivor lifetime pension if the member was eligible for retirement at the time of death and designated one beneficiary.

Contributory Class for Members Hired After June 30, 2012

- Retirement Benefits – General employees' retirement benefits are determined as 1.75% of average final compensation multiplied by the years of credited service. General employees with ten years of credited service are eligible to retire at age 60.
- Disability and Death Benefits – Members are eligible for service-related disability benefits regardless of length of service and receive a lifetime pension of 50% of their average final compensation plus refund of contributions and accrued interest. Ten years of credited service is required for ordinary disability.

Death benefits for contributory members hired after June 30, 2012 are generally the same as those for contributory members hired June 30, 2012 and prior.

Hybrid Class for Members Hired Prior to July 1, 2012

- Retirement Benefits – General employees' retirement benefits are determined as 2% of average final compensation multiplied by the years of credited service. General employees with five years of credited service are eligible to retire at age 62. General employees with 30 years of credited service are eligible to retire at age 55.
- Disability Benefits – Members are eligible for service-related disability benefits regardless of length of service and receive a lifetime pension of 35% of their average final compensation plus refund of their contributions and accrued interest. Ten years of credited service is required for ordinary disability. Ordinary disability benefits are determined in the same manner as retirement benefits but are payable immediately, without an actuarial reduction, and at a minimum of 25% of average final compensation.
- Death Benefits – For service-connected deaths, the designated surviving spouse/reciprocal beneficiary receives a lump sum payment of the member's contributions and accrued interest plus a monthly benefit of 50% of the average final compensation until remarriage or re-entry into a new reciprocal beneficiary relationship. If there is no surviving spouse/reciprocal beneficiary, surviving dependent children (up to age 18) or dependent parents are eligible for the monthly benefit. If there is no spouse/reciprocal beneficiary or surviving dependent children/parents, the ordinary death benefit is payable to the designated beneficiary.

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Ordinary death benefits are available to employees who were active at time of death with at least five years of service. Ordinary death benefits consist of a lump sum payment of the member's contributions and accrued interest plus a percentage multiplied by 150%, or 50% joint and survivor lifetime pension if the member was not eligible for retirement at the time of death but was credited with at least ten years of service and designated one beneficiary, or 100% joint and survivor lifetime pension if the member was eligible for retirement at the time of death and designated one beneficiary.

Hybrid Class for Members Hired After June 30, 2012

- Retirement Benefits – General employees' retirement benefits are determined as 1.75% of average final compensation multiplied by the years of credited service. General employees with ten years of credited service are eligible to retire at age 65. Employees with 30 years of credited service are eligible to retire at age 60.
- Disability and Death Benefits – Provisions for disability and death benefits generally remain the same except for ordinary death benefits. Ordinary death benefits are available to employees who were active at time of death with at least ten years of service. Ordinary death benefits consist of a lump sum payment of the member's contributions and accrued interest, or 50% joint and survivor lifetime pension if the member was not eligible for retirement at the time of death but was credited with at least ten years of service and designated one beneficiary, or 100% joint and survivor lifetime pension if the member was eligible for retirement at the time of death and designated one beneficiary.

**Contributions**

Contributions are governed by HRS Chapter 88 and may be amended through legislation. The employer rate is set by statute based on the recommendations of the ERS actuary resulting from an experience study conducted every five years. Since July 1, 2005, the employer contribution rate is a fixed percentage of compensation, including the normal cost plus amounts required to pay for the unfunded actuarial accrued liabilities. The contribution rate for fiscal year 2021 was 24% for all employees other than police and fire employees. Contributions to the pension plan from the Authority was approximately \$466,000 for the year ended June 30, 2021.

Pursuant to Act 17, SLH 2017, employer contributions from the State and counties are expected to increase over four years beginning July 1, 2017. The rate for all other employees increased to 24% on July 1, 2020.

The employer is required to make all contributions for noncontributory members. Contributory members hired prior to July 1, 2012 are required to contribute 7.8% of their salary. Contributory members hired after June 30, 2012 are required to contribute 9.8% of their salary. Hybrid members hired prior to July 1, 2012 are required to contribute 6.0% of their salary. Hybrid members hired after June 30, 2012 are required to contribute 8.0% of their salary.

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***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

At June 30, 2021, the Authority reported a net pension liability of approximately \$6,934,000 for its proportionate share of the State's net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to projected contributions of all participants, actuarially determined. At June 30, 2020, the Authority's proportion was 0.081% which was a decrease of .002% from its proportion measured as of June 30, 2019.

There were no changes between the measurement date, June 30, 2020, and the reporting date, June 30, 2021, that are expected to have a significant effect on the proportionate share of the net pension liability.

For the year ended June 30, 2021, the Authority recognized pension expense of approximately \$846,000. At June 30, 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 77,129	\$ (27,872)
Changes in assumptions	188,534	(67)
Net difference between projected and actual earnings on pension plan investments	125,342	-
Changes in proportion and differences between contributions and proportionate share of contributions	37,091	(25,912)
Contributions subsequent to the measurement date	545,016	-
	<u>\$ 973,112</u>	<u>\$ (53,851)</u>

At June 30, 2021, the approximate \$545,000 reported as deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022.

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Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year ending June 30,</b>	
2022	\$ 150,937
2023	77,150
2024	83,462
2025	61,395
2026	1,301
	<u>\$ 374,245</u>

***Actuarial Assumptions***

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions adopted by the ERS’s Board of Trustees on August 12, 2019, based on the 2018 Experience Study for the five-year period from July 1, 2013 through June 30, 2018:

Inflation	2.50%
Payroll growth rate	3.50%
Investment rate of return	7.00% per year, compounded annual including inflation

There were no changes to ad hoc postemployment benefits including cost of living allowances.

Post-retirement mortality rates are based on the 2019 Public Retirees of Hawaii mortality table with adjustments based on generational projections of the BB projection table for 2019 and full generational projections in future years. Pre-retirement mortality rates are based on multiples of the Pub-2010 mortality table based on the occupation of the member.

The long-term expected rate of return on pension plan investments was determined using a “top down approach” of the Client-constrained Simulation-based Optimization Model (a statistical technique known as “re-sampling with a replacement” that directly keys in on specific plan-level risk factors as stipulated by the ERS’s Board of Trustees) in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future nominal rates of return (real returns and inflation) by the target asset allocation percentage.

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The target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
<b>Strategic allocation (risk-based classes)</b>		
Broad growth	63.0 %	7.9 %
Diversifying strategies	37.0 %	3.7 %
Total investments	<u>100.0 %</u>	

***Discount Rate***

The discount rate used to measure the net pension liability was 7.00%, consistent with the rate used at the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from the State will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

***Sensitivity of the State’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***

The following presents the Authority’s proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Authority’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Authority’s proportionate share of the net pension liability	<u>\$ 8,907,000</u>	<u>\$ 6,934,000</u>	<u>\$ 5,307,000</u>

***Pension Plan Fiduciary Net Position***

The pension plan’s fiduciary net position is determined on the same basis used by the pension plan. The ERS financial statements are prepared using the accrual basis of accounting under which expenses are recorded when the liability is incurred, and revenues are recorded in the accounting period in which they are earned and become measurable. Employer and member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investment purchases and sales are recorded as of their trade date. Administrative expenses are financed exclusively with investment income.

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There were no significant changes after the report measurement date. Detailed information about the pension plan's fiduciary net position is available in the separately issued ERS financial report. The ERS complete financial statements are available at <http://ers.ehawaii.gov/resources/financials>.

***Payables to the Pension Plan***

The Authority's employer contributions payable to the State for its allocation of the State payable to ERS was paid by June 30, 2021. Excess payments of approximately \$8,000 are being applied to amounts due in fiscal year 2022.

***Required Supplementary Information and Disclosures***

The State's ACFR includes the required disclosures and required supplementary information on the State's pension plan.

**Postemployment Healthcare and Life Insurance Benefits**

***Plan Description***

The State provides certain healthcare and life insurance benefits to all qualified employees. Pursuant to Act 88, SLH 2001, the State contributes to the EUTF, an agent multiple-employer defined benefit plan that replaced the Hawaii Public Employees Health Fund effective July 1, 2003. The EUTF was established to provide a single delivery system of health benefits for state and county workers, retirees, and their dependents. The EUTF issues an annual financial report that is available to the public at <https://eutf.hawaii.gov/reports/>. The report may also be obtained by writing to the EUTF at P.O. Box 2121, Honolulu, Hawaii 96805-2121.

For employees hired before July 1, 1996, the State pays the entire base monthly contribution for employees retiring with ten years or more of credited service, and 50% of the base monthly contribution for employees retiring with fewer than ten years of credited service. A retiree can elect a family plan to cover dependents.

For employees hired after June 30, 1996 but before July 1, 2001, and who retire with less than ten years of service, the State makes no contributions. For those retiring with at least ten years but fewer than 15 years of service, the State pays 50% of the base monthly contribution. For employees retiring with at least 15 years but fewer than 25 years of service, the State pays 75% of the base monthly contribution. For employees retiring with at least 25 years of service, the State pays 100% of the base monthly contribution. Retirees in this category can elect a family plan to cover dependents.

For employees hired on or after July 1, 2001, and who retire with less than ten years of service, the State makes no contributions. For those retiring with at least ten years but fewer than 15 years of service, the State pays 50% of the base monthly contribution. For those retiring with at least 15 years but fewer than 25 years of service, the State pays 75% of the base monthly contribution. For employees retiring with at least 25 years of service, the State pays 100% of the base monthly contribution. Only single plan coverage is provided for retirees in this category. Retirees can elect family coverage but must pay the difference.

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**Employees Covered by Benefit Terms**

At July 1, 2020, the State had the following number of plan members covered:

Inactive plan members or beneficiaries currently receiving benefits	37,767
Inactive plan members entitled to but not yet receiving benefits	7,576
Active plan members	<u>50,831</u>
Total plan members	<u>96,174</u>

**Contributions**

Contributions are governed by HRS Chapter 87A and may be amended through legislation. Contributions to the OPEB plan from the Authority were approximately \$519,000 for the year ended June 30, 2021. The employer is required to make all contributions for members.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2021, the Authority reported a net OPEB liability of approximately \$5,234,000. The net OPEB liability was measured as of July 1, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

There were no changes between the measurement date, July 1, 2020, and the reporting date, June 30, 2021, that are expected to have a significant effect on the net OPEB liability.

For the year ended June 30, 2021, the Authority recognized OPEB expense of approximately \$493,000. At June 30, 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ (435,490)
Changes in assumptions	48,711	(31,530)
Net differences between projected and actual earnings on OPEB plan investments	64,039	-
Contributions subsequent to the measurement date	<u>252,869</u>	<u>-</u>
	<u>\$ 365,619</u>	<u>\$ (467,020)</u>

At June 30, 2021, the approximate \$253,000 reported as deferred outflows of resources related to OPEB resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2022.



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Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Year ending June 30,</b>	
2022	\$ (71,078)
2023	(68,449)
2024	(67,777)
2025	(63,735)
2026	(82,633)
Thereafter	(598)
	<u>\$ (354,270)</u>

***Actuarial Assumptions***

The total OPEB liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumptions adopted by the EUTF's Board of Trustees on January 13, 2020, based on the experience study covering the five-year period ended June 30, 2018 as conducted for the ERS:

Inflation	2.50%
Salary increases	3.50% to 7.00% including inflation
Investment rate of return	7.00%
Healthcare cost trend rates	
PPO*	Initial rate of 7.50% declining to a rate of 4.70% after 13 years
HMO*	Initial rate of 7.50% declining to a rate of 4.70% after 13 years
Contribution	Initial rate of 5.00% declining to a rate of 4.70% after 10 years
Dental	Initial rate of 5.00% for the first year; followed by 4.00% for all future years
Vision	Initial rate of 0.00% for the first year; followed by 2.50% for all future years
Life insurance	0.00%

\* Blended rates for medical and prescription drugs.

Mortality rates are based on system-specific mortality tables utilizing scale BB to project generational mortality improvement.

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The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Private equity	10.00 %	9.66 %
U.S. microcap	6.00 %	7.85 %
U.S. equity	14.00 %	6.23 %
Non-U.S. equity	16.00 %	7.72 %
Global options	6.00 %	4.65 %
Core real estate	10.00 %	5.98 %
Private credit	6.00 %	5.50 %
Core bonds	3.00 %	0.08 %
TIPS	5.00 %	0.11 %
Long treasuries	6.00 %	0.86 %
Alternative risk premia	5.00 %	1.56 %
Trend following	8.00 %	2.12 %
Reinsurance	5.00 %	4.34 %
Total investments	<u>100.00 %</u>	

**Single Discount Rate**

The discount rate used to measure the net OPEB liability was 7.00%, based on the expected rate of return on OPEB plan investments of 7.00%. Beginning with the fiscal year 2019 contribution, the State's funding policy is to pay the recommended actuarially determined contribution, which is based on layered, closed amortization periods. In July 2020, the Governor's office issued the Tenth Proclamation related to the COVID-19 Emergency, allowing employers of the EUTF to suspend Act 268 contributions for the year ended June 30, 2021 and instead limit their contribution amounts to the OPEB benefits due. This temporary Act 268 suspension would not derail the plan's long-term funding progress. Even if Act 268 is suspended through the year ending June 30, 2025, the OPEB plan's fiduciary net position is expected to be available to make all projected future benefit payments of current plan members. Act 229, SLH 2021 suspends the contribution requirement for fiscal years 2022 and 2023. The State made its full Annual Required Contribution in fiscal year 2021 and intends to make contributions for fiscal years 2022 and 2023. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

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***OPEB Plan Fiduciary Net Position***

The OPEB plan's fiduciary net position has been determined on the same basis used by the OPEB plan. The EUTF financial statements are prepared using the accrual basis of accounting under which revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of the cash flows. Employer contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investment purchases and sales are recorded on a trade-date basis. Administrative expenses are financed exclusively with investment income.

There were no significant changes after the report measurement date. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued EUTF financial report. The EUTF complete financial statements are available at <https://eutf.hawaii.gov/reports/>.

***Changes in Net OPEB Liability***

The following table represents a schedule of changes in the net OPEB liability. The ending balances are as of the measurement date, July 1, 2020.

	<b>Total OPEB Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net OPEB Liability</b>
Beginning balance	\$ 6,637,907	\$ 1,019,957	\$ 5,617,950
Service cost	157,140	-	157,140
Interest on the total OPEB liability	504,615	-	504,615
Difference between expected and actual experience	(461,995)	-	(461,995)
Changes of assumptions	(37,827)	-	(37,827)
Employer contributions	-	518,605	(518,605)
Net investment income	-	27,690	(27,690)
Benefit payments	(232,079)	(232,079)	-
Administrative expense	-	(195)	195
Other	-	175	(175)
Net changes	<u>(70,146)</u>	<u>314,196</u>	<u>(384,342)</u>
Ending balance	<u>\$ 6,567,761</u>	<u>\$ 1,334,153</u>	<u>\$ 5,233,608</u>

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***Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates***

The following table presents the Authority's net OPEB liability calculated using the discount rate of 7.00%, as well as what the Authority's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current discount rate:

	<b>1% Decrease (6.00%)</b>	<b>Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Authority's proportionate share of the net OPEB liability	<u>\$ 6,280,000</u>	<u>\$ 5,234,000</u>	<u>\$ 4,409,000</u>

The following table presents the Authority's net OPEB liability calculated using the assumed healthcare cost trend rate, as well as what the State's net OPEB liability would be if it were calculated using the trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rate</b>	<b>1% Increase</b>
Authority's proportionate share of the net OPEB liability	<u>\$ 4,372,000</u>	<u>\$ 5,234,000</u>	<u>\$ 6,348,000</u>

***Payables to the OPEB Plan***

The Authority's employer contributions payable to the State for its allocation of the State payable to the EUTF was \$230,000 as of June 30, 2021.

***Required Supplementary Information and Disclosures***

The State's ACFR includes the required disclosures and required supplementary information on the State's OPEB plan.

**7. Commitments and Contingencies**

**Accumulated Sick Leave**

Sick leave accumulates at the rate of one and three-quarters working days for each month of service without limit, but may be taken only in the event of illness and is not convertible to pay upon termination of employment. However, an employee who retires or leaves government service in good standing with 60 days or more of unused sick leave is entitled to additional service credit in the ERS. At June 30, 2021, accumulated sick leave was approximately \$1,168,000.

**Deferred Compensation Plan**

The State offers its employees a deferred compensation plan created in accordance with Internal Revenue Code, Section 457. The plan, available to all state employees, permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All plan assets are held in a trust fund to protect them from claims of general creditors. The State has no responsibility for loss due to the investment or failure of investment of funds and assets in the plan but does have the duty of due care that would be required of an ordinary prudent investor. Accordingly, the assets and liabilities of the State's deferred compensation plan are not reported in the accompanying basic financial statements.

**Contingencies**

The Authority may be subject to legal proceedings, claims and litigation arising in the normal course of operations for which it may seek the advice of legal counsel. Management estimates that the cost to resolve such matters, if any, would not be material to the financial statements. However, it is reasonably possible that such estimates may change within the near term.

**Insurance**

The State maintains certain insurance coverage to satisfy the bond indenture agreements as well as for other purposes, but is substantially self-insured for all other perils including workers' compensation. The State records a liability for risk financing and insurance related losses, including incurred but not reported, if it is determined that a loss has been incurred and the amount can be reasonably estimated. The State retains various risks and insures certain excess layers with commercial insurance companies. At June 30, 2021, the State recorded an estimated loss for workers' compensation, automobile, and general liability claims as long-term liabilities as the losses will not be liquidated with currently expendable available financial resources. The estimated losses will be paid from legislative appropriations of the State's general fund. The Authority's portion of the State's workers' compensation liability was not material at June 30, 2021.

**8. COVID-19 Pandemic**

In March 2020, the World Health Organization declared an outbreak of the novel coronavirus ("COVID-19") to be a global pandemic. The financial impact of COVID-19 on the travel and tourism industry has been and is anticipated to continue to be significant into fiscal year 2022. Regarding the Center, the Authority's contractors are working with clients to assess their ability to reschedule cancelled events for subsequent years. The ability to reschedule will be based on numerous factors. From the start of the COVID-19 pandemic, management has estimated approximately \$11,451,000 in canceled Center events as of November 30, 2021.

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In response to the COVID-19 pandemic, several State agencies executed rental agreements with the Authority to occupy portions of the Center for their expanded operations. The amounts received by the Authority are recorded as Hawaii Convention Center revenues in the Convention Center Fund. Through June 30, 2021, total revenues were approximately \$4,438,000. The Center charged these state agencies at cost.

**9. Subsequent Events**

Act 001 amended specific provisions of law. Included were Sections 237D-6.5(b), HRS, distribution of the TAT and 201B-11, HRS, tourism special fund.

Effective January 1, 2022, the Tourism Fund is set to sunset and will discontinue the ability to expend any new funds. In its place, the State has appropriated \$60,000,000 in fiscal year 2022 funds from the American Rescue Plan Act ("ARPA") for eligible expenses incurred by the Authority. Those funds will expire in December 2024 and the Authority is currently working with the State's Department of Budget & Finance to ensure the ability to expend funds until the expiration date. No appropriation currently exists for fiscal year 2023, a matter that will be a priority of the Authority in the 2022 Legislative Session.

Effective July 1, 2021, the maximum amount of funding of TAT revenues that may be deposited into the Convention Center Fund is \$11,000,000. Pursuant to Act 088, Legislative Session 2021, \$11,000,000 in ARPA funds were appropriated to the Convention Center Fund for fiscal years 2022 and 2023.

**Required Supplementary Information Other  
than Management's Discussion and Analysis  
(Unaudited)**

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**Budgetary Comparison Schedules – Tourism Special Fund and**  
**Convention Center Enterprise Special Fund**  
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	Tourism Special Fund				Convention Center Enterprise Special Fund			
	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance – Favorable (Unfavorable)	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance – Favorable (Unfavorable)
<b>Revenues</b>								
Transient accommodations tax	\$ 87,438,031	\$ 87,675,825	\$ 21,507,557	\$ (66,168,268)	\$ 16,500,000	\$ 16,500,000	\$ 16,500,000	\$ -
Hawaii Convention Center Operations	-	-	-	-	37,545,378	37,569,954	5,930,954	(31,639,000)
Interest	-	-	303,915	303,915	-	-	11,540	11,540
Other	-	-	1,528,333	1,528,333	-	-	104,342	104,342
Total revenues	<u>87,438,031</u>	<u>87,675,825</u>	<u>23,339,805</u>	<u>(64,336,020)</u>	<u>54,045,378</u>	<u>54,069,954</u>	<u>22,546,836</u>	<u>(31,523,118)</u>
<b>Expenditures</b>	<u>87,438,031</u>	<u>87,675,825</u>	<u>70,358,606</u>	<u>(17,317,219)</u>	<u>54,045,378</u>	<u>54,069,954</u>	<u>12,184,083</u>	<u>(41,885,871)</u>
Excess of revenues over expenditures	-	-	(47,018,801)	(47,018,801)	-	-	10,362,753	10,362,753
Other financing sources – Transfers in	-	-	(40,206)	(40,206)	-	-	-	-
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (47,059,007)</u>	<u>\$ (47,059,007)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,362,753</u>	<u>\$ 10,362,753</u>

DRAFT



**Hawaii Tourism Authority**  
(A Component Unit of the State of Hawaii)  
**Notes to Required Supplementary Information**  
**June 30, 2021**

---

**1. Budgeting and Budgetary Control**

The budget of the Authority is a detailed operating plan identifying estimated costs and results in relation to estimated revenues. The budget includes (1) the programs, services and activities to be provided during the fiscal year, (2) the estimated revenues available to finance the operating plan, and (3) the estimated spending requirements of the operating plan. The budget represents a process through which policy decisions are made, implemented and controlled. Revenue estimates are provided to the State Legislature at the time of budget consideration and are revised and updated throughout the fiscal year. Amounts reflected as budgeted revenues in the statement of revenues and expenditures – budget and actual (budgetary basis) – Tourism Fund and Convention Center Fund are those estimates as compiled and reviewed by the Authority.

The final legally adopted budget in the accompanying statement of revenues and expenditures – budget and actual (budgetary basis) – Tourism Fund and Convention Center Fund represents the original appropriations, transfers, and other legally authorized legislative and executive changes.

Budgetary control is maintained at the appropriation line item level as established in the appropriations act. The governor is authorized to transfer appropriations within a state agency; however, transfers of appropriations between state agencies generally require legislative authorization. Records and reports reflecting the detail level of control are maintained by and are available at the Authority. During the year ended June 30, 2021, there were no expenditures in excess of appropriations at the legal level of budgetary control.

To the extent not expended or encumbered, Tourism Fund appropriations generally lapse at the end of the fiscal year for which the appropriations were made. The State Legislature specifies the lapse dates and any other contingencies, which may terminate the authorizations for other appropriations.

Budgets adopted by the State Legislature for the Tourism Fund and Convention Center Fund are presented in the accompanying budgetary comparison schedule – Tourism Special Fund and Convention Center Enterprise Special Fund. The Authority's annual budget is prepared on the budgetary basis of accounting with several differences from the preparation of the statement of revenues, expenditures, and changes in fund balances, principally related to (1) encumbrance of purchase orders and contract obligations and (2) accrued revenues and expenditures.

**Hawaii Tourism Authority**  
 (A Component Unit of the State of Hawaii)  
**Notes to Required Supplementary Information**  
**June 30, 2021**

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A reconciliation of the budgetary to GAAP basis operating results of the Tourism Fund and Convention Center Fund for the year ended June 30, 2021 is as follows:

	<b>Tourism Special Fund</b>	<b>Convention Center Enterprise Special Fund</b>
Excess of revenues and other sources over expenditures – actual (budgetary basis)	\$ (47,059,007)	\$ 10,362,753
Reserve for encumbrances at fiscal year end	53,869,264	1,261,880
Expenditures for liquidation of prior fiscal year encumbrances	(12,908,311)	(1,466,267)
Revenues and expenditures for unbudgeted programs, net	<u>(2,553,443)</u>	<u>1,510,825</u>
Net change in fund balance – GAAP basis	<u>\$ (8,651,497)</u>	<u>\$ 11,669,191</u>

DRAFT

**Report of Independent Auditors on Internal Control  
Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

The Auditor  
State of Hawaii


The Board of Directors  
Hawaii Tourism Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Hawaii Tourism Authority (the “Authority”), a component unit of the State of Hawaii, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority’s basic financial statements and have issued our report thereon dated December 15, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority’s internal control over financial reporting (“internal control”) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Honolulu, Hawaii  
December 15, 2021

## **6c**

Presentation, Discussion and Action on  
**Resolution 2021-3-1 Authorizing the HTA  
President & CEO to Present Policy Positions  
During the Legislative Session**

# Resolution

No. 2021-3-1

## AUTHORITY TO PRESENT POLICY POSITIONS

**WHEREAS**, Hawai'i Revised Statute §201 B-3 authorizes the Hawai'i Tourism Authority to "Develop, coordinate, and implement state policies and directions for tourism and related activities taking into account the economic, social, and physical impacts of tourism on the State of Hawai'i's natural environment, and areas frequented by visitors"; and,

**WHEREAS**, Hawai'i Revised Statute §201 B-7 further makes Hawai'i Tourism Authority responsible for "Creating a vision and developing a long-range strategic plan for tourism in Hawai'i"; and,

**WHEREAS**, in accordance with Chapter 226, the Hawaii State Planning Act, and identified in Hawai'i Revised Statute §226-8, the objective and policies for the economy which involve the visitor industry clearly state that "it shall be the policy of this State to...ensure that visitor industry activities are in keeping with the social, economic, and physical needs and aspirations of Hawai'i's people," and, such policies shall "encourage cooperation and coordination between the government and private sectors in developing and maintaining well-designed, adequately serviced visitor industry and related developments which are sensitive to neighboring communities and activities," and, shall "foster an understanding by visitors of the aloha spirit and of the unique and sensitive character of Hawai'i's cultures and values" among other policies"; and,

**WHEREAS**, the Hawai'i Tourism Authority 2020-2025 Strategic Plan serves as a guide and reaffirms Hawai'i Tourism Authority's kuleana to "address broad tourism issues...lead the visitor industry...protect and market the Hawai'i brand while managing the destination and place residents' interests and benefits first."; and,

**WHEREAS**, the Hawai'i Tourism Authority 2020-2025 Strategic Plan maintains the Hawai'i Tourism 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"; and the Hawai'i Tourism Authority's mission supports the four pillars of: Natural Resources, Hawaiian Culture, Community, and Brand Management and Marketing; and,

**WHEREAS**, the Hawai'i Tourism Authority 2020-2025 Strategic Plan embraces the Hawai'i Tourism Authority's responsibility to focus "on destination management" and establishing a collaborative relationship with "county, state, federal, and private agencies to address specific tourism-related issues"; and,

**WHEREAS**, the Coronavirus pandemic has significantly impacted virtually every sector of the economy and reinvigorating tourism through a collaborative, safe, respectful, sensitive, sensible, sustainable, and unified strategy will be the best approach; and,

**WHEREAS**, the ongoing presence and commitment to Hawai'i's key markets will be essential to the recovery of the State's economy; and

**WHEREAS**, the state brand has been built over decades on the strength of our Aloha spirit and the unique people, place and culture of our Islands; and,

**WHEREAS**, the Hawai'i Tourism Authority serves as a steward of our destination by perpetuating and promoting the uniqueness and integrity of the Native Hawaiian culture and community, and supporting programs that manage and protect Hawai'i's natural environment and areas frequented by visitors; and,

**WHEREAS**, the Hawaiian Islands brand and our visitor expenditures are enhanced greatly by a friendly, safe environment where visitors are encouraged to safely and responsibly experience Hawai'i and its authenticity; and,

**WHEREAS**, the visitor industry has helped to foster the growth of thousands of small and medium-sized locally owned businesses across all islands that cater to visitors and residents alike; and,

**WHEREAS**, maintaining a world-class convention center is critical to the future development of our business travel market; and,

**WHEREAS**, the Hawai'i Tourism Authority, in direct collaboration with communities throughout the State of Hawai'i, has developed destination management actions plans (DMAP) through direct community input and, contained in these individual DMAPs are actions and sub-actions which the Hawai'i Tourism Authority is committed to implementing; and,

**WHEREAS**, the Hawai'i Tourism Authority will, to the best of its ability, support legislation and take positions that support and align with the 2020-2025 Strategic Plan, DMAPs, and our statutory responsibilities; and,

**WHEREAS**, the Powers and Duties of the Hawai'i Tourism Authority at HRS §201 B-3 (a) (6) provide that the Authority may, "Through its president and chief executive officer, represent the authority in communications with the governor and the legislature"; and,

**WHEREAS**, the Bylaws of the Hawai'i Tourism Authority, provide for the authority of the President and Chief Executive Officer including that the "President & Chief Executive Officer shall serve as the chief executive officer of the Authority and shall be directly responsible for the day-to-day operations of the Authority, including control of and responsibility for the execution of the Board's policies, the administration of the Authority's affairs, and the supervision of its staff. "; and,

**WHEREAS**, legislation may be introduced at the federal, state, and county level which may impact the strategic mission and statutory purpose of the Hawai'i Tourism Authority and, as such, may require testimony or other information that presents policy positions of the Hawai'i Tourism Authority, often on short notice.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors hereby authorizes its President and CEO or its designee, and/or its Board Chair or its designee to present public policy positions on behalf of the Authority during Calendar Year 2022 before all branches of the federal, state and county governments, provided that the positions are aligned and consistent with Hawai'i Revised Statute

§201B, the Hawai'i Tourism Authority Strategic Plan, Destination Management Action Plans, and any other policies, plans or budgets approved by the Authority and this Resolution;

**BE IT FURTHER RESOLVED**, that the Board of Directors elects, pursuant to Article VI, Section 1 of the Bylaws, that all official positions taken by the Chair, the President and CEO and/or their designee on issues before federal, state and county governments shall be communicated to board members as soon as practicable, and presented at the next regular board meeting of the Authority; and

**FINALLY RESOLVED**, that certified copies of this resolution be transmitted to the President & CEO, Board Chair, Board Members and Chief Administrative Officer.

As adopted on this 23<sup>rd</sup> day of December, 2021 by the  
Board of Directors,

Gregg Kinkley  
Deputy Attorney General



# **7**

Report by the ***Branding Standing Committee*** of  
their Meeting held on December 22, 2021

## **7a**

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

# TRAVEL AGENCY BOOKING TRENDS

DECEMBER 20, 2021

# Global Agency Pro

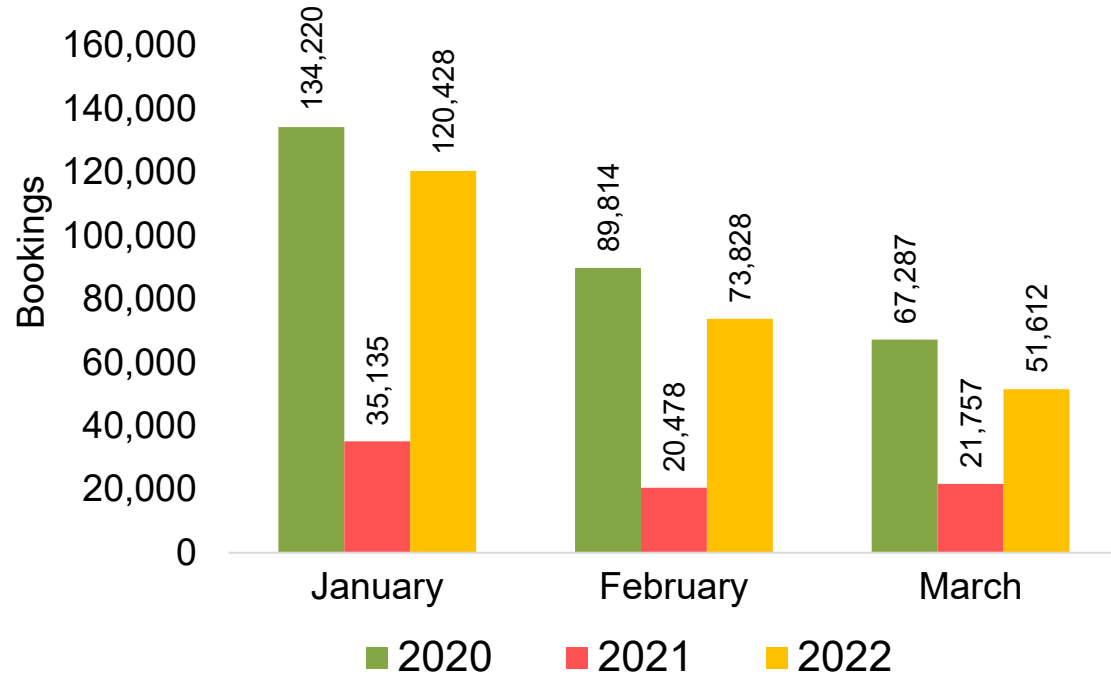
- HTA subscribes to Global Agency Pro, an online travel distribution system consisting of Travel Agency data.
- Global Agency Pro provides access to over 90% of the world's Travel Agency airline transactions.
- The database consists of five years of historical ticketing data and one year of advance purchase data.
- The information is updated daily with a recency of two days prior to current date.

# Global Agency Pro Index

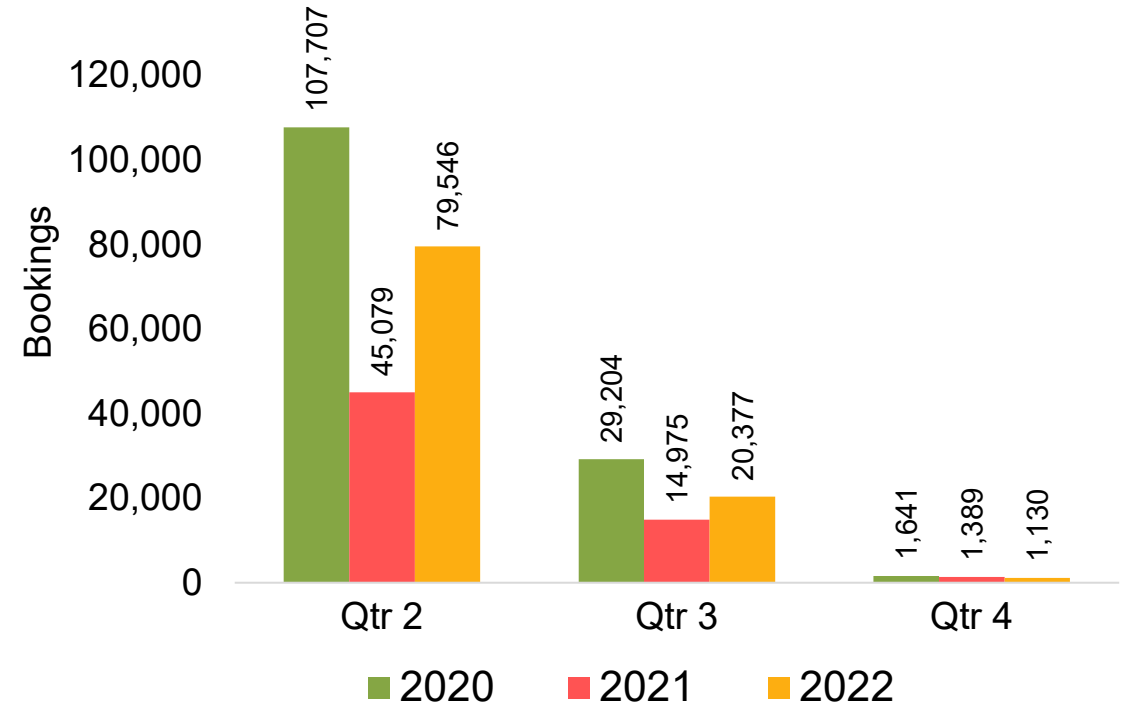
- **Bookings**
  - Net sum of the number of visitors (i.e., excluding Hawai'i residents and inter-island travelers) from Sales transactions counted, including Exchanges and Refunds.
- **Booking Date**
  - The date on which the ticket was purchased by the passenger. Also known as the Sales Date.
- **Travel Date**
  - The date on which travel is expected to take place.
- **Point of Origin Country**
  - The country which contains the airport at which the ticket started.
- **Travel Agency**
  - Travel Agency associated with the ticket is doing business (DBA).

# US

## Travel Agency Booking Pace for Future Arrivals, by Month



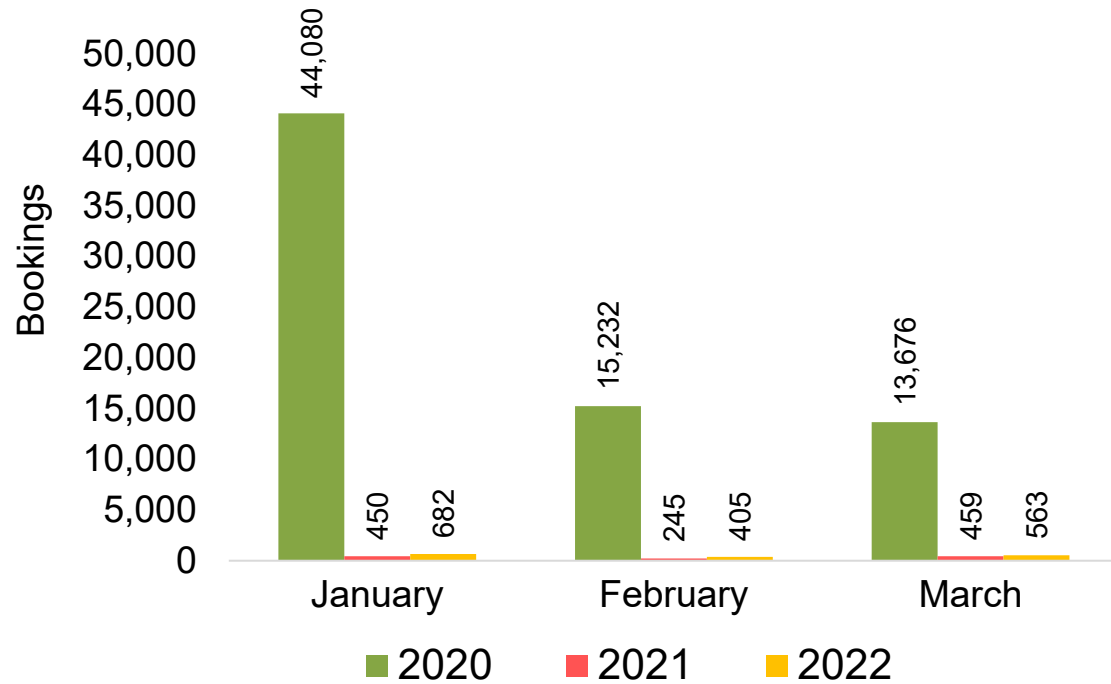
## Travel Agency Booking Pace for Future Arrivals, by Quarter



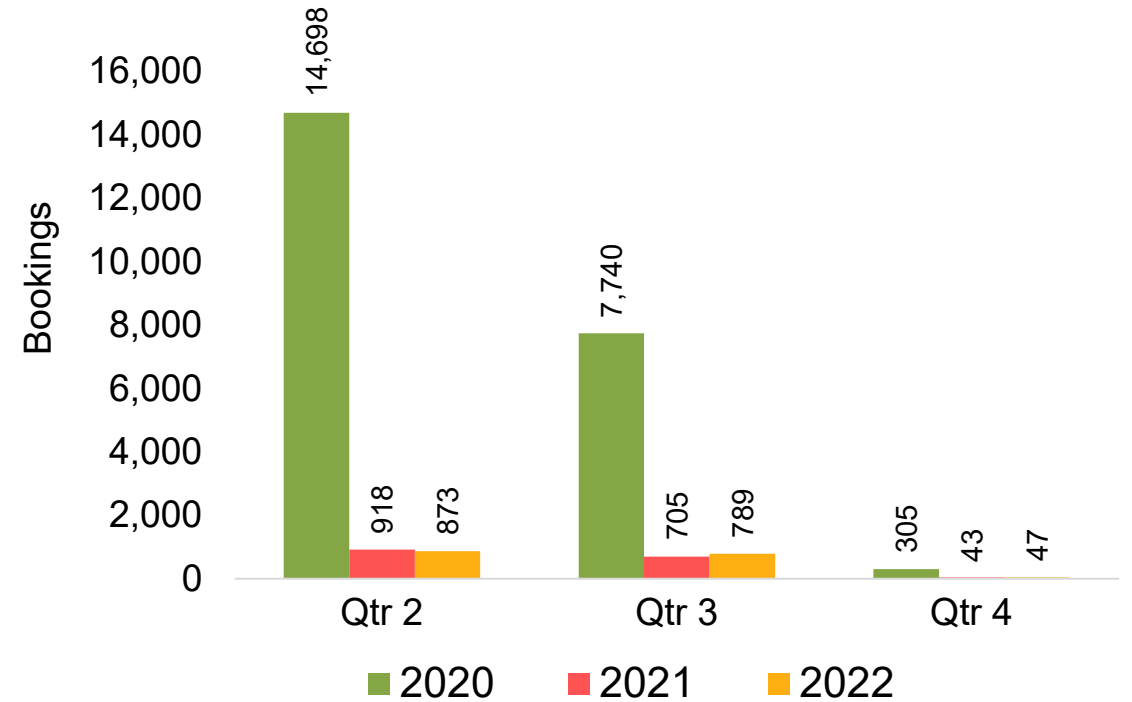
Source: Global Agency Pro as of 12/18/21

# JAPAN

Travel Agency Booking Pace for Future Arrivals, by Month



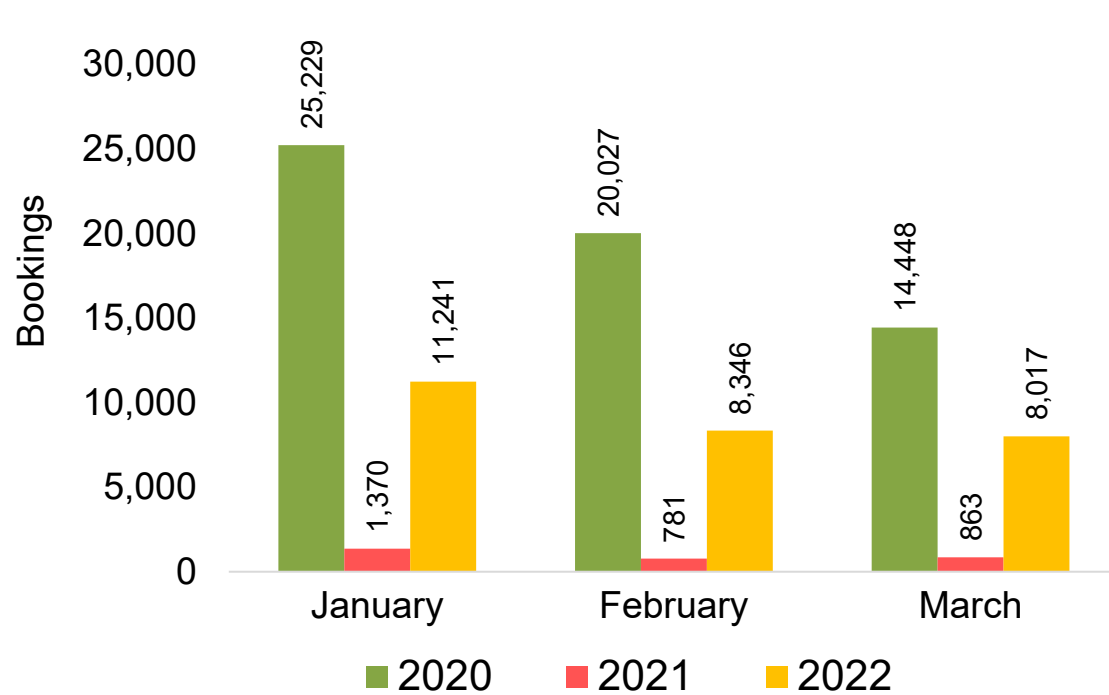
Travel Agency Booking Pace for Future Arrivals, by Quarter



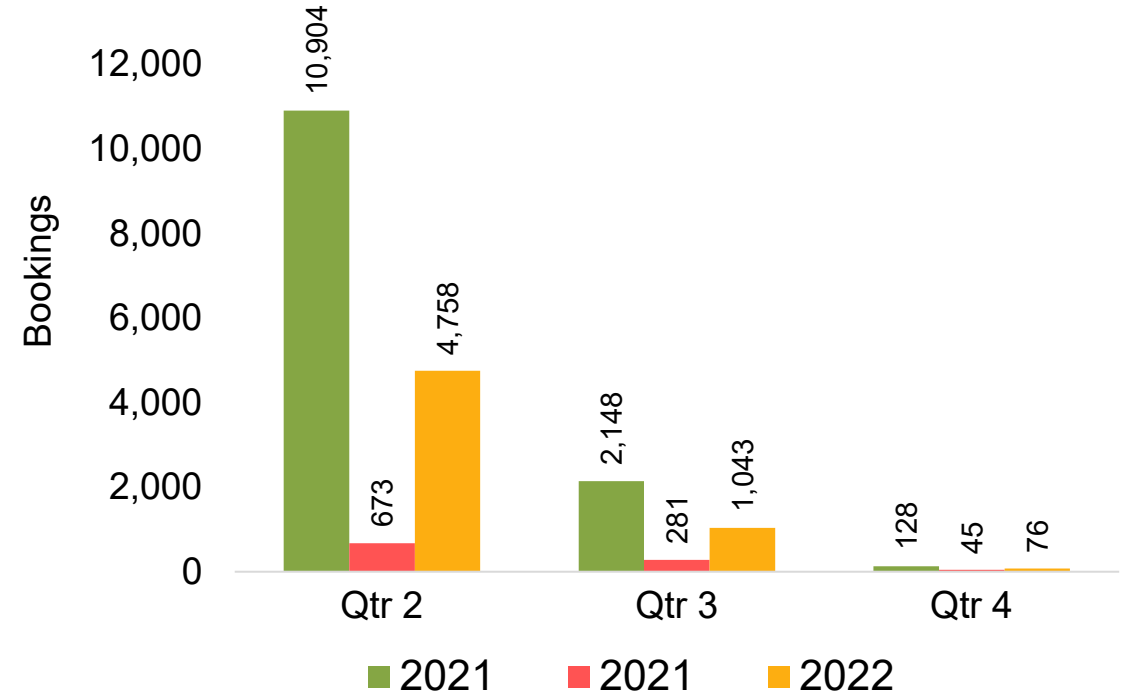
Source: Global Agency Pro as of 12/18/21

# CANADA

## Travel Agency Booking Pace for Future Arrivals, by Month



## Travel Agency Booking Pace for Future Arrivals, by Quarter

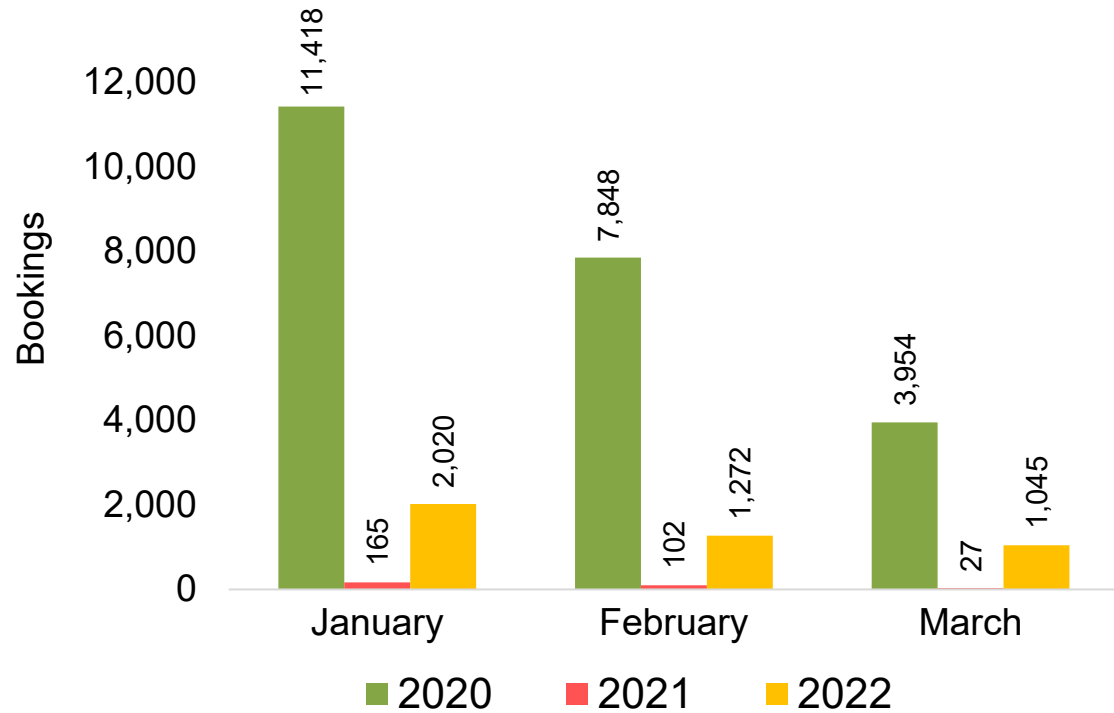


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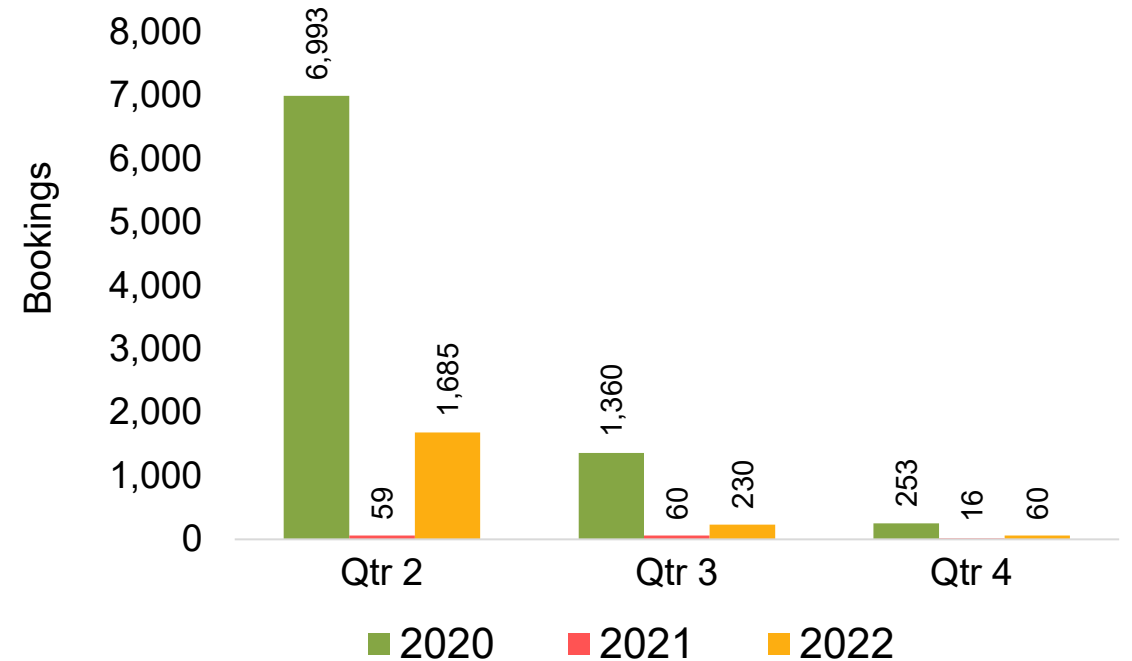


# KOREA

Travel Agency Booking Pace for Future Arrivals, by Month



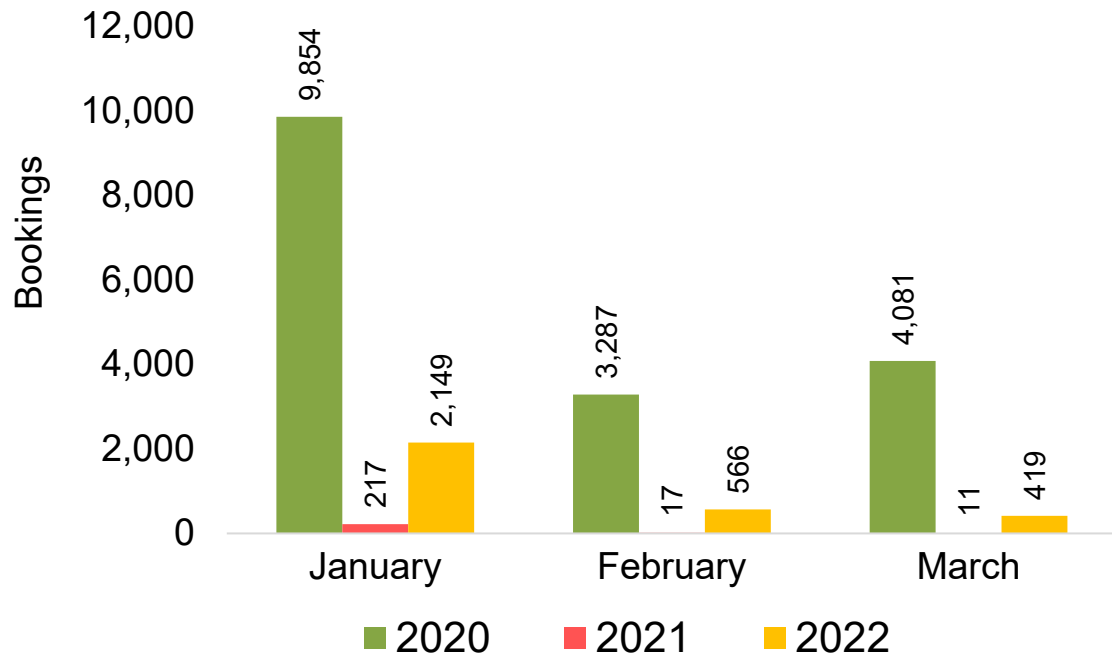
Travel Agency Booking Pace for Future Arrivals, by Quarter



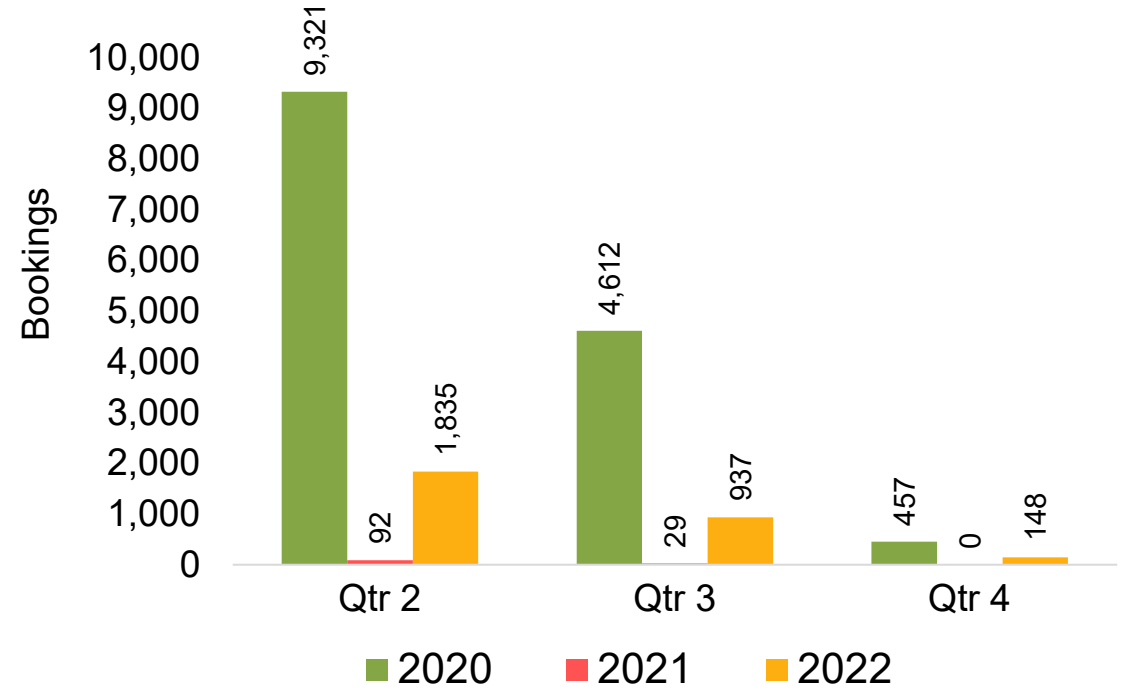
Source: Global Agency Pro as of 12/18/21

# AUSTRALIA

Travel Agency Booking Pace for Future Arrivals, by Month



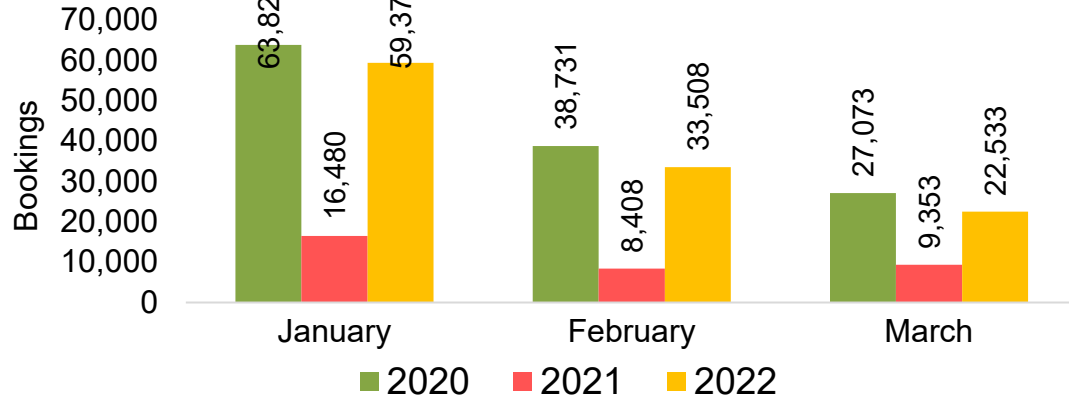
Travel Agency Booking Pace for Future Arrivals, by Quarter



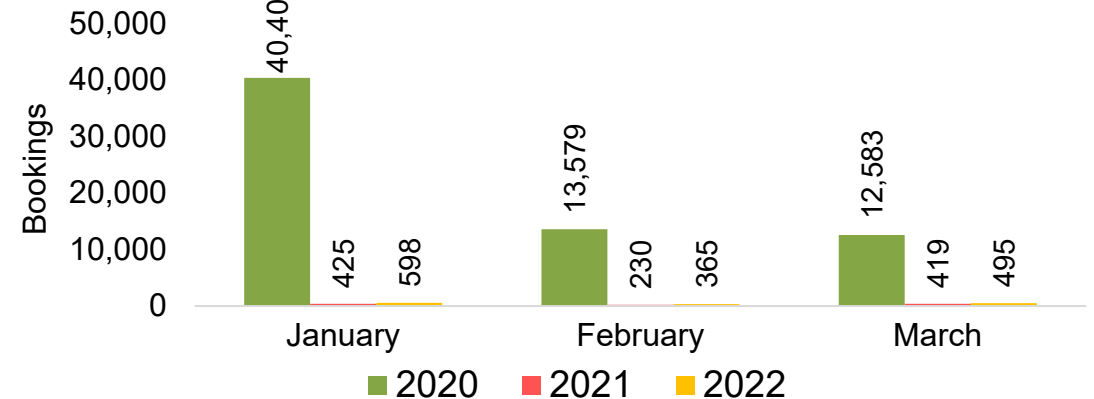
Source: Global Agency Pro as of 12/18/21

# O'ahu by Month 2022

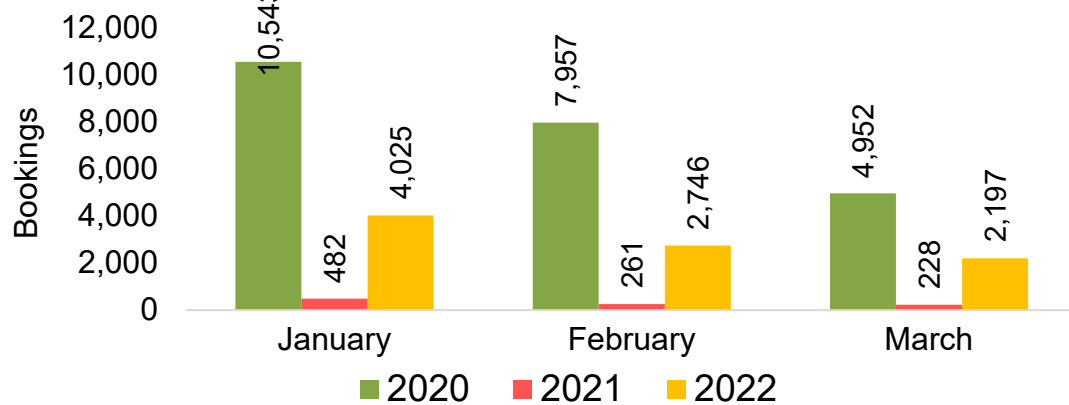
Travel Agency Booking Pace for Future Arrivals  
U.S.



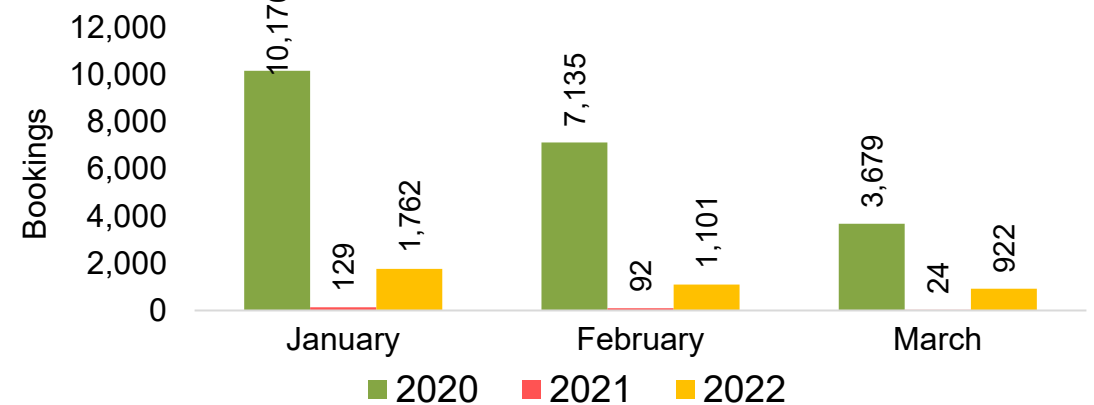
Travel Agency Booking Pace for Future Arrivals  
Japan



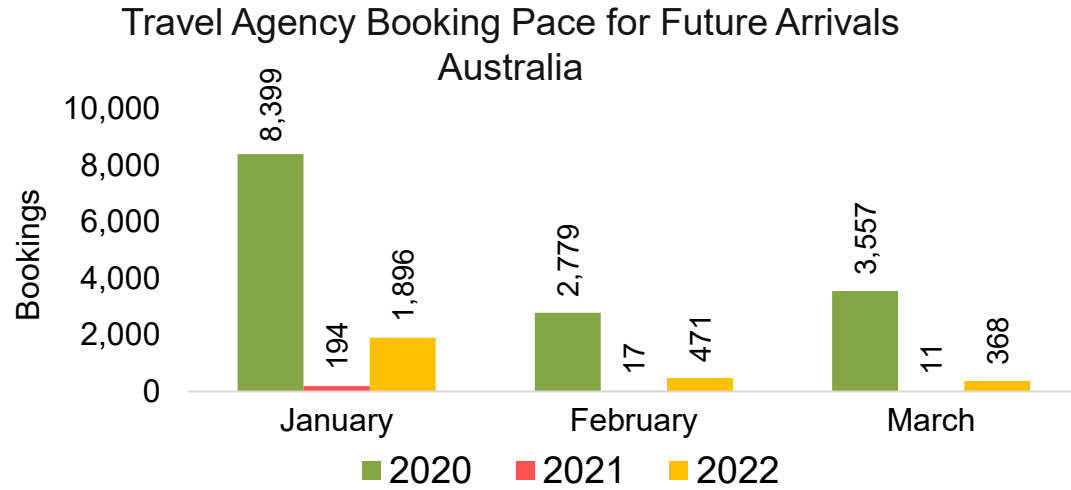
Travel Agency Booking Pace for Future Arrivals  
Canada



Travel Agency Booking Pace for Future Arrivals  
Korea



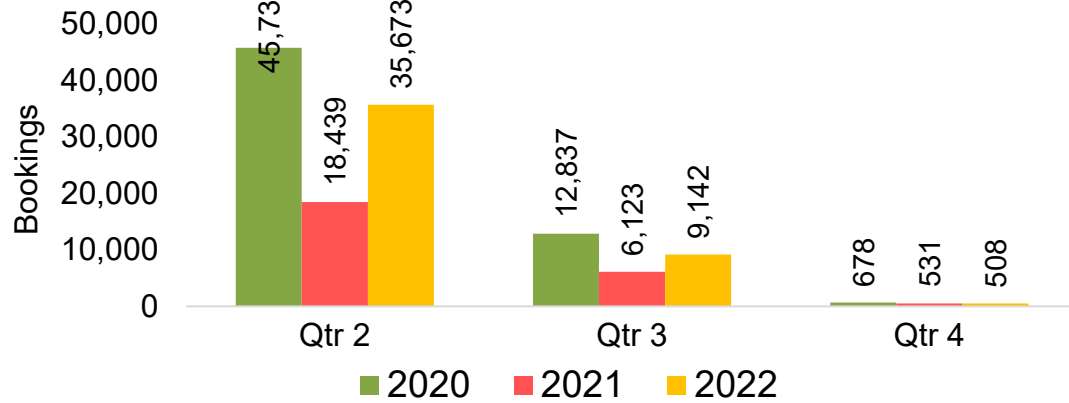
# O'ahu by Month 2022 (cont.)



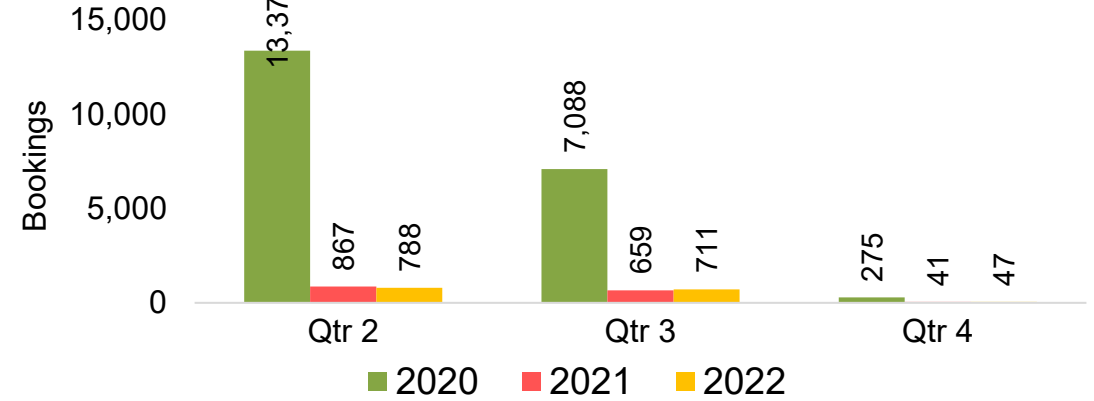
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# O'ahu by Quarter 2022

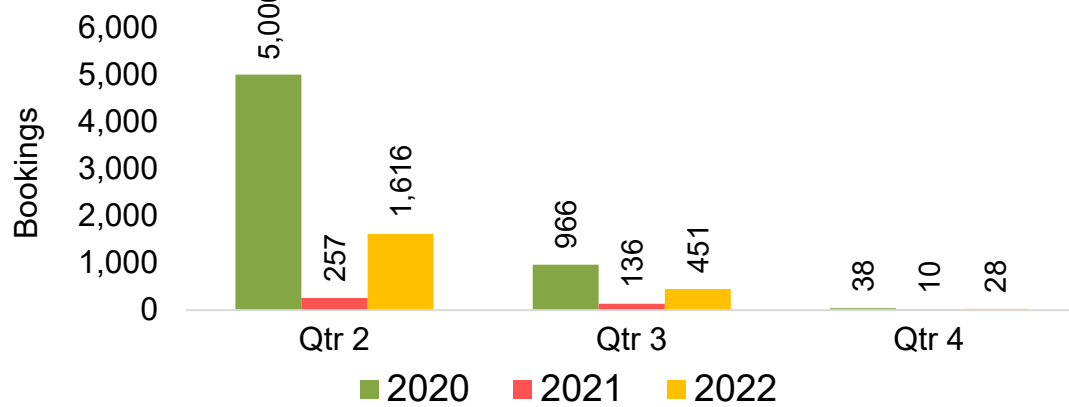
Travel Agency Booking Pace for Future Arrivals  
U.S.



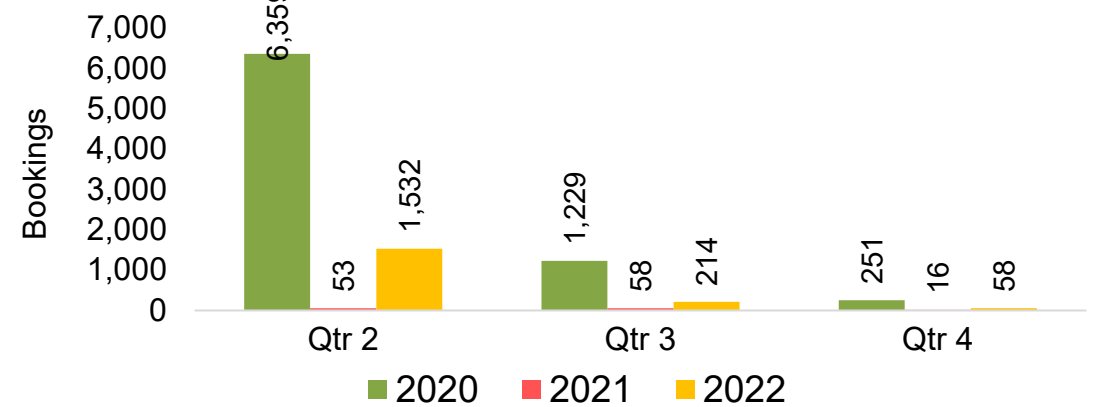
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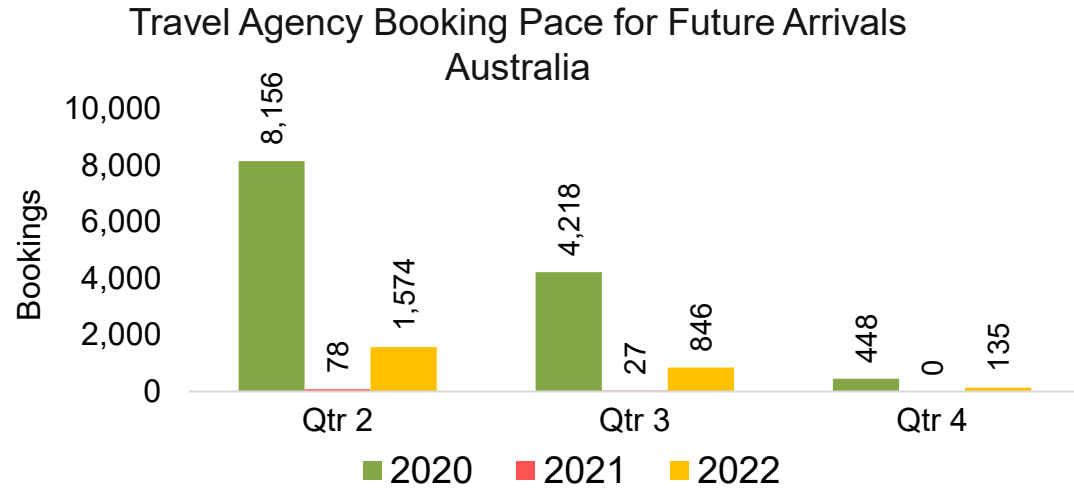
Travel Agency Booking Pace for Future Arrivals  
Canada



Travel Agency Booking Pace for Future Arrivals  
Korea



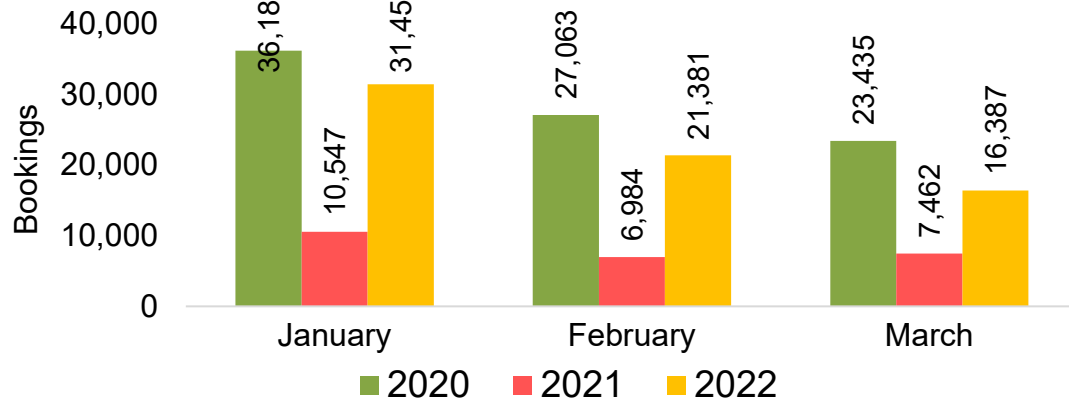
# O'ahu by Quarter 2022 (cont.)



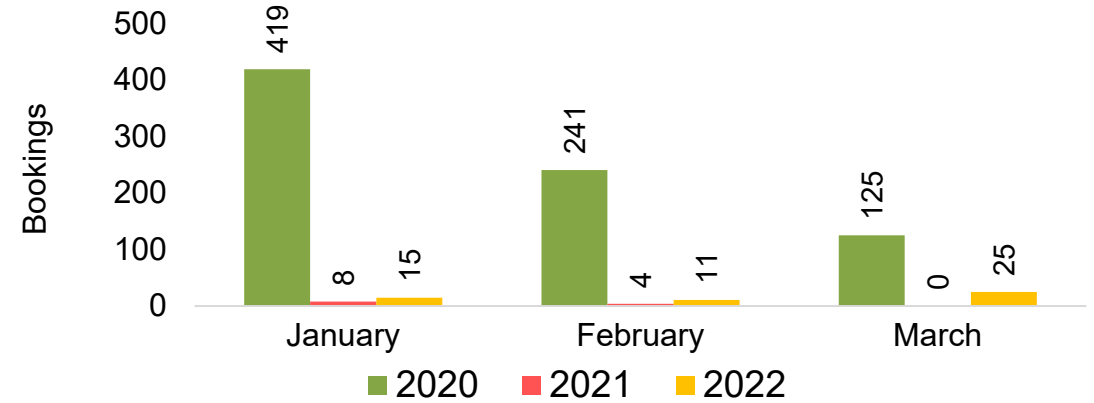
Source: Global Agency Pro as of 12/18/21

# Maui by Month 2022

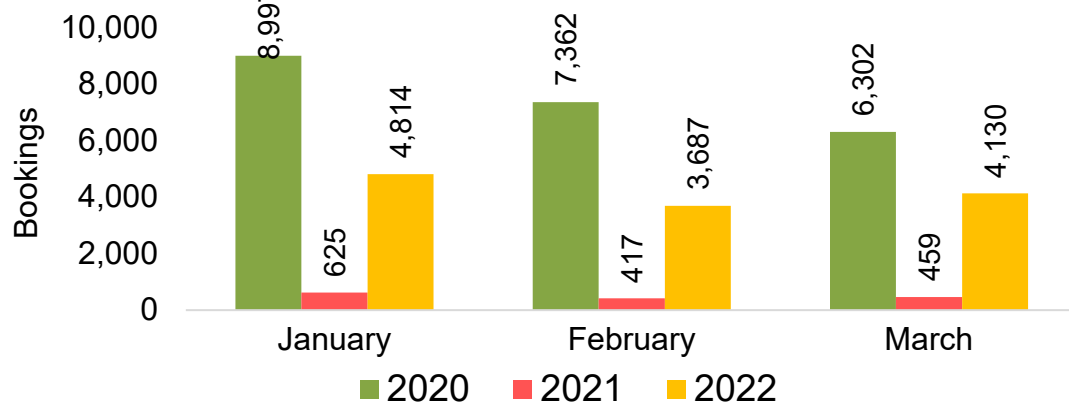
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U.S.



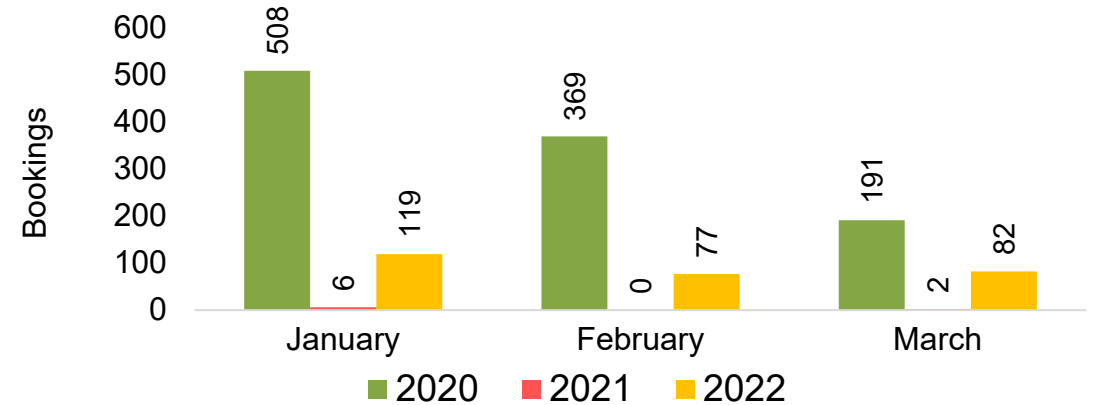
Travel Agency Booking Pace for Future Arrivals  
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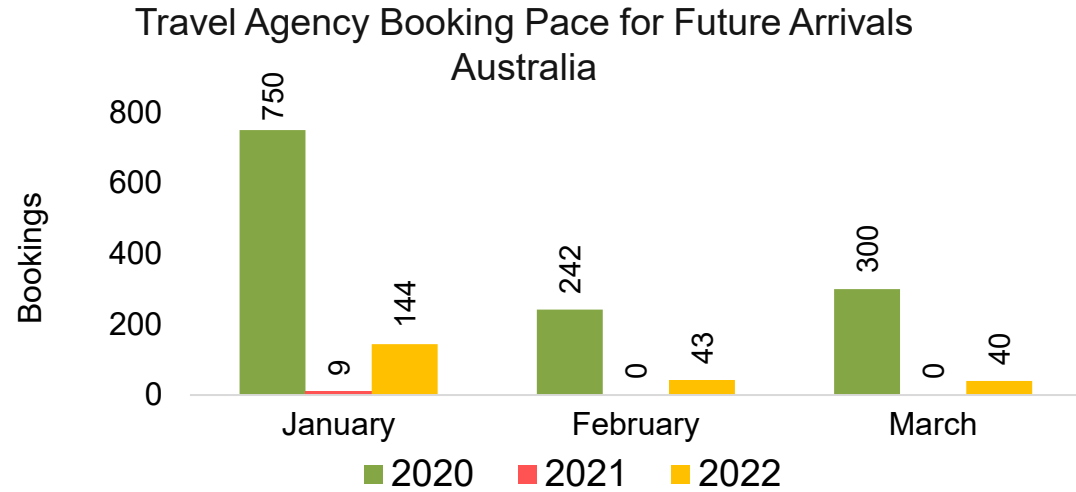
Travel Agency Booking Pace for Future Arrivals  
Canada



Travel Agency Booking Pace for Future Arrivals  
Korea



# Maui by Month 2022 (cont.)

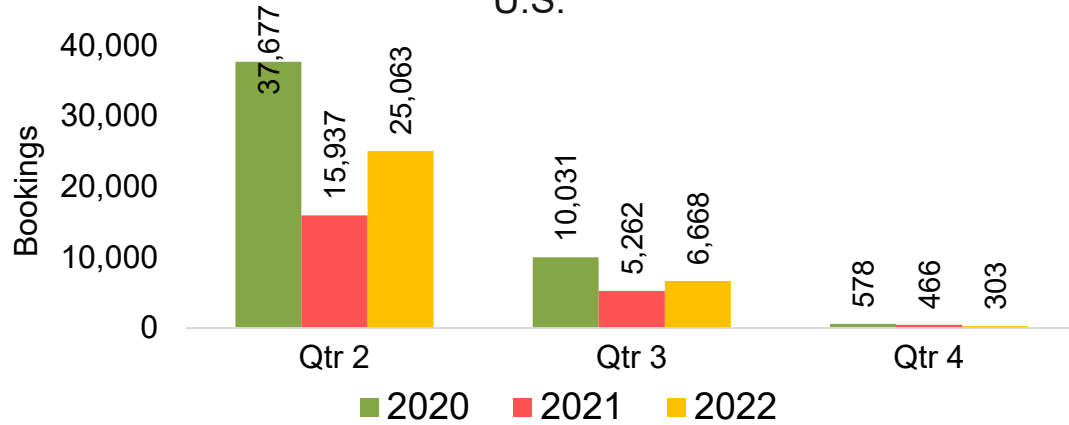


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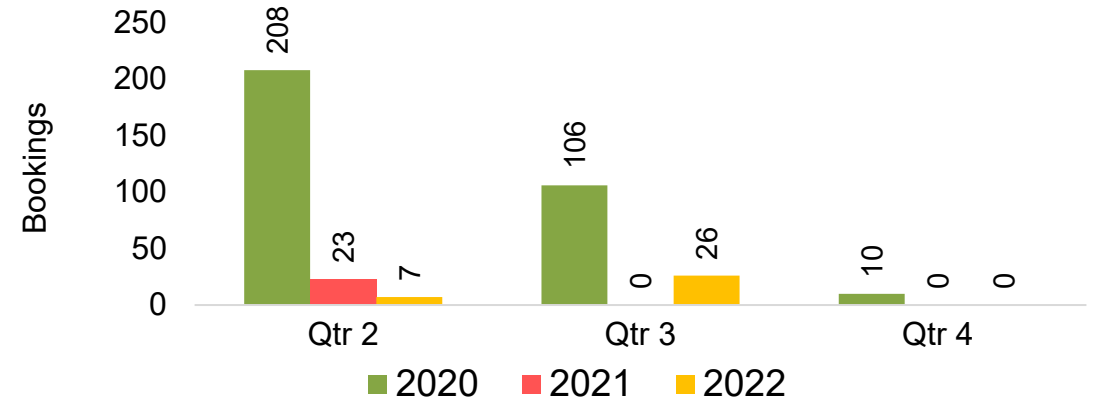


# Maui by Quarter 2022

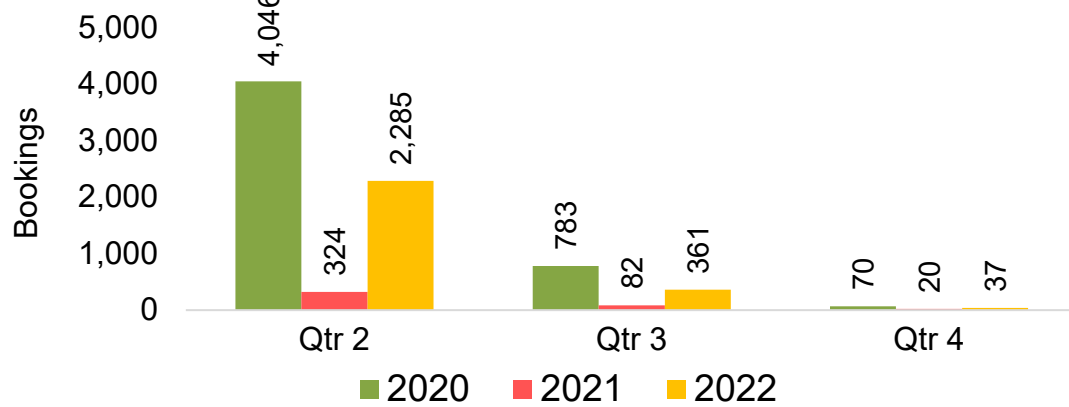
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U.S.



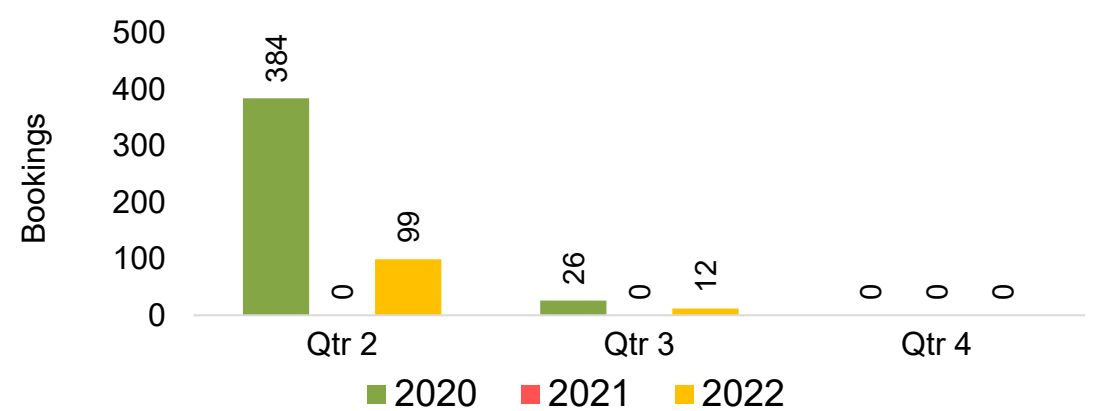
Travel Agency Booking Pace for Future Arrivals  
Japan



Travel Agency Booking Pace for Future Arrivals  
Canada

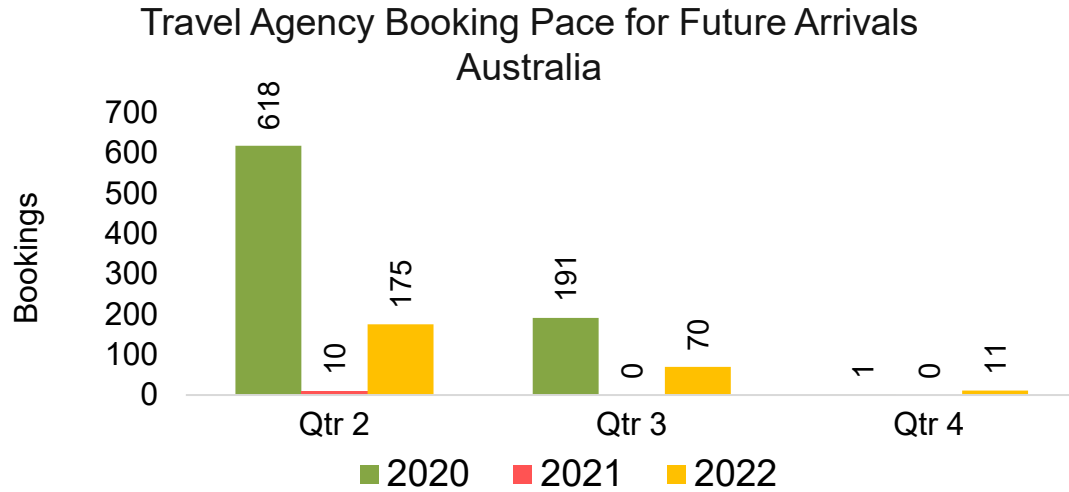


Travel Agency Booking Pace for Future Arrivals  
Korea



Source: Global Agency Pro as of 12/18/21

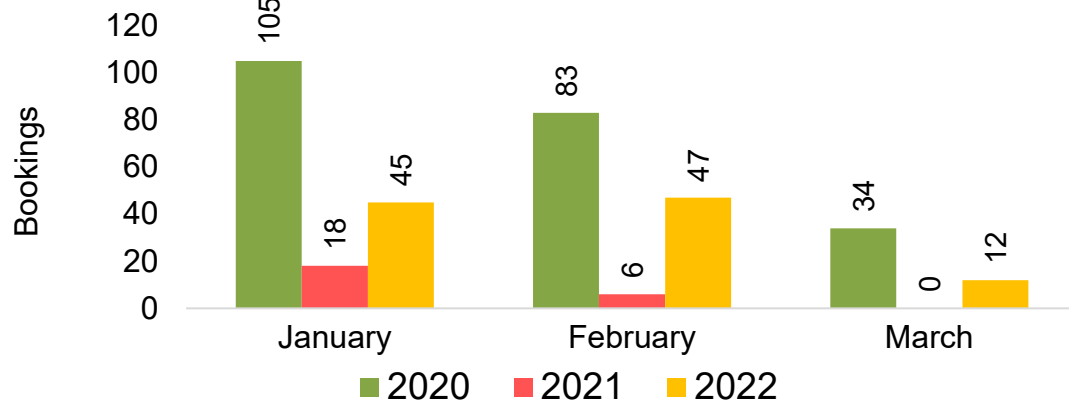
# Maui by Quarter 2022 (cont.)



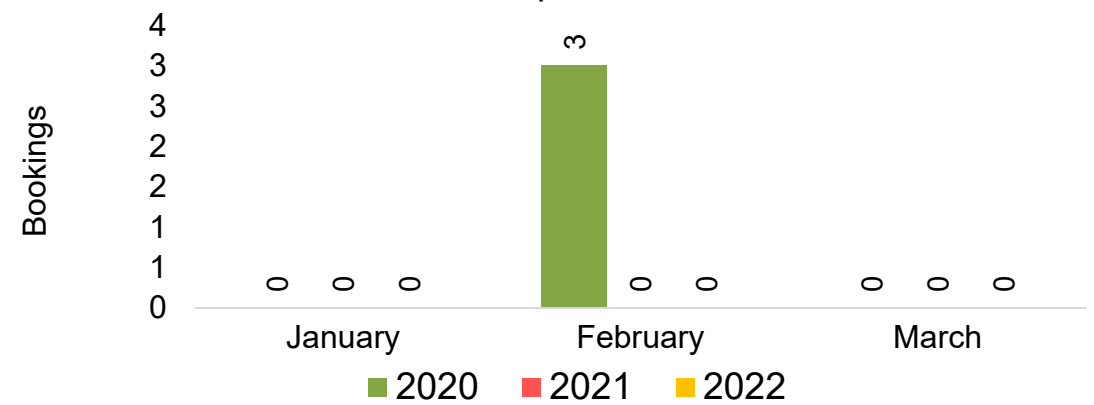
Source: Global Agency Pro as of 12/18/21

# Moloka'i by Month 2022

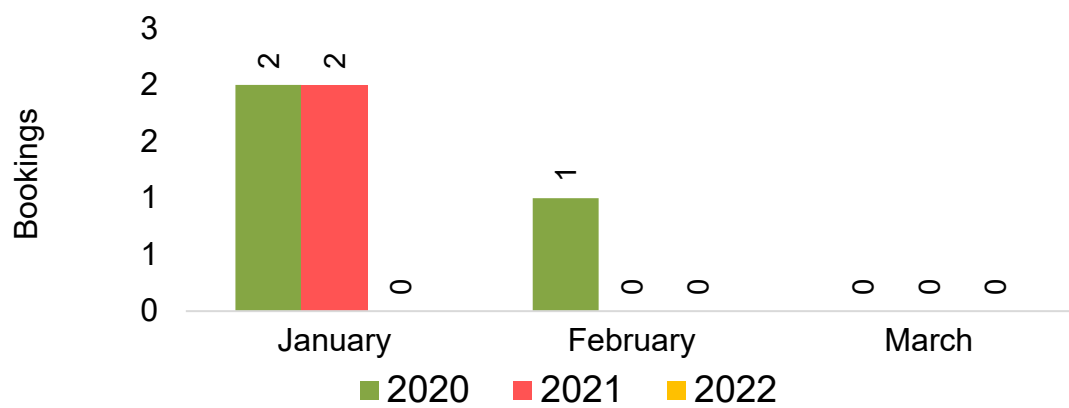
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U.S.



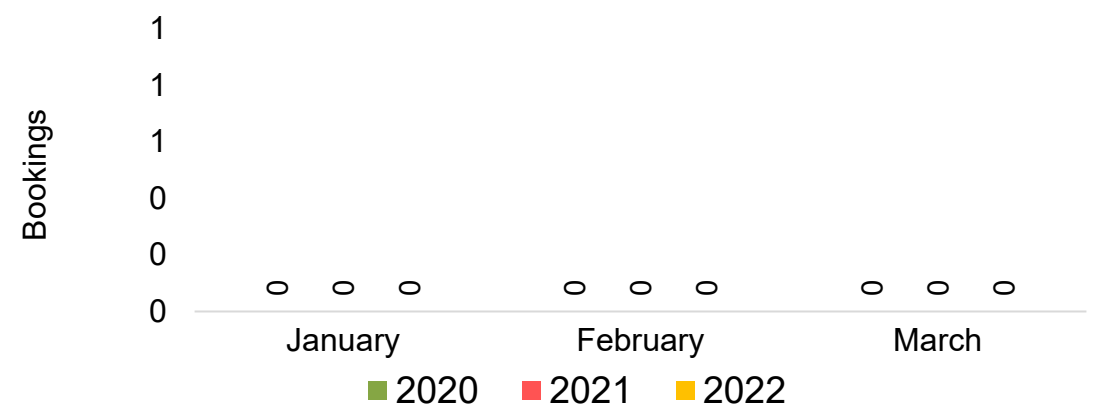
Travel Agency Booking Pace for Future Arrivals  
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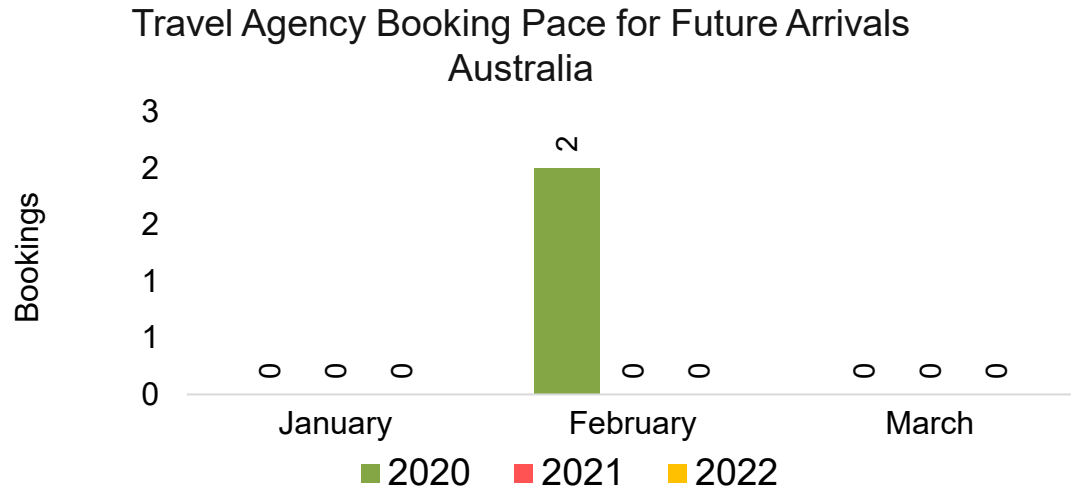
Travel Agency Booking Pace for Future Arrivals  
Canada



Travel Agency Booking Pace for Future Arrivals  
Korea



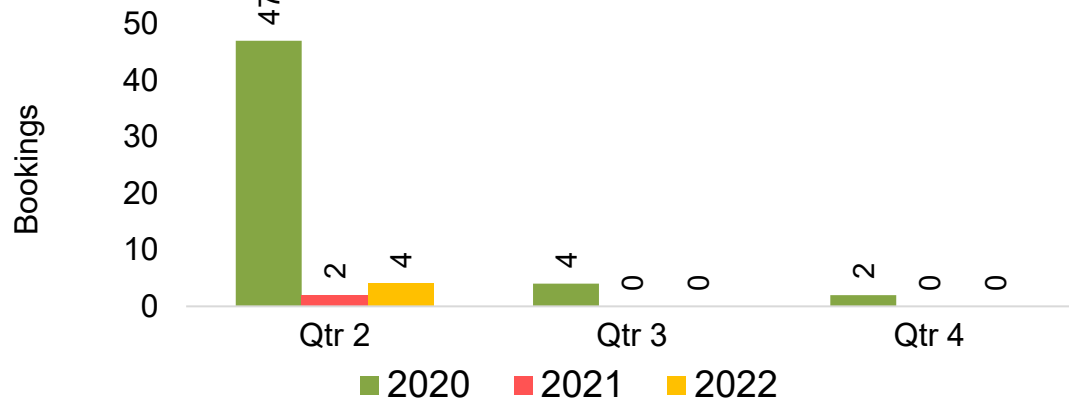
# Moloka'i by Month 2022 (cont.)



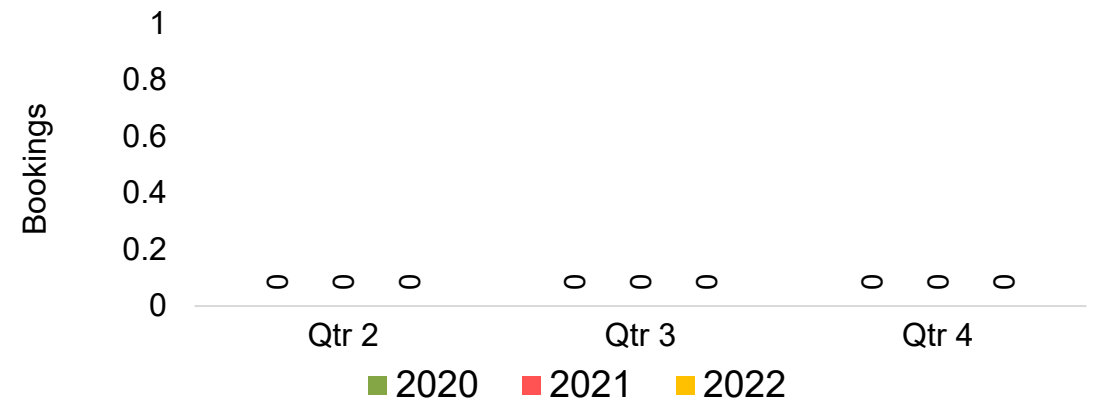
Source: Global Agency Pro as of 12/18/21

# Moloka'i by Quarter 2022

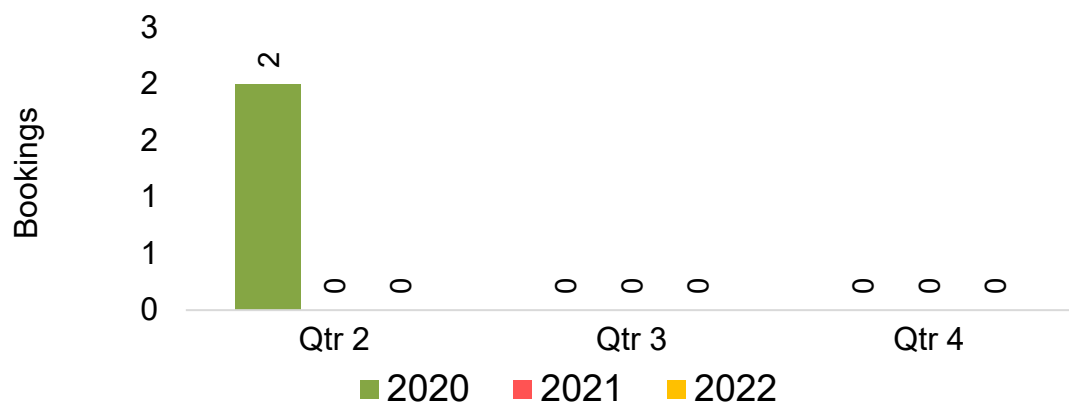
Travel Agency Booking Pace for Future Arrivals  
U.S.



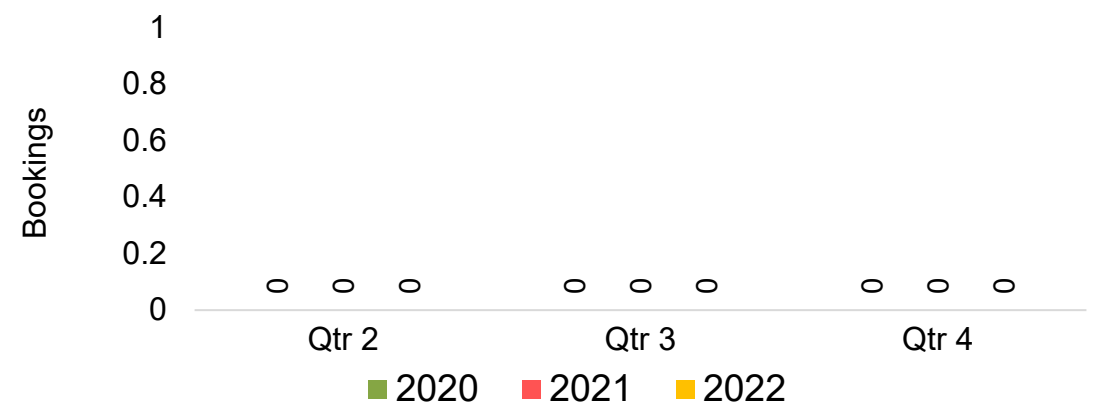
Travel Agency Booking Pace for Future Arrivals  
Japan



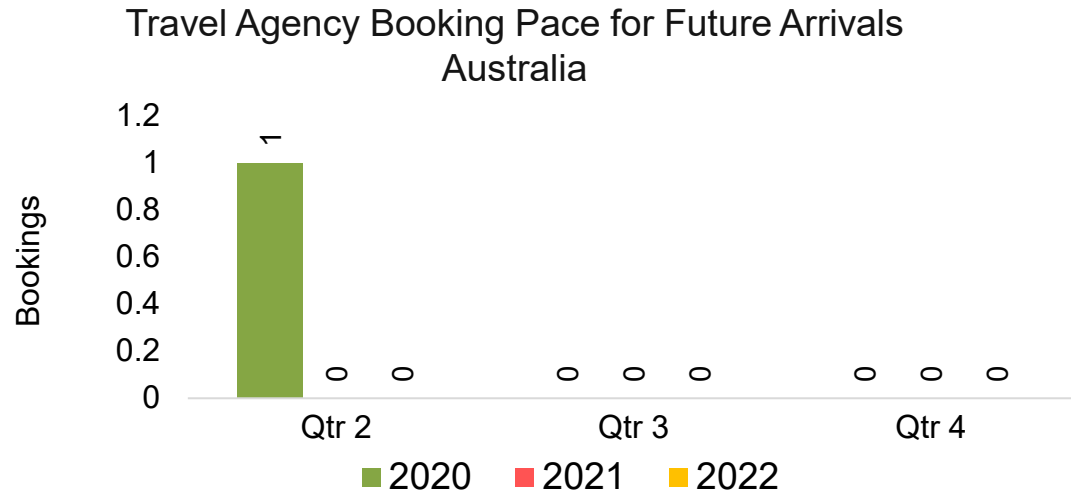
Travel Agency Booking Pace for Future Arrivals  
Canada



Travel Agency Booking Pace for Future Arrivals  
Korea



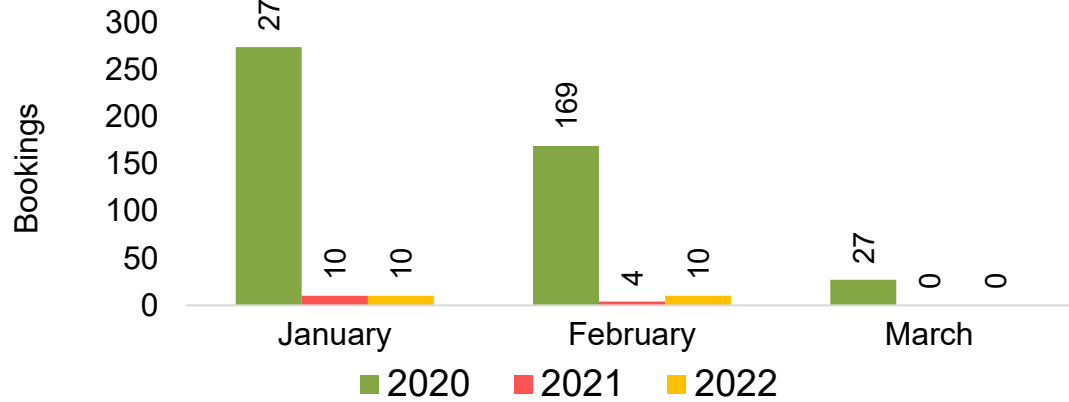
# Moloka'i by Quarter 2022 (cont.)



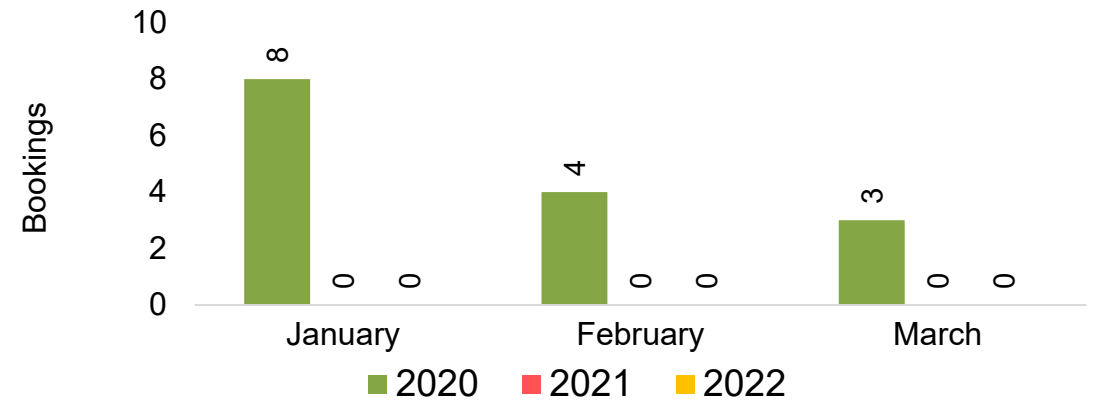
Source: Global Agency Pro as of 12/18/21

# Lānaʻi by Month 2022

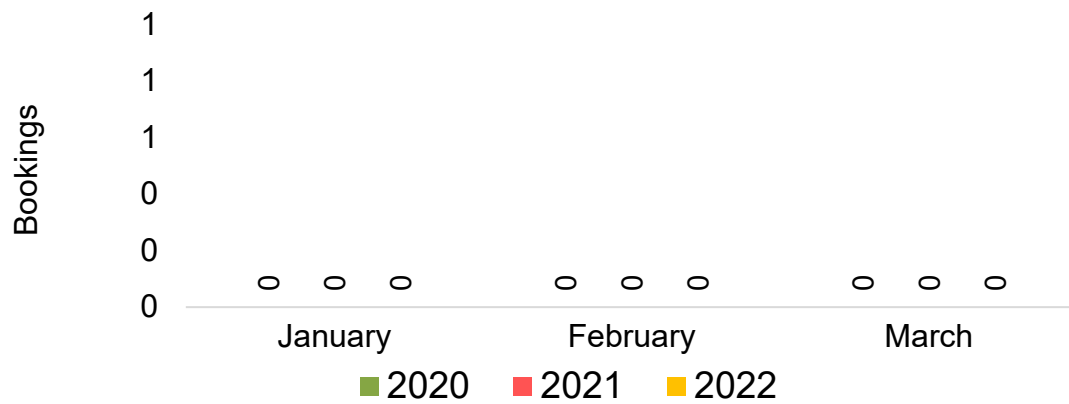
Travel Agency Booking Pace for Future Arrivals  
U.S.



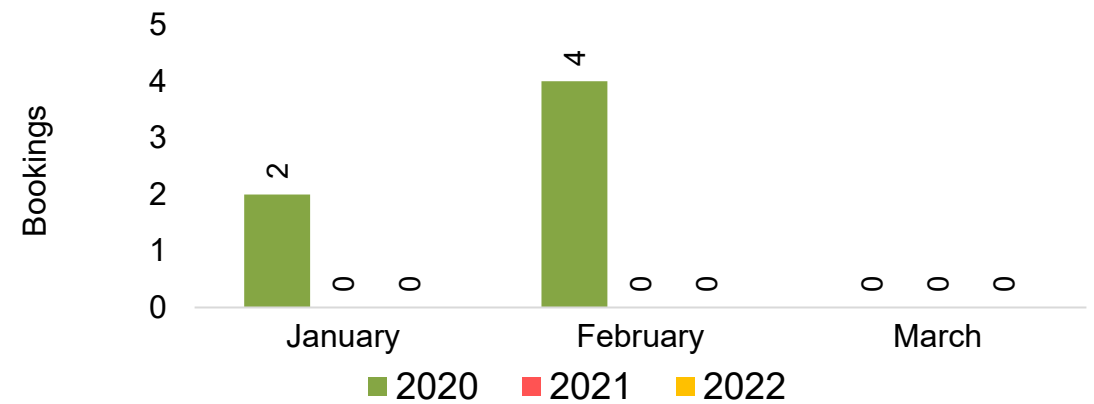
Travel Agency Booking Pace for Future Arrivals  
Japan



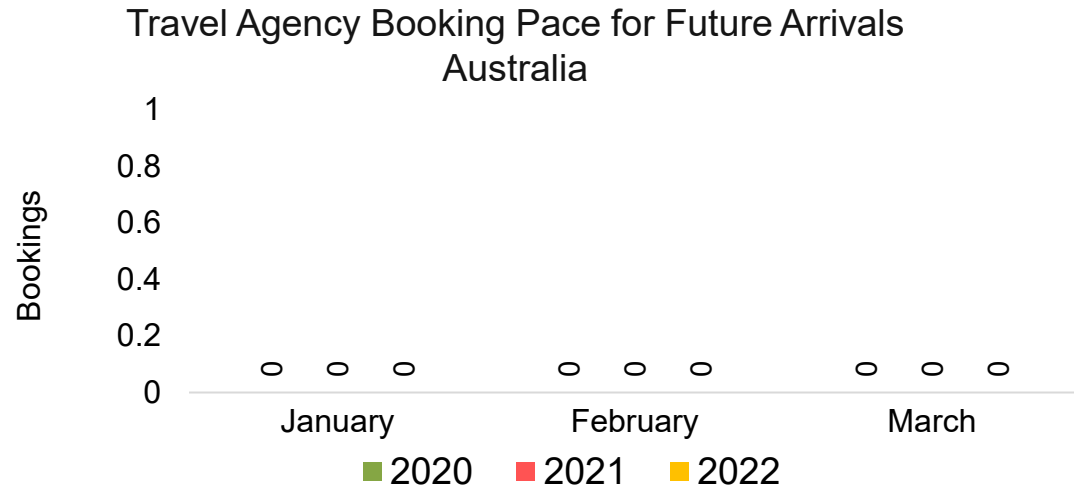
Travel Agency Booking Pace for Future Arrivals  
Canada



Travel Agency Booking Pace for Future Arrivals  
Korea



# Lānaʻi by Month 2022 (cont.)

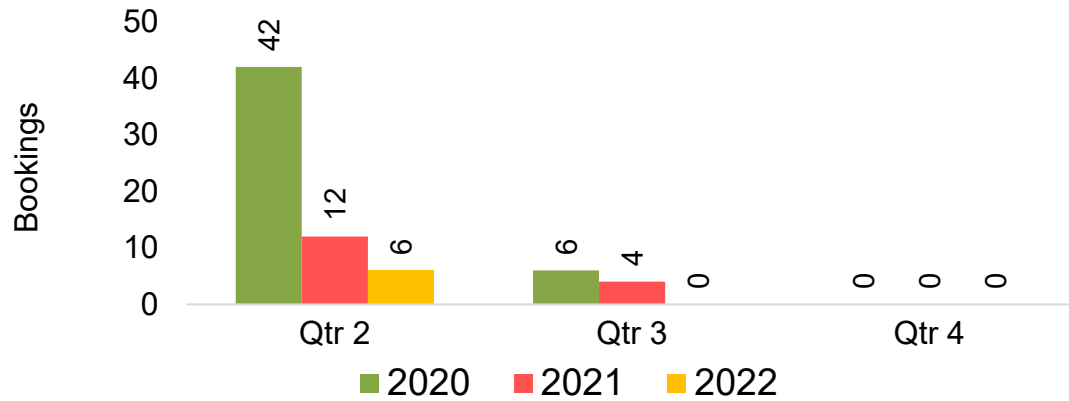


Source: Global Agency Pro as of 12/18/21

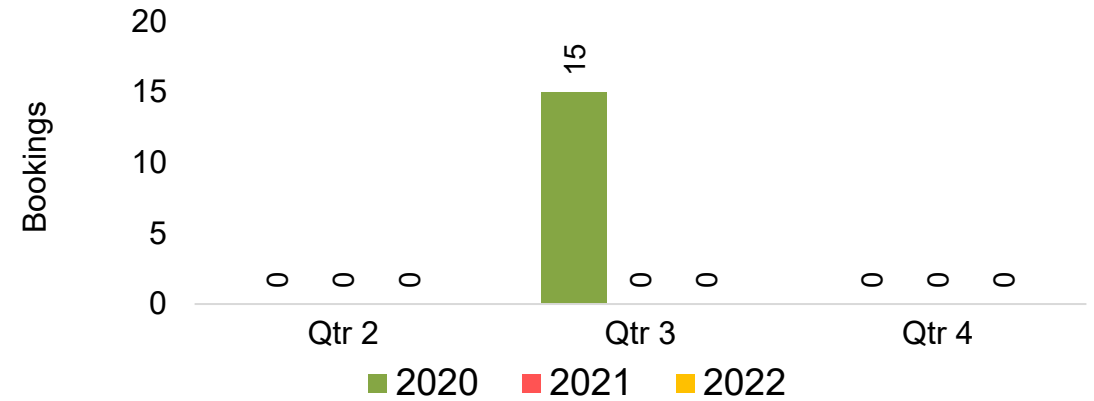


# Lānaʻi by Quarter 2022

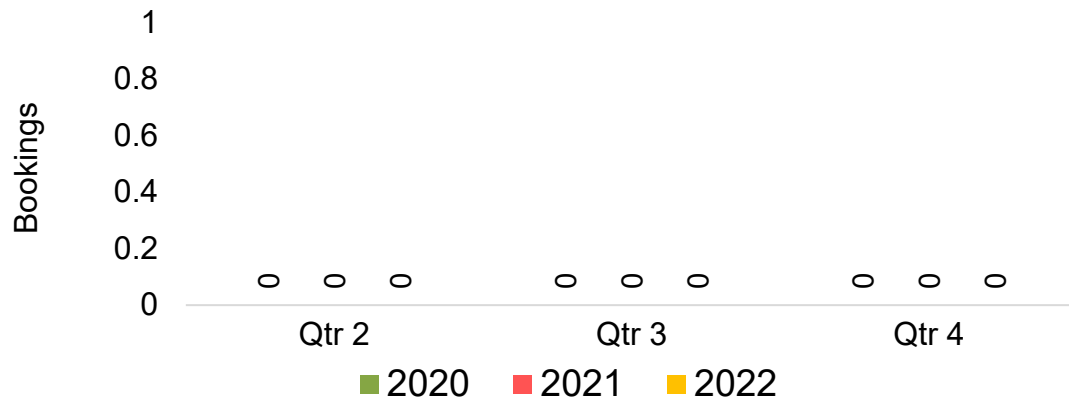
Travel Agency Booking Pace for Future Arrivals  
U.S.



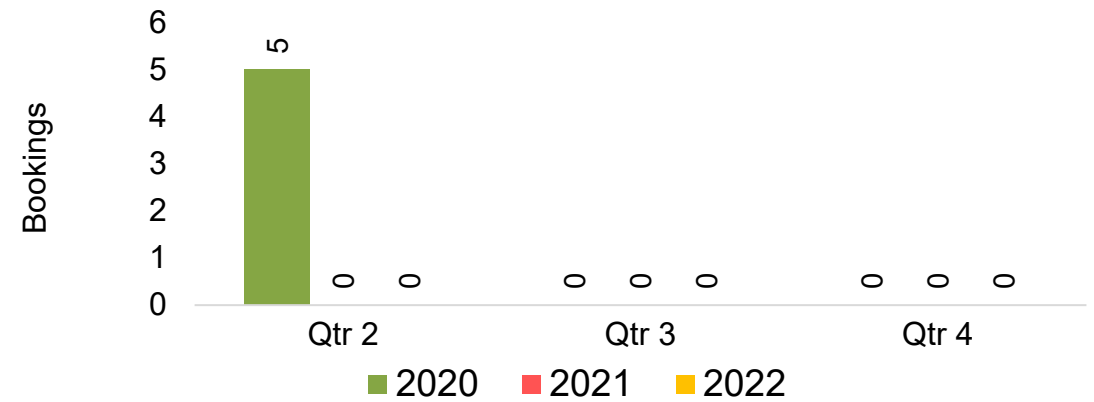
Travel Agency Booking Pace for Future Arrivals  
Japan



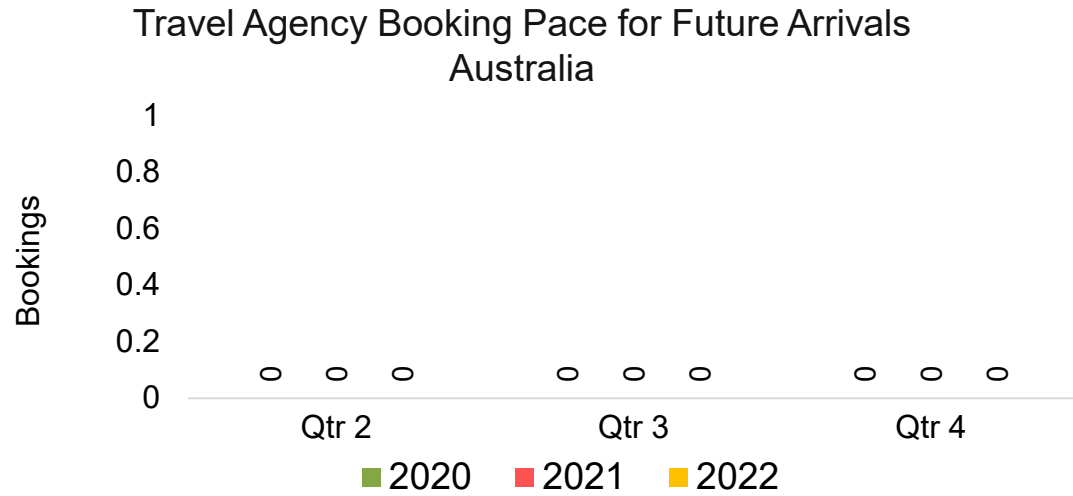
Travel Agency Booking Pace for Future Arrivals  
Canada



Travel Agency Booking Pace for Future Arrivals  
Korea



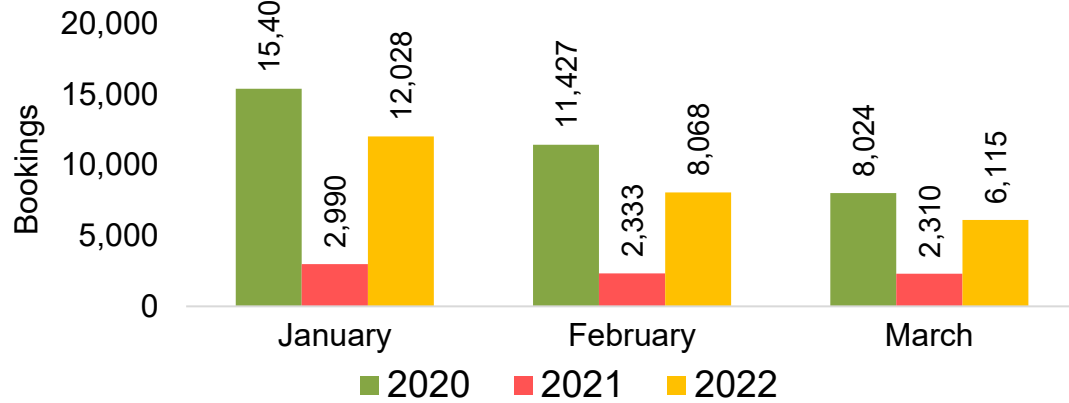
# Lānaʻi by Quarter 2022 (cont.)



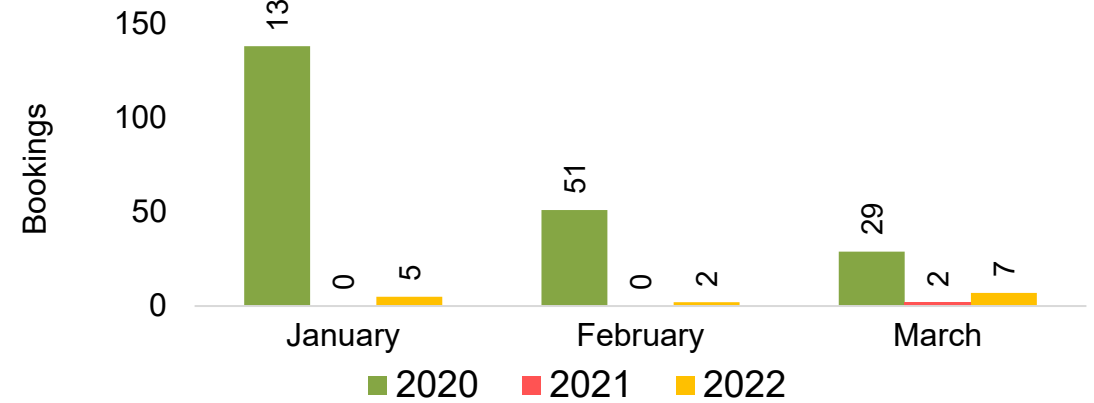
Source: Global Agency Pro as of 12/18/21

# Kaua'i by Month 2022

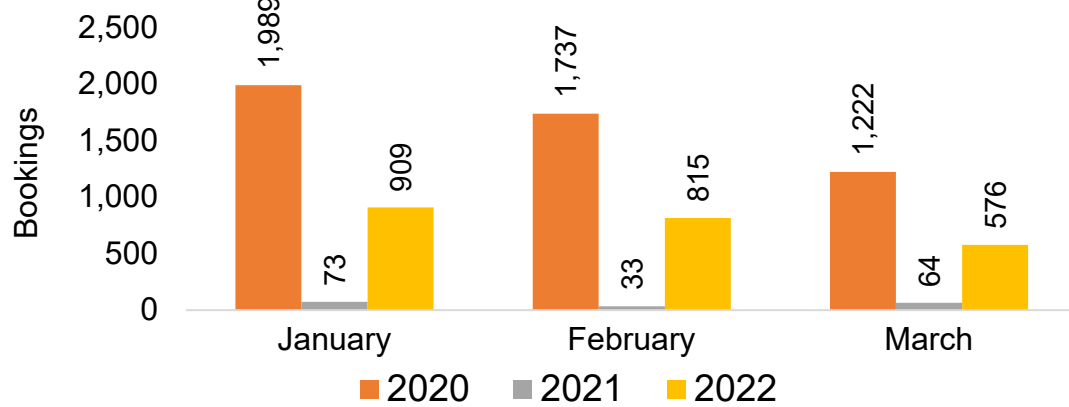
Travel Agency Booking Pace for Future Arrivals  
U.S.



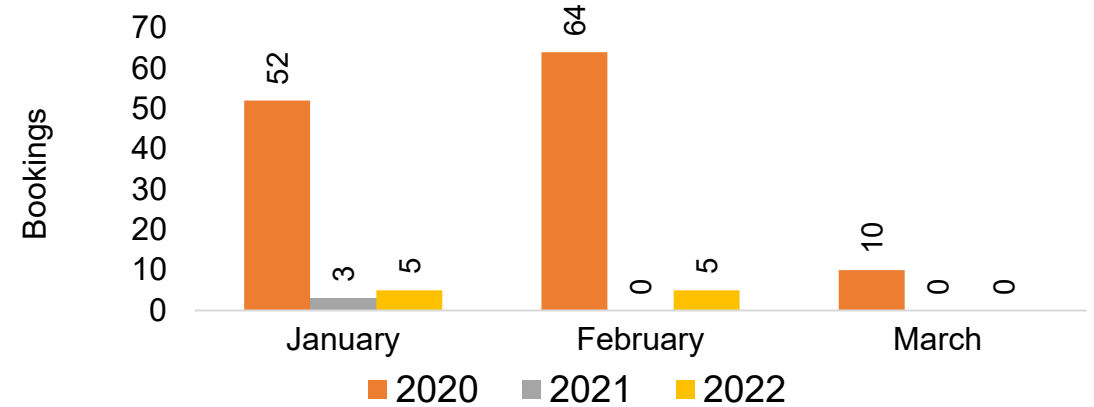
Travel Agency Booking Pace for Future Arrivals  
Japan



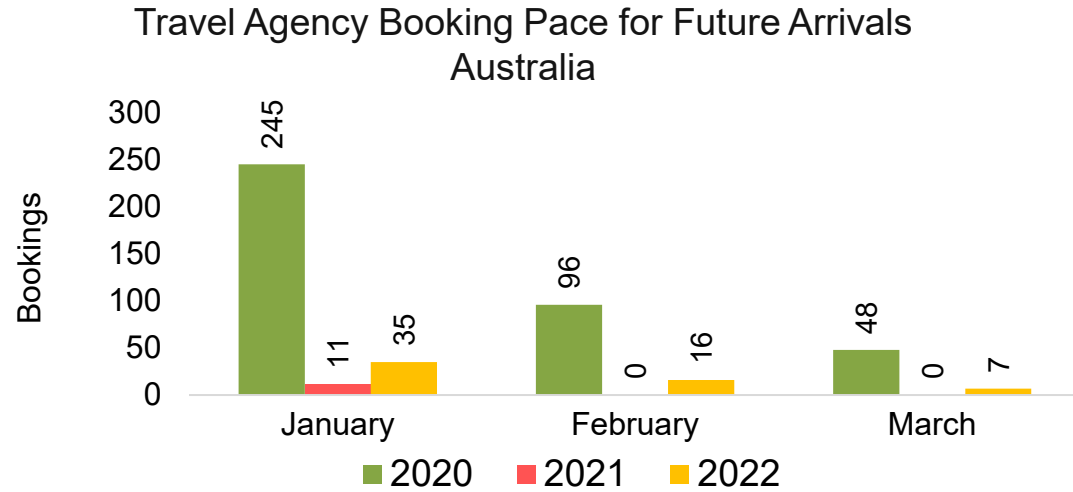
Travel Agency Booking Pace for Future Arrivals  
Canada



Travel Agency Booking Pace for Future Arrivals  
Korea



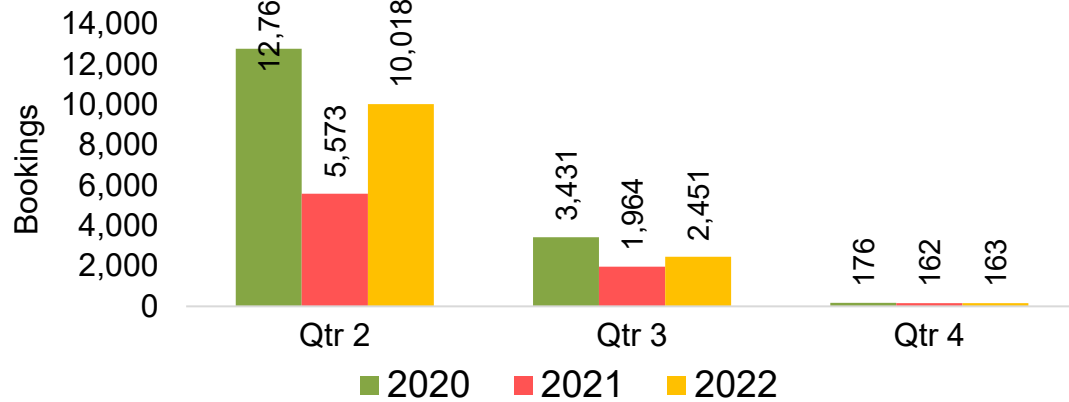
# Kaua'i by Month 2022 (cont.)



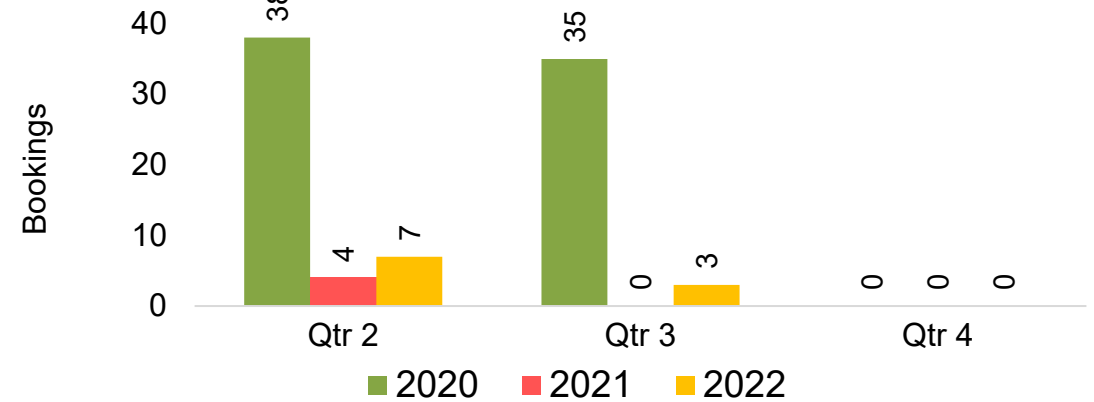
Source: Global Agency Pro as of 12/18/21

# Kaua'i by Quarter 2022

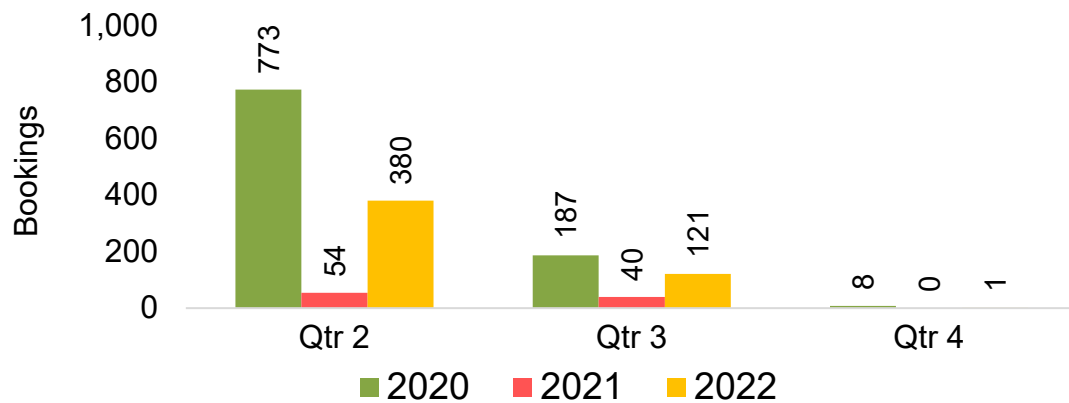
Travel Agency Booking Pace for Future Arrivals  
U.S.



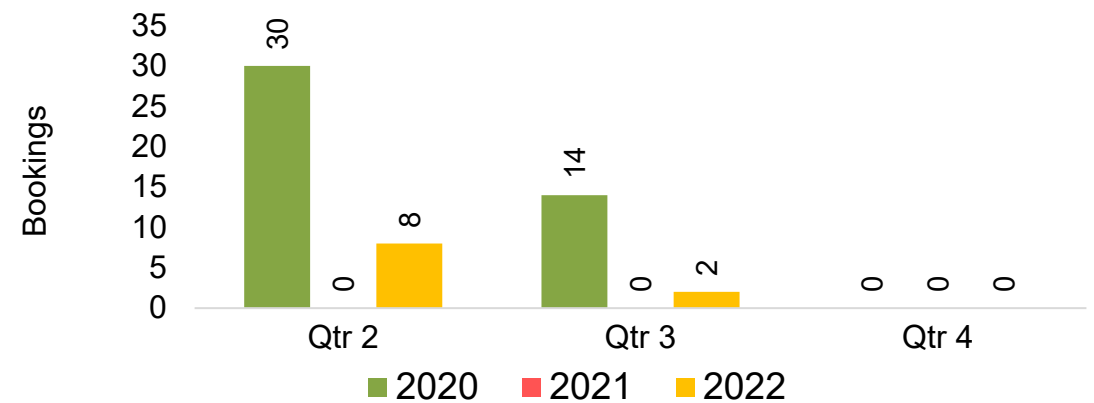
Travel Agency Booking Pace for Future Arrivals  
Japan



Travel Agency Booking Pace for Future Arrivals  
Canada

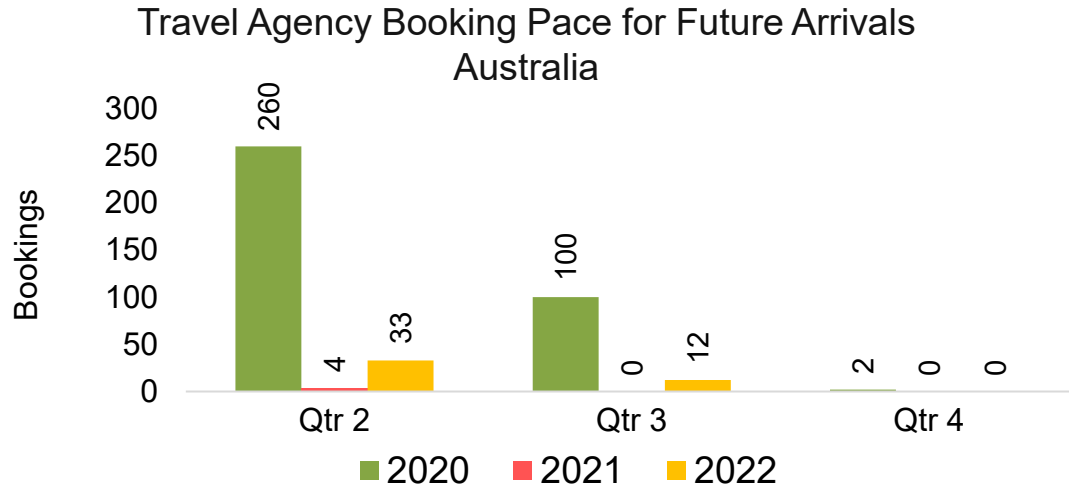


Travel Agency Booking Pace for Future Arrivals  
Korea



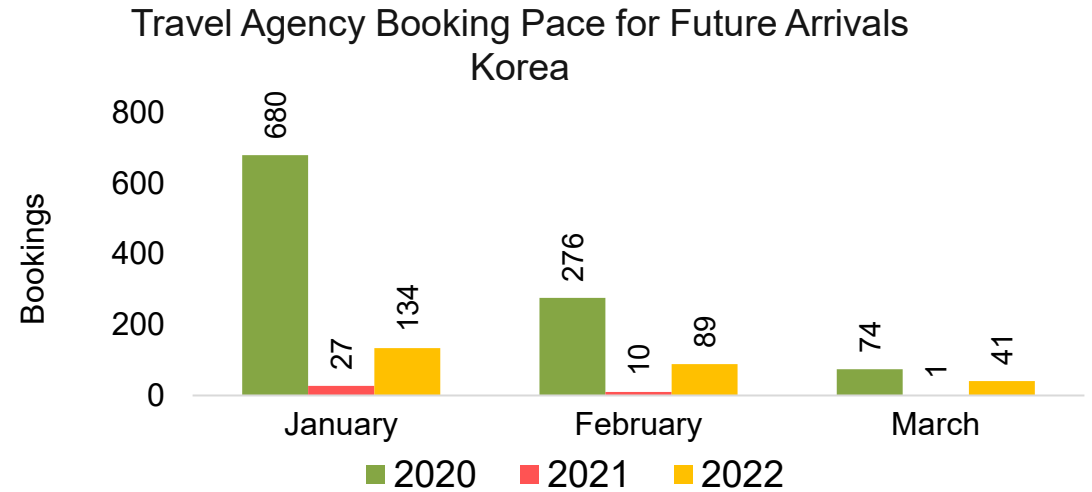
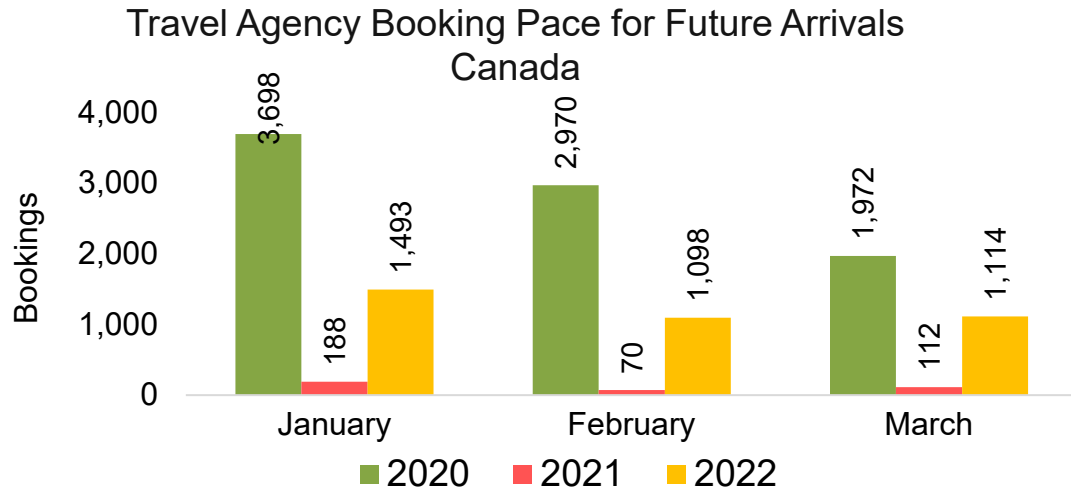
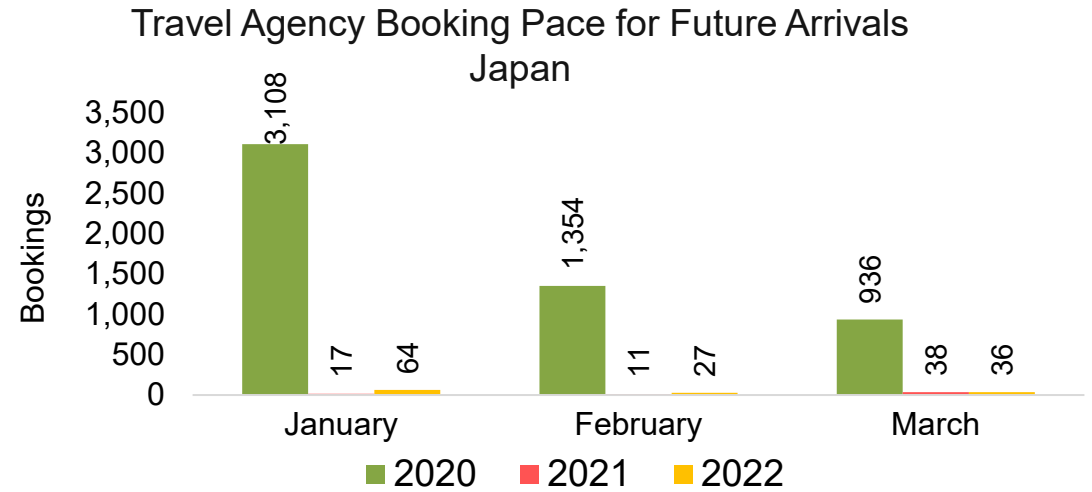
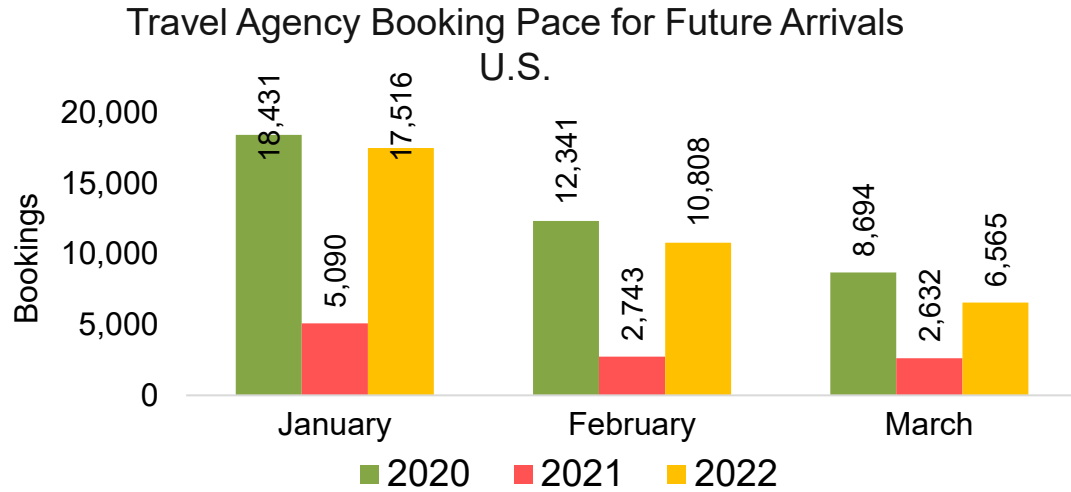
Source: Global Agency Pro as of 12/18/21

# Kaua'i by Quarter 2022 (cont.)



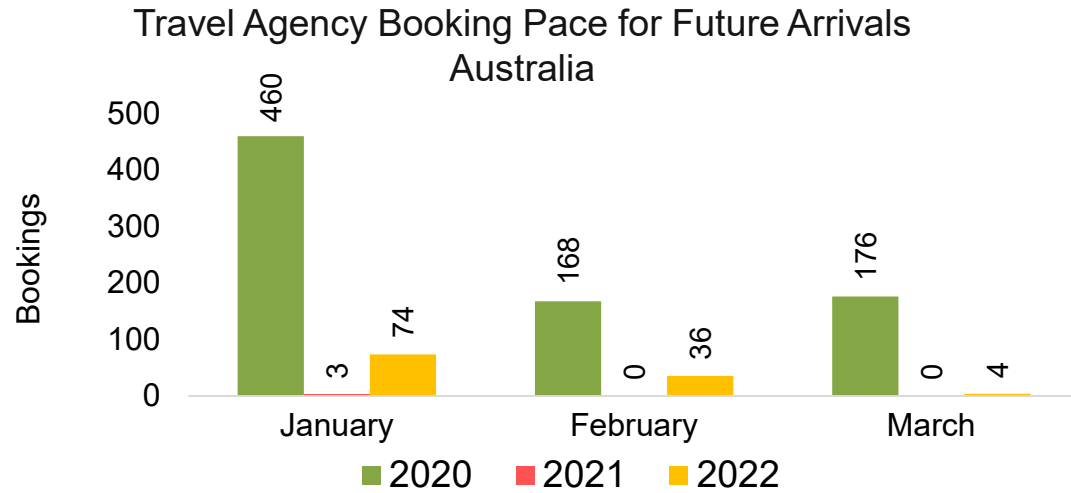
Source: Global Agency Pro as of 12/18/21

# Hawai'i Island by Month 2022



Source: Global Agency Pro as of 12/18/21

# Hawai'i Island by Month 2022 (cont.)

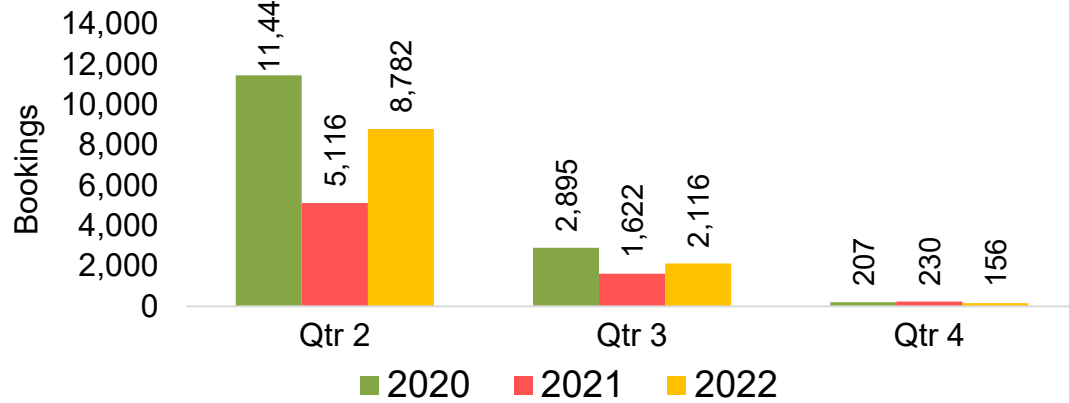


Source: Global Agency Pro as of 12/18/21

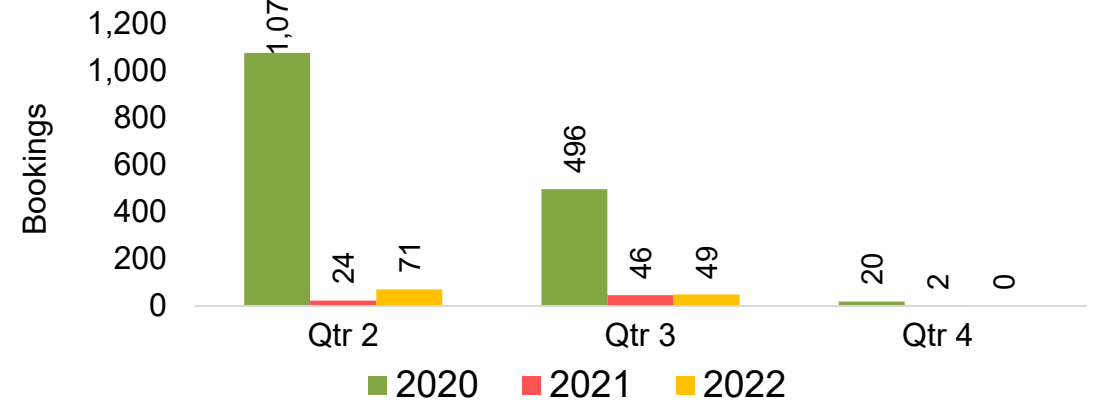


# Hawai'i Island by Quarter 2022

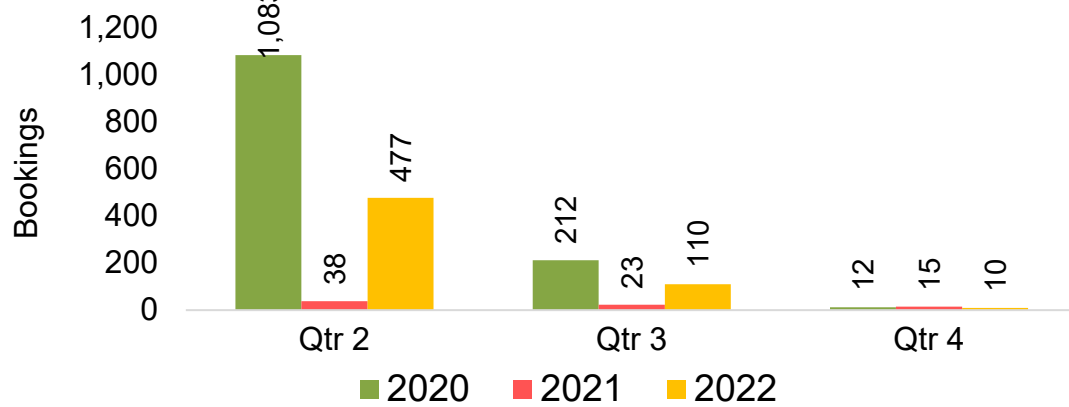
Travel Agency Booking Pace for Future Arrivals  
U.S.



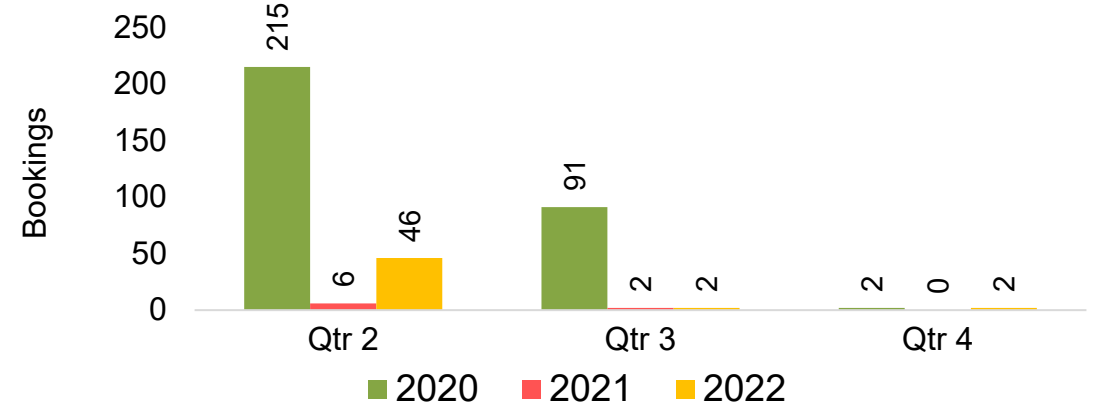
Travel Agency Booking Pace for Future Arrivals  
Japan



Travel Agency Booking Pace for Future Arrivals  
Canada



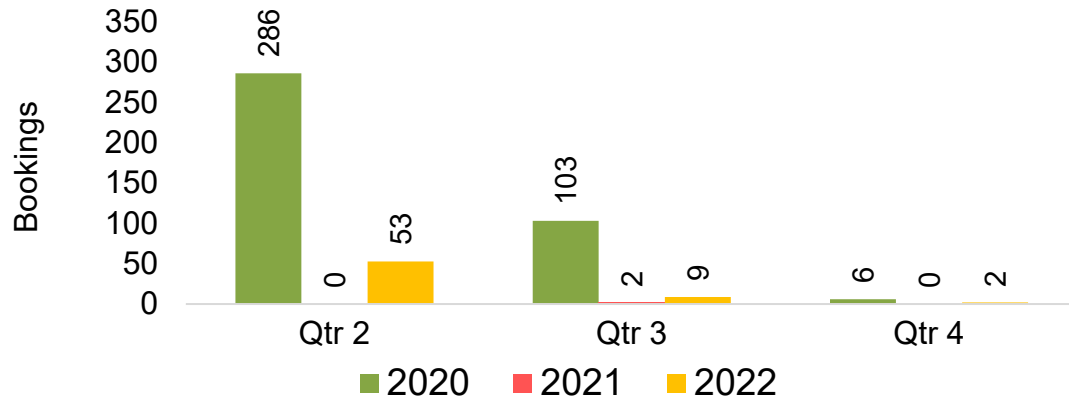
Travel Agency Booking Pace for Future Arrivals  
Korea



Source: Global Agency Pro as of 12/18/21

# Hawai'i Island by Quarter 2022 (cont.)

Travel Agency Booking Pace for Future Arrivals  
Australia



## **7b**

Presentation, Discussion and/or Action on the  
**Hawai'i Tourism Canada 2022 Brand  
Marketing & Management Plan (BMMP).**  
Recommendation to Approve the BMMP



CANADA

# 2022 BMMP

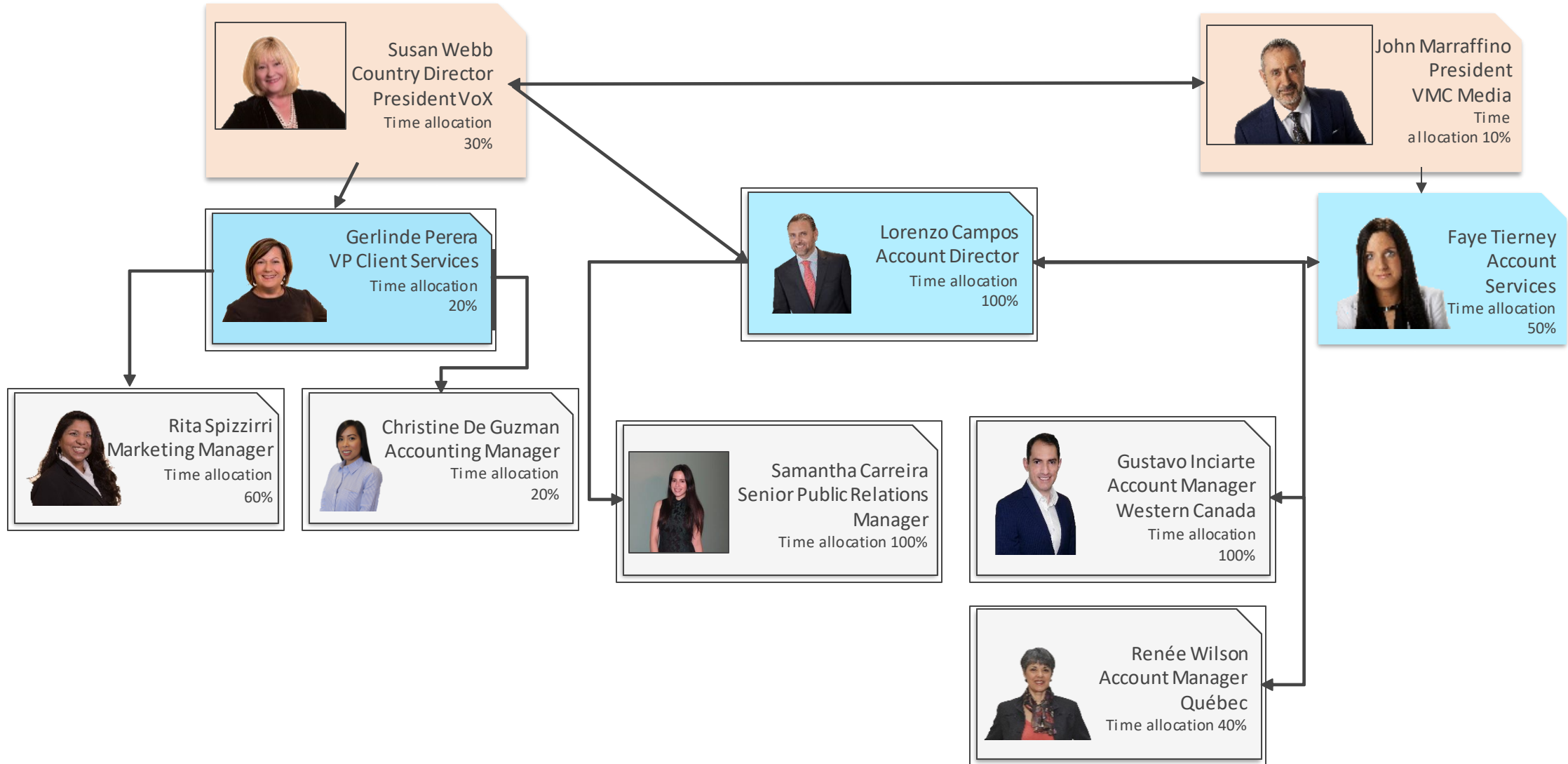
**HTA BOARD MEETING**

**12.23.2021**

Susan Webb

President

# HTCAN TEAM



# RESPONSIBILITIES

- Susan Webb, President, VoX International
  - Strategic planning and market analysis
- Gerlinde Perera, VP of Client Services, VoX International
  - Financial planning and strategy
- Christine De Guzman, Accounting Services
  - Financial integrity
  - Accounting
- Lorenzo Campos, Account Director, VoX International
  - Strategic BMMP design
  - Execution of BMMP
  - Financial planning
  - Relationship with strategic partners (HI & Canada)
  - DMAP Action strategy overview
- Rita Spizziri, Marketing Manager, VoX International
  - Creative development and brand integrity
- Gustavo Inciarte, Account Manager Western Canada
  - Western Canada market account representation
  - Relationship with agents
  - DMAP trade communication execution and integrity
- Renee Wilson, Account Manager Quebec
  - Quebec market account representation
  - French speaking market relationship
- Samantha Carreira, PR Manager
  - Relationship with media
  - Media plan execution
  - DMAP media communications
- John Marraffino, President, VMC Media
  - Media strategy and planning
- Faye Tierney, Account Services, VMC Media
  - Social media planning and execution
  - Media plan execution
  - DMAP consumer communication strategy



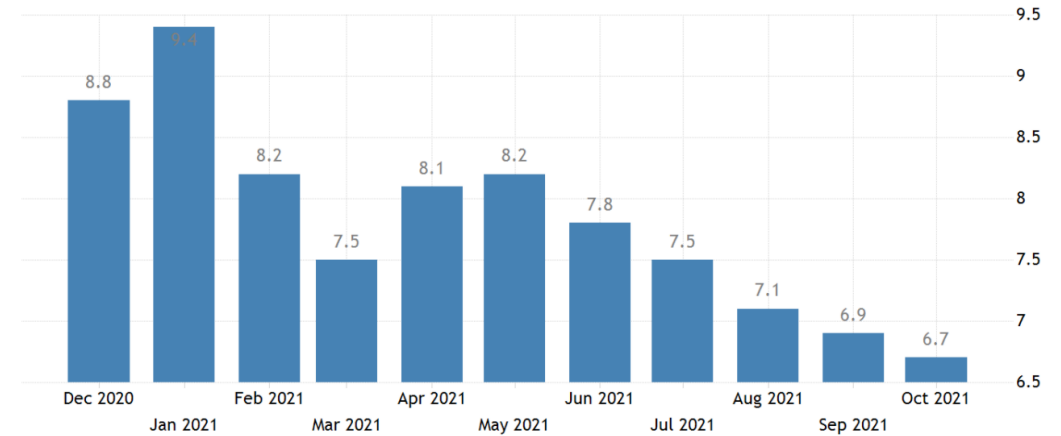
# MARKET SITUATION

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# ECONOMIC OVERVIEW, VACCINATION RATE AND RESTRICTIONS

Economic Indicators	2019	2020	2021f	2022f
GDP, market prices (2012 \$) (% change)	-5.3%	5.1%	4.4%	1.6%
Real Disposable Income (2012 \$) (% change)	9.5%	0.2%	-2.1%	1.6%
Household Spending (2012 \$) (% change)	-6.0%	4.8%	5.9%	2.1%
CAD/USD	\$1.34	\$1.25	\$1.26	\$1.27

Source: Conference Board of Canada (October 2021 Outlook), Scotia FX World Outlook



SOURCE: TRADINGECONOMICS.COM | STATISTICS CANADA

Fully vaccinated		
Total	12 and older	5-11
<b>76.80 %</b>	<b>86.72 %</b>	<b>0.06%</b>
Received at least one dose		
Total	12 and older	5-11
<b>80.13%</b>	<b>89.63 %</b>	<b>17.49%</b>

Source: [www.Canada.ca](http://www.Canada.ca) Date: December 10, 2021

- No PCR test requirement for short trips (less than 72 hours) to USA
- All air travelers (except those from the U.S.) will have to undergo testing at airport on arrival in Canada and a 3-day quarantine
- Flight ban from 10 South African countries due to Omicron variant



# AIRLIFT, TRAVEL SENTIMENT & COMPETITORS

## AIR CANADA

- 165.5K seats for the Winter 2021/2022 & 3 new routes



- 157K seats for the Winter 2021/2022 & 1 new route

### Direct Competitors

**Mexico:** disengaged promotion from different destinations and hotel chains

**Jamaica:** trade training webinars, consumer advertising (TV, social, POP), trade events, fams

**Florida:** training webinars, virtual events, the Weather Network campaign, media fams

### Travel sentiment

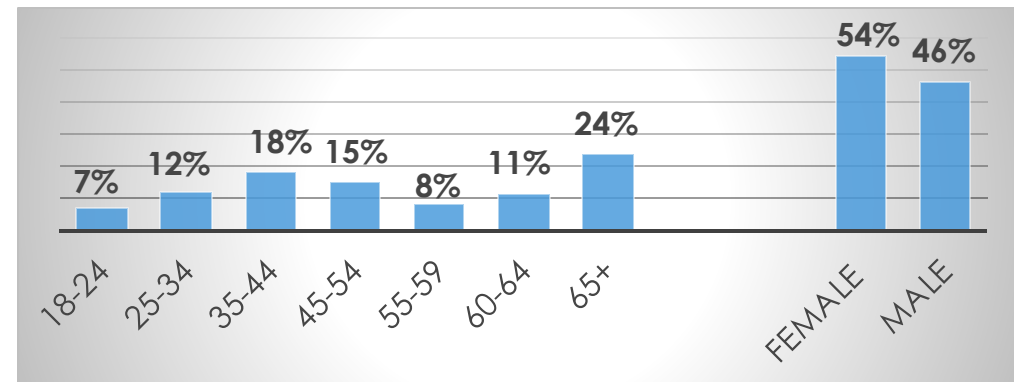
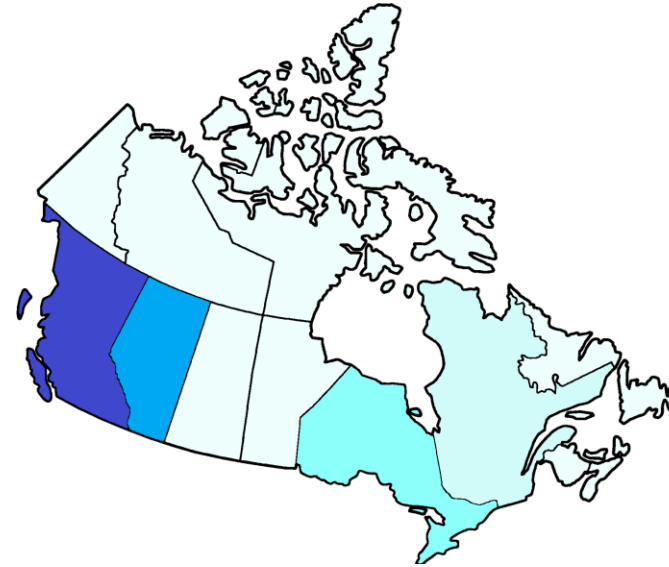
- ❖ Pent-up demand
- ❖ Flexibility in booking required
- ❖ Safety & health protocols (BUSA)
- ❖ Intentions:
  - Friends & Family 24%
  - Beach Trip 20%
  - Hike/walk holiday in countryside 14%



# TARGET AUDIENCE

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# TARGET AUDIENCE



\*Higher than \$100k income

# 2022 STRATEGY

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# STRATEGY

*Mālama Hawai'i: responsible tourism, the diversity of Hawai'i's people, place, and culture.*

## CONSUMER

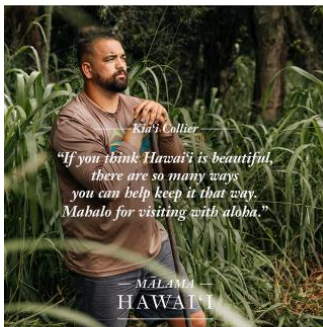
Social media (organic & paid)

Online video

Broadcast



Ahupua'a is the unity between mountain and the ocean.



GOHAWAII.COM  
Habitat Stewardship

LEARN MORE



When you mālama (care for) The Hawaiian Islands, The Hawaiian Islands give back to you too.



LEARN MORE

## PUBLIC RELATIONS

Individual & group fam trips

Aloha Canada media mission

Travel Media Association of Canada

Discover America Canada



## TRAVEL TRADE

Partnerships TOs and airlines

MCI & Travel Trade media

Education:

Webinars

Trade shows

Newsletters

Aloha Canada

Product fam

Mālama Advocates

# DMAP & RESPECTFUL TRAVEL

## Visitor education

- Through Mālama advocates (travel professionals)
- Mālama/Kuleana video placing (airlines, travel agencies)
- Social networks @GoHawaiiCa
- Joint ventures (airline, tour operators and OTAs)

## DMAP strategy

- Include DMAP actions in each BMMP activity
- HTCAN team trained on the DMAPs
- Stress Sensitivity List on promotionals
- Heavy cultural component
- Create alliances with voluntourism programs



# KEY CAMPAIGNS/PROGRAMS

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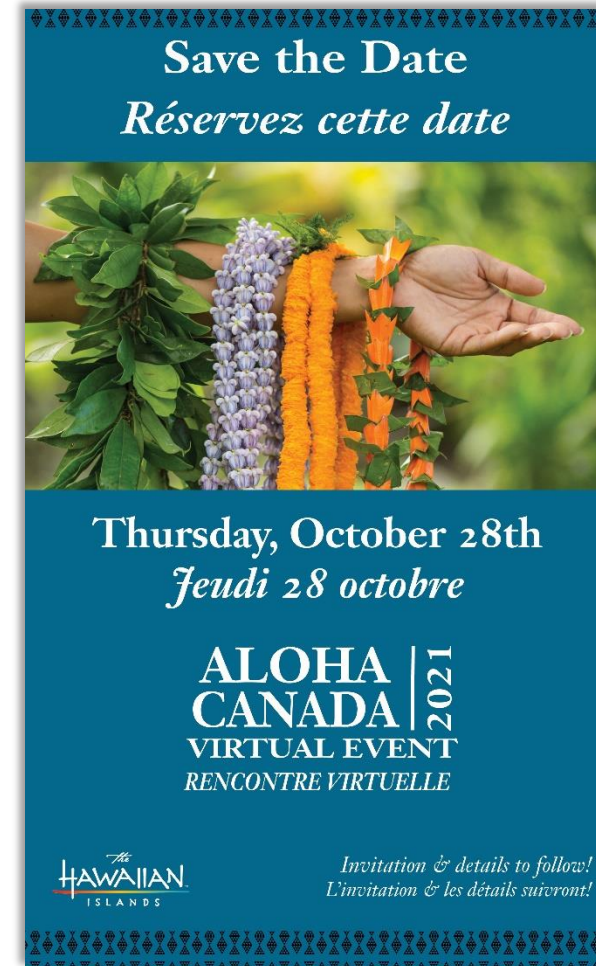
# KEY CAMPAIGNS/PROGRAMS

## Aloha Canada trade and media mission

Budget: \$100,000

October 2022

- Hybrid (virtual/in person) concept
- 3 cities
- Cultural component (NaHHA)/ cultural practitioners
- 500+ agents trained
- 20+ partners
- 15+ media





# KEY CAMPAIGNS/PROGRAMS

## Media group fam

Budget: \$15,000

May 2022

- 2 island fam trip
- 4 media + HTCAN escort
- Mālama Hawai'i activities
- Hawai'i made products
- Increased knowledge of the Hawaiian Islands
- High number of impressions through online and/or print media



## Product development group fam

Budget: \$30,000

September 2022

- 2 island fam trip
- 8 product development managers + HTCAN escort
- Mālama Hawai'i activities
- Hawai'i made products
- Increased knowledge of the Hawaiian Islands
- High number of developed products

# KEY CAMPAIGNS/PROGRAMS

## Cooperative programs

Budget: \$80,000

Spring & Fall 2022

- 3 major tour operators/airlines
  - Air Canada Vacations
  - TravelBrands
  - WestJet Vacations
- High consumer component
- DMAP actions covered
- Consumer educational campaigns
- High number of bookings
- Extend travel season

The screenshot shows a travel website interface. At the top, there's a navigation bar with 'AIR CANADA', 'Home', 'Get Started', 'Expedia Travel Picks', 'English', 'FLIGHT DEALS', and 'Expedia'. Below this, the origin is set to 'Toronto, ON (YYZ-Pearson Intl.)'. The main content area is titled 'The Hawaiian Islands Malama Hawai'i' and includes a description of the islands' natural beauty and culture. A price tag indicates 'Starting at: 1004 \$ CA'. There are buttons for 'FLIGHT DEALS', 'HOTEL DEALS', and 'PACKAGE DEALS'. A small image of a waterfall is visible in the lower right section of the page.

Hawai'i.  
Like no place on earth.  
[Book now](#)

HAWAIIAN ISLANDS | WESTJET

# KEY CAMPAIGNS/PROGRAMS

Consumer digital and broadcast  
Budget: \$205,000 (\$76,000 + \$129,000)  
Spring & Fall 2022

## Paid social and digital



Hawaii - gohawaii.com (CA - French, English) Verified Sponsored

Sustainable Agriculture isn't just being an organic farmer, you have to put back and you have to give back.

When you *mālama* a place,

GOHAWAII.COM  
Sustainable Farming [LEARN MORE](#)

## Broadcast JVs



expedia group





# BUDGET

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Credit: Island of Hawai'i Visitors Bureau (IHVB) / Kirk Lee Aeder

HAWAII TOURISM  
CANADA

# BUDGET

Budget Category	Annual Budget	%
Consumer Direct	\$274,000	34%
Public Relations	\$83,395	10%
Travel Trade	\$271,605	34%
Research		
Admin	\$176,000	22%
Total	\$800,000	100%

An aerial photograph of a tropical coastline. In the foreground, a small sailboat with a white mast and a red hull is sailing on clear, turquoise water. The middle ground shows a lush green shoreline with dense vegetation. In the background, there are large, rugged mountains with brown and tan hues, suggesting a volcanic or desert-like environment. The sky is bright blue with scattered white clouds. The text 'PERFORMANCE MEASURES' is overlaid in large, white, sans-serif capital letters across the center of the image.

# PERFORMANCE MEASURES

	Annual Target 2022	Semi-Annual Targets	
		Jan-Jun	Jul-Dec
<b>Consumer Paid Media Measures</b>			
TV Reach	Vary	Vary	N/A
Print Circulation	N/A	N/A	N/A
Digital Reach	N/A	N/A	N/A
Radio Reach	N/A	N/A	N/A
Out of Home Reach	N/A	N/A	N/A
TV Impressions	6,616,522	6,616,522	N/A
Print Impressions	N/A	N/A	N/A
Digital Impressions	7,150,000	3,575,000	3,575,000
Radio Impressions	N/A	N/A	N/A
Out of Home Impressions	N/A	N/A	N/A
<b>Travel Trade Paid Media Measures</b>			
Print Circulation			
Digital Reach			
Print Impressions			
Digital Impressions	480,000	240,000	240,000
<b>Public Relations Measures</b>			
No. of Media/PR Calls	120	60	60
No. of Press Releases Issued	12	6	6
Print Publicity Value - Paid			
Digital Publicity Value - Paid			
Broadcast Publicity Value - Paid			
Print Impressions - Paid			
Digital Impressions - Paid			
Broadcast Impressions - Paid			
Print Publicity Value - Earned	\$1,100,000	\$550,000	\$550,000
Digital Publicity Value - Earned	\$3,000,000	\$1,500,000	\$1,500,000
Broadcast Publicity Value - Earned	\$100,000	\$50,000	\$50,000
Print Impressions - Earned	5,500,000	2,750,000	2,750,000
Digital Impressions - Earned	12,000,000	6,000,000	6,000,000
Broadcast Impressions - Earned	250,000	125,000	125,000
No. of Group Media FAMs	1	0	1
No of Articles Generated from Group Media FAMs	4	0	4
No. of Individual Press Trips	5	3	2
No of Articles Generated from Individual Press Trips	5	2	3

	Annual Target	Semi-Annual Targets	
<b>Consumer Shows</b>			
No. of Shows			
Show Attendance			
<b>Travel Trade</b>			
No. of Meetings with Travel Trade Partners	24	12	12
No. of Travel Trade Partners Met With	24	12	12
No. of Trade Shows	5	1	4
Trade Show Attendance	600	100	500
No. of Trade Show Appointments	300	100	200
No. of Travel Trade FAMs	1	1	0
No. of Travel Trade FAM Participants	8	8	0
No. of Trade Education Sessions	8	2	6
No. of Trade Education Participants	560	140	420
No. of Agents Completed Training Program	100	50	50
<b>Social Media Metrics</b>			
<b>FACEBOOK</b>			
Total Impressions Gained			
Total Interactions Gained			
Total Fan Count			
Increase in Fans			
Total Posts	156	78	78
<b>INSTAGRAM</b>			
Total Impressions Gained			
Total Interactions Gained			
Total Fan Count			
Increase in Fans			
Total Posts	156	78	78
<b>TWITTER</b>			
Total Impressions Gained			
Total Interactions Gained			
Total Fan Count			
Increase in Fans			
Total Posts	156	78	78
<b>DMAP Measures</b>			
No. of DMAP Action Items Supported	24	12	12
No. of Initiatives to Promote Hawai'i Made Products	12	6	6
No. of Hawai'i Festivals & Events Promoted	12	6	6
No. of Voluntourism Programs Promoted	6	3	3

## **7c**

Presentation, Discussion and/or Action on the  
**Hawai'i Tourism China 2022 Brand Marketing  
& Management Plan (BMMP)**. Recommendation  
to Approve the BMMP



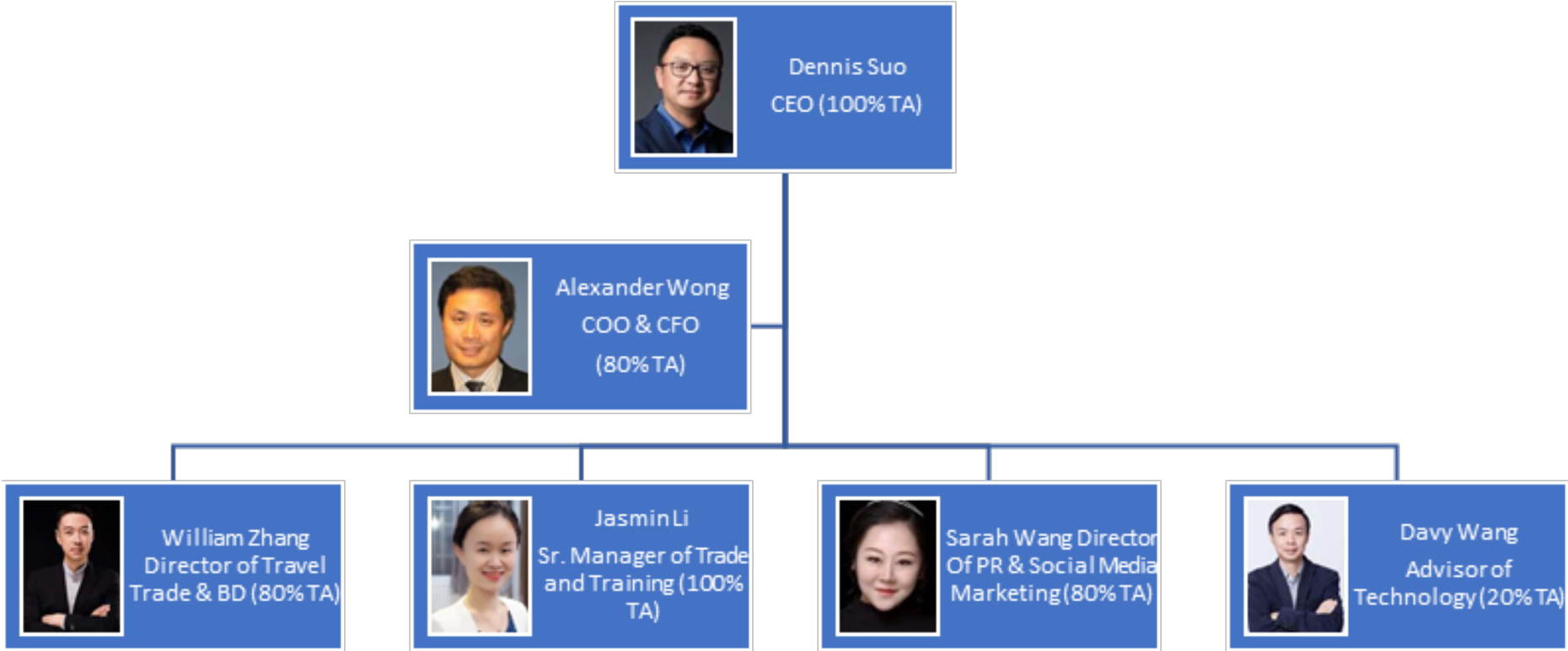


# **2022 BMMP**

## **HTA BOARD MEETING 12.23.2021**

Dennis Suo  
CEO

# HTC TEAM





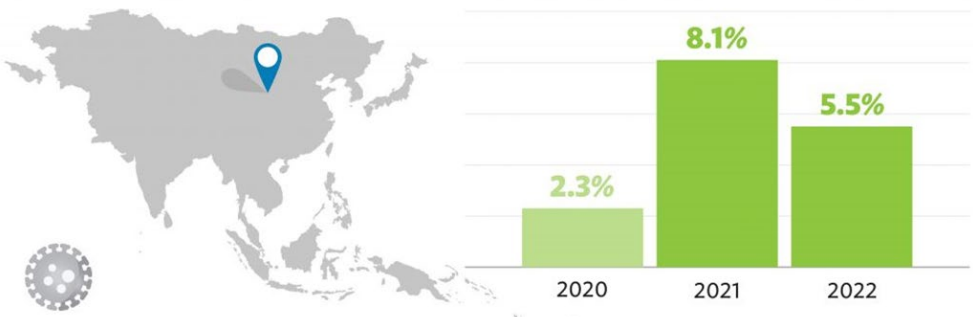
# MARKET SITUATION

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# MARKET SITUATION

1. GDP growth powered by strong exports and gradual recovery in household consumption
2. USD vs. RMB 1:6.3, RMB appreciated nearly 10% YOY
3. End of Beijing Winter Olympics - discussion for lifting of 21-day quarantine restriction
4. On Nov 9, 2021, regular visa services resumed at U.S. Embassy and Consulates General in China
5. Domestic travel experienced a V shape recovery from 2020 Q2
6. Gravitating toward outdoor experiences and luxury integrated offerings
7. Social media channels are now key sources of inspiration for travel
8. 43 percent say they want their next trip to be outside China
9. Estimated 1.1 billion inhabitants have received the COVID-19 vaccine

## GDP Growth Forecast People's Republic of China

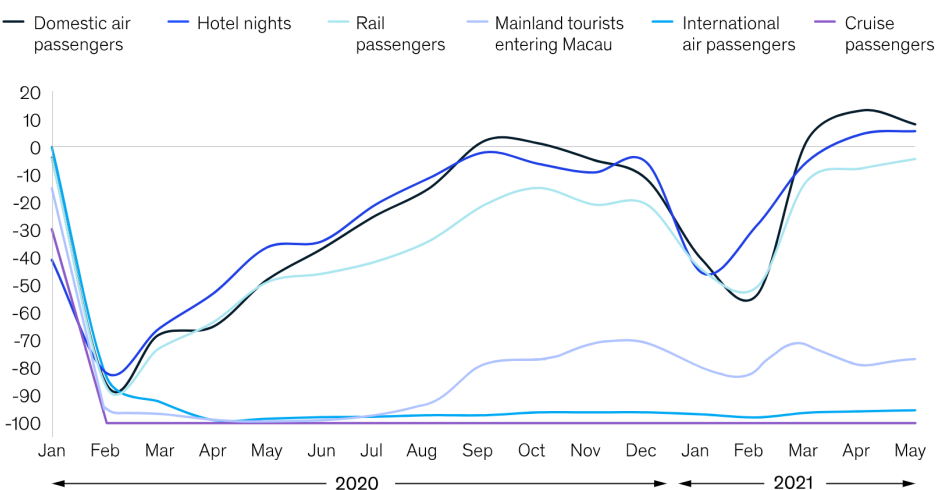


Find out more in ADB's Asian Development Outlook 2021  
[www.adb.org/outlook](http://www.adb.org/outlook)

#ADO2021

### Mainland China travel recovery remains a two-sided story.

Year-over-year % change



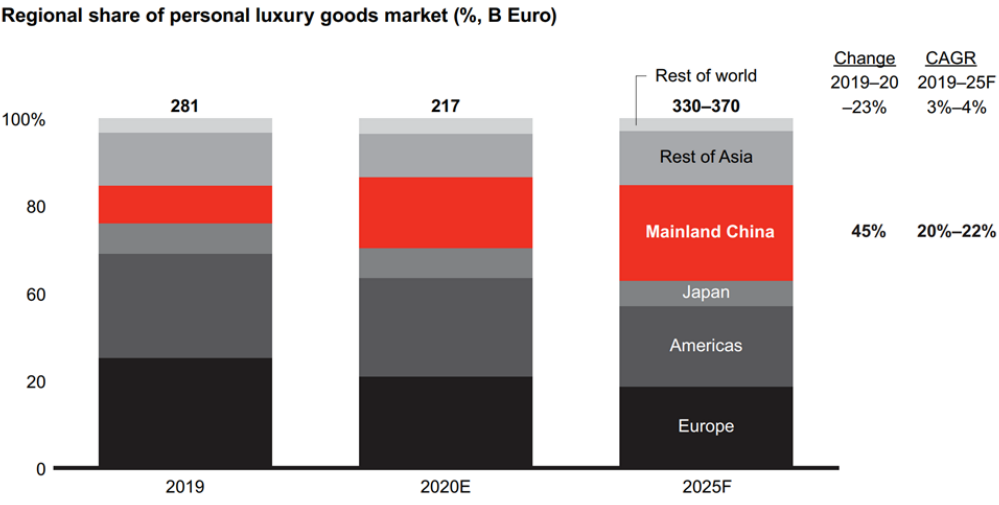
Source: McKinsey analysis based on information from Ministry of Transport, STR, WIND, airline monthly filings



# MARKET SITUATION

1. Chinese households upper-middle class is expected to grow by 68% between 2020 and 2030
2. Hainan Island remains a popular destination and duty-free sales in grew by 226% thru July 2021, with US\$1.5 billion spent during the five-day May holiday
3. Luxury market share nearly doubled, from 11% in 2019 to 20% in 2020, 30% by 2025 biggest market share
4. Low search volume vs. Bali and Maldives on Baidu Search Index
5. Within the US, California, Las Vegas and New York are competitive for first time visitor (aggressive marketing, air hub and student market)
6. Thailand, Japan and Spain and Dubai were the most active on social posting during the pandemic

**Figure 2:** Mainland China's share of the world luxury goods market nearly doubled in 2020, putting it on a path to become the biggest market by 2025



Notes: Mainland China 2019-20 growth rate 45% is in current exchange rate  
Sources: Bain-Altgamma 2020 Worldwide Luxury Market Monitor; Bain analysis





# TARGET AUDIENCE


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# TARGET AUDIENCE

MILLENNIUM  
80S/90S (320M)



夏威夷超酷超美跳伞攻略  
旅行必体验的项目 夏威夷跳伞攻略来啦  
小伙伴们去夏威夷玩耍，那一定要去跳一次伞，不仅是因为夏威夷海岛的风景真的太美，也是因为夏威夷跳伞是全球！最！低！价！敲黑板，真的比其他任何一个地方都要便宜，真的不要太大划算！  
被马克·吐温称为“大洋中最美的岛屿”的夏威夷，是旅游的天堂，夏威夷跳伞被称为世界最美的跳伞之一，特别是夏威夷欧胡岛的Drop Zone更是被誉为World most beautiful DZ（世界上最美的空余地）。  
夏威夷跳伞目前只能在欧胡岛，（也就是夏威夷的首府檀香山）欧胡岛的跳伞公司目前有两家，分别为SKYDIVE HAWAII和PACIFIC SKYDIVING，其中Pacific skydiving有21000英尺的高空跳伞，这是不带伞可以允许的最高跳伞高度。



少女心之地的夏威夷粉色酒店推荐 皇家夏威夷酒店  
“The pink palace of the Pacific”  
酒店真的到处都是粉红色，很多ins博主都来打卡过，普通房型都是圆景，粉色背景墙，房间设施有些老旧，但是有90多年历史的酒店了。强烈推荐塔楼套房，阳台景色真的太美了。携程价格3500左右，酒店每天还有30美金左右的resort fee。

FAMILY  
70-90S (200M)



夏威夷 YESIDO 工作室  
夏威夷  
熊拍婚纱照 旅拍

夏威夷 say "Yes, I do" in Hawai'i  
很多情侣选择来夏威夷度蜜月，抽出一两天的时间拍摄婚纱照。  
图中的 YES IDO 车牌是夏威夷注册有效的汽车牌照！



起不来睡了，来聊聊一拖二夏威夷亲子游吧！  
去年感恩节在夏威夷过的，老大就念着想回来夏威夷，索性就决定圣诞节来夏威夷过了，我一个人带两个，老大女儿6岁，老二儿子22个月，可想有多难搞了吗.....  
因为是带孩子出来旅游，所以主题主要以孩子为准，我们在8天在夏威夷，我定了4天在迪士尼主题酒店，后四天在

ELITE  
US\$1-5M (2.3M)



夏威夷 购物 爱马仕篮子18奶昔白金扣！降价的克雅宝  
夏威夷逛什么  
Honolulu有两个大型购物地，Waikiki和Aiea Moana  
我住在Waikiki的Royal Hawaiian真的是宇宙中心！楼下就是Royal Hawaiian center，各种名牌店！



夏威夷欧胡岛保姆级攻略 第一次去夏威夷怎么玩  
欧胡岛是夏威夷所有岛屿中最繁华最有青春气息的一个，因为火奴鲁鲁也是从中国来夏威夷的必到之地，第一次来夏威夷的盆友一定要收好这篇。  
玩  
威基基海滩

1. Mindful traveler

2. High desirability

3. Disposable Income

4. US Visa Issuance

5. Tier 1 cities

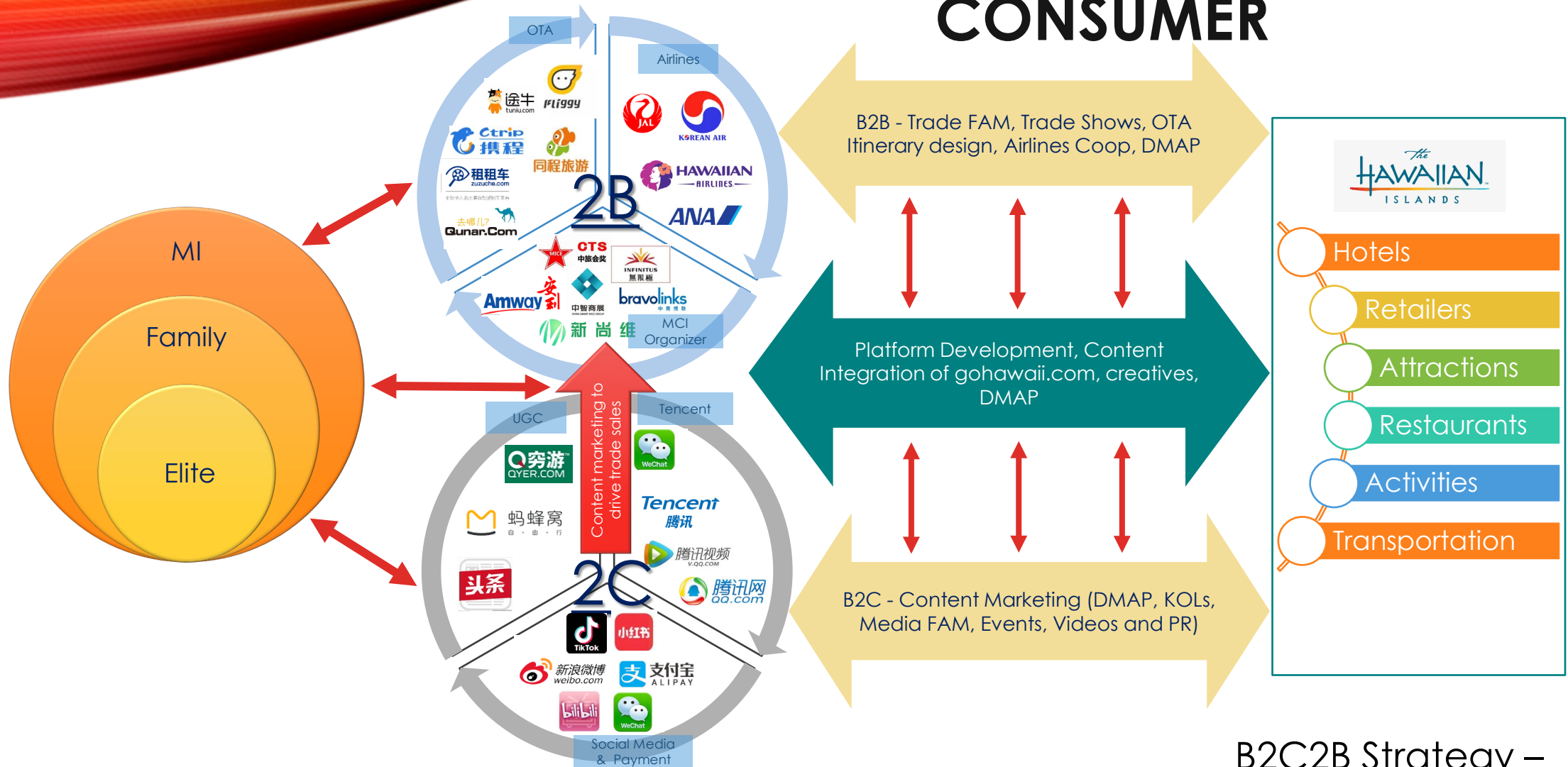


# 2022 STRATEGY

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# CONSUMER



B2C2B Strategy – content marketing to drive conversion



# KEY CAMPAIGNS/PROGRAMS

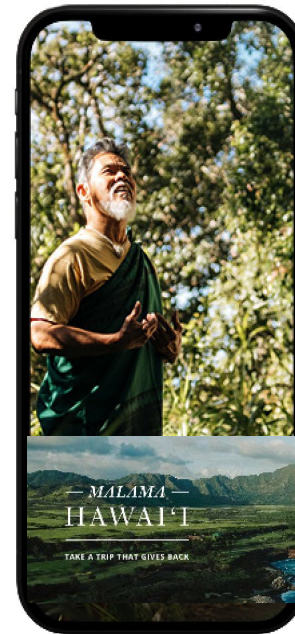
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# KEY CAMPAIGNS/PROGRAMS

TARGET	TARGET	TARGET
MI Post-85/90s youth	FAMILY Multi generation family	ELITE Customized affluent travelers
OBJECTIVE	OBJECTIVE	OBJECTIVE
Exploration & Adventures	Joyful Times	Unique Immersive Experience
COMPONENT	COMPONENT	COMPONENT
1. KOL Journey Shots Selection #NEXT网红地, the choice is yours# #Mālama Hawai'i 关爱夏威夷# (Target Market Campaign – MI) (Oct)	1. 'Ohana foodie travel guide campaign #带全家吃遍夏威夷 eat like a local# #Mālama Hawai'i 关爱夏威夷# (April)	1. Celebrity platform #Come with Celebrity 's Journey# #Mālama Hawai'i 关爱夏威夷# (Target Market Campaign – Affluent Market) (April)
2. Vlog segment #WeChat/Douyin/Red Hawai'i youth force vlog# #Mālama Hawai'i 关爱夏威夷# (Monthly)	2. KOL #travelogue matrix 夏游记# #Mālama Hawai'i 关爱夏威夷# (Oct)	2.Partnership with high-end platforms Ctrip HH travel collections features #Hawai'i TOP10 Inspirational Journeys# #Mālama Hawai'i 关爱夏威夷# (April & Oct)
3. Limited period challenge Explore Hawaiian islands in 10 days #Mālama Hawai'i 关爱夏威夷# (Oct)	3. Immersive offline consumer event – Hawai'i marketplace #Mālama Hawai'i 关爱夏威夷# (May & Oct)	
BUDGET & OUTCOME	BUDGET & OUTCOME	BUDGET & OUTCOME
\$271,900, drive awareness, curiosity and demand to explore #Mālama Hawai'i#, mindful and high spend travelers	\$274,300, drive awareness, curiosity and demand to explore #Mālama Hawai'i#, mindful and high spend travelers	\$259,700, drive awareness, curiosity and demand to explore #Mālama Hawai'i#, mindful and high spend travelers

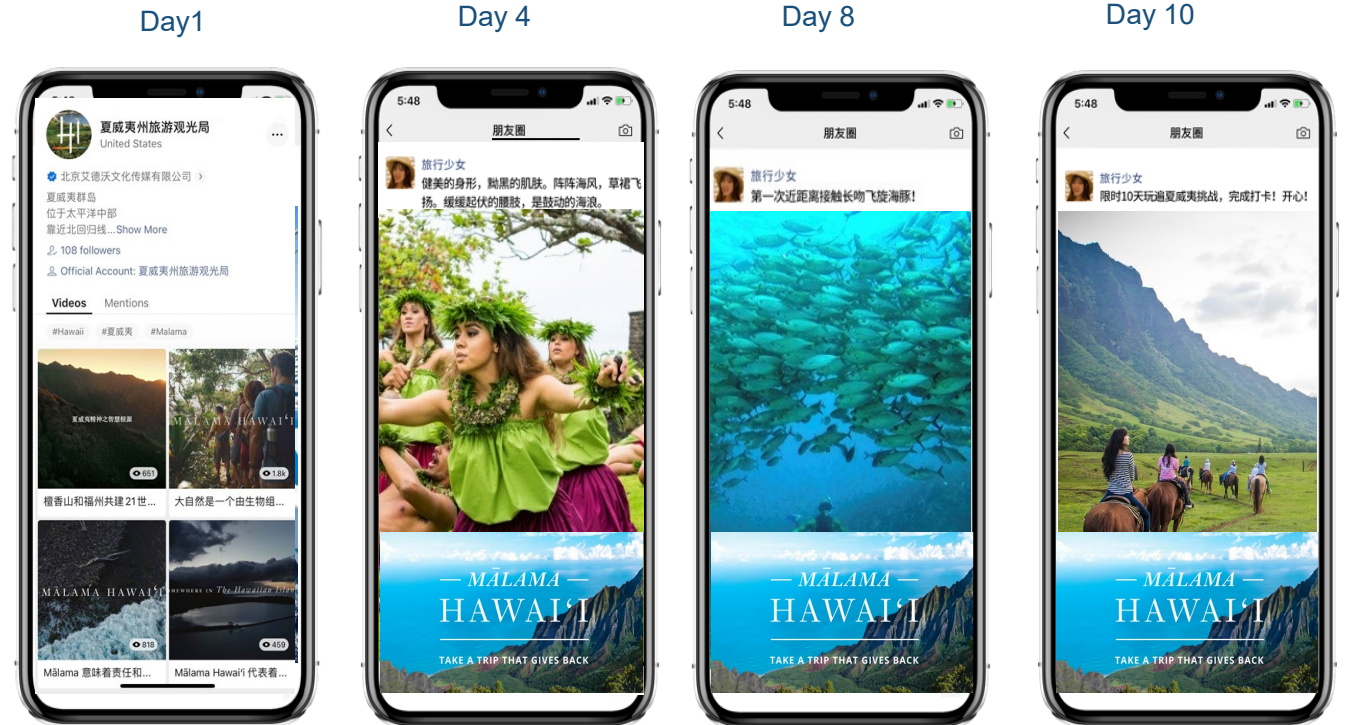
# KEY CAMPAIGNS/PROGRAMS

- 微信视频号X抖音
- #夏威夷年轻力Vlog#
- WeChat X Douyin X RED
- #Hawai'i youth force vlog # #Mālama Hawai'i 关爱夏威夷#
- Target: MI Market
- Timing: Ongoing
- Outcome: drive awareness, curiosity and demand to explore Mālama Hawai'i, mindful and high spender travelers



# KEY CAMPAIGNS/PROGRAMS

- 限时挑战 10天穿越夏威夷 Time-limited challenge 10 days to travel in Hawai'i
- #Mālama Hawai'i 关爱夏威夷#
- Target: MI Market
- Timeline: Oct
- Outcome: drive awareness, curiosity and demand to explore Mālama Hawai'i, mindful and high spender travelers



# KEY CAMPAIGNS/PROGRAMS

- ‘Ohana foodie travel guide #带全家吃遍夏威夷 Eat like a local#
- #Mālama Hawai‘i 关爱夏威夷#
- Target: Family Market
- Timeline: April
- Outcome: drive awareness, curiosity and demand to explore Mālama Hawai‘i, mindful and high spender travelers



# KEY CAMPAIGNS/PROGRAMS

- Celebrity platform 名人站台 # Join Zheng Jun's Journey#和郑钧一起夏威夷旅行
- Chinese rock singer-songwriter and A-list celebrity
- #Mālama Hawai'i 关爱夏威夷#
- Target: Ellet Market
- Timeline: April
- Outcome: drive awareness, curiosity and demand to explore Mālama Hawai'i, mindful and high spender travelers





# BUDGET

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# BUDGET

Budget Category	Annual Budget	%
Consumer Direct	603,600	34%
Public Relations	325,400	18%
Travel Trade	445,000	25%
Research	30,000	2%
Admin	396,000	22%
Total	1,800,000	100%



# PERFORMANCE MEASURES

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# PERFORMANCE MEASURES

<b>Consumer Paid Media Measures</b>	
Digital Reach	4.0%
Digital Impressions	16,000,000
<b>Travel Trade Paid Media Measures</b>	
Digital Reach	8.0%
Digital Impressions	1,000,000
<b>Public Relations Measures</b>	
No. of Media/PR Calls	160
No. of Press Releases Issued	6
Digital Publicity Value - Paid	\$5,000,000
Digital Impressions - Paid	110,000,000
Digital Publicity Value - Earned	\$1,000,000
Digital Impressions - Earned	20,000,000
No. of Group Media FAMs	5
No of Articles Generated from Group Media FAMs	16
No. of Individual Press Trips	6
No of Articles Generated from Individual Press Trips	6
<b>Travel Trade</b>	
No. of Meetings with Travel Trade Partners	100
No. of Travel Trade Partners Met With	100
No. of Trade Shows	3
Trade Show Attendance	110,000
No. of Trade Show Appointments	45
No. of Travel Trade FAMs	2
No. of Travel Trade FAM Participants	20
No. of Trade Education Sessions	8
No. of Trade Education Participants	200
No. of Agents Completed Training Program	160

<b>Social Media Metrics</b>	
<b>WEIBO</b>	
Total Impressions Gained	12,480,000
Total Interactions Gained	3,120
Total Fan Count	280,000
Increase in Fans	40,000
Total Posts	52
<b>WECHAT OFFICIAL ACCOUNT</b>	
Total Impressions Gained	1,560,000
Total Interactions Gained	36,400
Total Fan Count	35,000
Increase in Fans	5,000
Total Posts	52
<b>WECHAT VIDEO CHANNEL</b>	
Total Impressions Gained	520,000
Total Interactions Gained	52,000
Total Fan Count	10,000
Increase in Fans	10,000
Total Posts	52
<b>WECHAT MP (B2B/B2C)</b>	
Real-time Page Views	15,000
Average Time Spent (minutes)	25,000
Total Users	5,000
Increase in Users	5,000

<b>DOUYIN</b>	
Total Impressions Gained	260,000
Total Interactions Gained	10,400
Total Fan Count	5,000
Increase in Fans	5,000
Total Posts	52
<b>XIAOHONGSHU</b>	
Total Impressions Gained	260,000
Total Interactions Gained	10,400
Total Fan Count	3,000
Increase in Fans	3,000
Total Posts	52
<b>TRIP.COM</b>	
Total Impressions Gained	272,000
Total Interactions Gained	10,400
Total Fan Count	3,000
Increase in Fans	3,000
Total Posts	32
<b>MAFENGWO</b>	
Total Impressions Gained	272,000
Total Interactions Gained	10,400
Total Fan Count	3,000
Increase in Fans	5,000
Total Posts	52
<b>DIANPING</b>	
Total Impressions Gained	260,000
Total Interactions Gained	10,400
Total Fan Count	3,000
Increase in Fans	3,000
Total Posts	52
<b>DMAP Measures</b>	
No. of DMAP Action Items Supported	70
No. of Initiatives to Promote Hawai'i Made Products	13
No. of Hawai'i Festivals & Events Promoted	20
No. of Voluntourism Programs Promoted	31



MAHALO  
谢谢

## **7d**

Presentation, Discussion and/or Action on the  
**Hawai'i Tourism Oceania 2022 Brand  
Marketing & Management Plan (BMMP).**  
Recommendation to Approve the BMMP



# **2022 BMMP**

## **HTA BRANDING STANDING COMMITTEE MEETING 12.23.2021**

Darragh Walshe and Jennifer Gaskin  
Hawai'i Tourism Oceania



**E Ho‘omaka Hou Kākou!  
(Let us begin again!)**

# MARKET SITUATION

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# MARKET SITUATION

## General Economy

### Australia

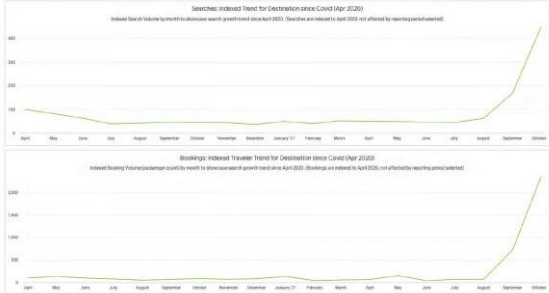
The pandemic recession in 2020 was milder in Australia than in most other OECD countries. Extended lockdowns and consumer and employer uncertainty have hit jobs and spending in 2021, but the IMF has upgraded its growth forecast for next year from 3 per cent to 4.1 per cent.

### New Zealand

New Zealand has been held up as one of the leading countries in their handling of the Covid pandemic. International travel and tourism has been the main industry to suffer from this approach. The rest of the economy has been able to operate well and economic growth forecast is predicted to reach 3.8% in 2022.

## General travel sentiment

### Hawaii Searches & Bookings have increased since the easing of border restriction announcements



Source: 1st Party Expedia Group Payments Search & Booking Data for Hawaii, All AUI OTA PDS Data Range: 8 Sept - 31 Oct 2021

## Covid Vaccinations



Australia



New Zealand

## Australia Market International Search Update

- Oahu is the top searched International Destination from Australian Travellers

Rank	Country
1	US Top Regions: Oahu, Hawaii NY Las Vegas LA Florida Maui, Hawaii
2	UK Top Cities: London Yorkshire Devon Edinburgh
3	Fiji
4	Indonesia
5	Italy
6	Thailand
7	France
8	New Zealand

# MARKET SITUATION

## Inbound and outbound travel/boarder restrictions

### Australia

Currently, Australian citizens and permanent residents are permitted to leave Australia and return with no hotel quarantine (except to a small number of countries) from the states of New South Wales and Victoria. Other state international borders remain closed but QLD is due to ease restrictions before the end of the year. As of 8 December, due to the Omicron variant, international travelers returning to NSW and VIC must take a Covid PCR test within 24 hours and take another PCR test on day 6.

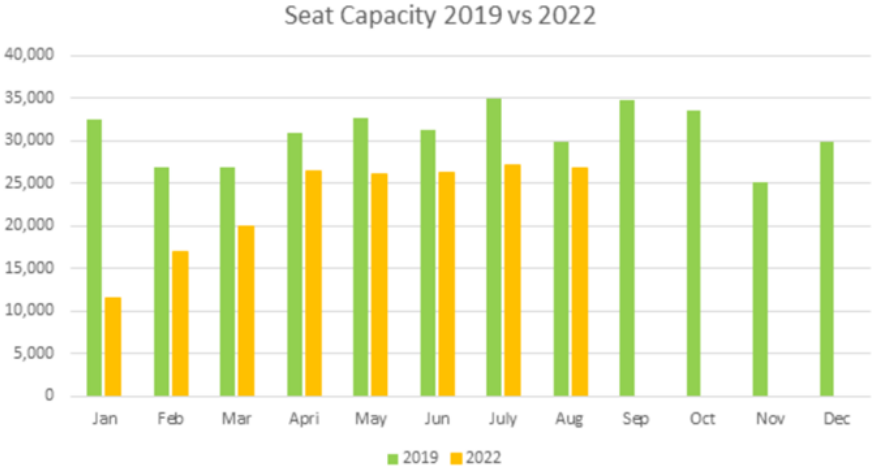
### New Zealand

New Zealand still has a mandatory 14-day hotel quarantine in place for international arrivals which has limited travel. This requirement is due to be lifted on February 14th 2022



# MARKET SITUATION

## Air seat synopsis



## Competitive landscape



## Say bula to Fiji! Virgin Australia brings forward international flight schedule



# TARGET AUDIENCE

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# TARGET AUDIENCE

## The Future Consumer

When considering travel, there will be renewed focus on aligning personal values to the travel experiences chosen and a new type of traveler will emerge. They value:

- Authenticity
- Enrichment
- Seek connection to a place through the local community, culture, and natural environment

## Key Segments



### Fun and Fit Families

- Parents with school-aged children.
- Parents will likely be high income working professionals
- Active outdoor lifestyle
- Looking for a safe and cost-effective holiday destination that provides relaxation, active soft adventure and cultural activities for everyone



### Curious Couples

- Older couples (50+) who are empty nesters or retirees.
- Travel in shoulder or low seasons
- While they want to experience new things and interact with local people, safety and ease of travel are the most important factors for this demographic.
- They may be repeat visitors or they could also be ticking places off their 'bucket list'.



### Mindful millennials (SINKS & DINKS)

- Couples or groups of friends
- Looking for an exciting and adventurous overseas destination
- Take part in fun new activities, experience a different culture and do their bit for the planet.
- Aged in their 30's these travelers are likely to be career driven and earning around \$80 - \$100 AUD per year.
- Likely to travel in shoulder seasons

# 2022 STRATEGY

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# STRATEGY

Core branding message



Breathtaking Landscapes



Natural Beauty



Authentic Culture



Regenerative Tourism



Connected by the Aloha Spirit

## Consumer Strategy

- Digital content
- Brand partnerships
- Social media
- Education through engaging content

## Trade Strategy

- Engagement
- Education
- The right partners
- Families & events

## PR Strategy

- Stories that focus on community, culture and the environment
- Broadcast opportunities
- Leverage relationships

# KEY CAMPAIGNS/PROGRAMS

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# KEY CAMPAIGNS/PROGRAMS

## Infinite Experiences

To showcase the diversity of experiences across the Hawaiian Islands we are sending a group of influencers on a multi-island bespoke famil packed with spontaneous adventures. Beautiful content will be streamed across influencers' and Hawai'i Tourism Oceania's highly engaged social channels. During their time on the islands, we will be passing the reins over to our social media community to choose how their adventure unfolds.

## Target audience

Fun and fit Families & Mindful Millennials

## Outcomes

Estimated digital reach: 4,000,000  
Collective influencer reach: 500,000  
Pieces of content: 200+

## Estimated budget

\$30,000

Influencer famil



Audience polls



Live streaming



# KEY CAMPAIGNS/PROGRAMS

## Video Content Partnership

Hawai'i stands out against other destinations because the heritage, culture and spirit of aloha epitomize what it means to live harmoniously with the land and ocean. To communicate this philosophy, the team will create a premium long form video that highlights Hawaiian ethos in a storytelling format that appeals to our key audience segments.

A documentary film will tap into themes of culture, sustainability, responsible tourism and connection to the land and ocean. It will be distributed and amplified via platforms and brands with aligned brand values and practices. The initiative has the potential to feature on-demand video streaming platforms or broadcast channels where the film would feel native to the channel. For example, such content platforms can be found on National Geographic or SBS channel.

We will also look into the possibility of the film being featured as part of the Ocean and/or Adventure film festivals in Oceania. We will partner with a mainstream brand with established sustainability credentials to leverage external digital and PR channels to a new audience. Potential partners include National Geographic who we partnered successfully on the Eco-Traveller series and Sea Cleaners initiative.

## Approximate budget

\$40,000



# KEY CAMPAIGNS/PROGRAMS

## 'Sea Cleaners' Initiative

Following the successful 2019 Sea Cleaners initiative that expanded the youth ambassador partnership to include three Pacific Rim countries (NZ, Australia and Japan) HTO looks forward to partnering HTA on an even more expanded initiative. One that welcomes all the Pacific Rim GMT's to be part of the special connection we all have via the currents, tides and the footsteps of the original voyagers.

## Target audience

Mindful Millennials

## Objectives

- Show how tourism can make a positive change to the environment and local community
- Help make generational change to our environment by educating and inspiring youth ambassadors from around the Pacific Rim
- Showcase Hawai'i regenerative tourism programs and partners

## Timeline

Sep 17<sup>th</sup> 2022 (International Coastal Cleanup Day)

## Outcomes

Estimated digital reach: 4,000,000

## Budget

\$40,000



# KEY CAMPAIGNS/PROGRAMS

## Aloha Down Under

Multi-city roadshow incorporating product and destination training. While aiming at product/ conversion, it will overlay key brand messaging and incorporate cultural practitioners and entertainment.

## Target Audience

Travel agents and trade partners

## Objectives

- Increase brand awareness with travel trade
- Ensure travel agents have the most up to date information to advise tier clients
- Assist Hawai'i trade partners in building relationships with Australian and New Zealand travel agents and key trade partners

## Timeline

August 2022

## Budget

\$50,000



# KEY CAMPAIGNS/PROGRAMS

## Luxury Escapes Partnership

Luxury Escapes is the fastest growing travel company in Oceania. Their booking model has allowed them to remain strong throughout the pandemic. They have delivered very positive results for partners in the past and have a consumer base aligned with our target audience. We will partner with Luxury Escapes on their TV show and a destination spotlight campaign in 2022.

## Target Audience

Curious Couples, Fun & Fit Families

## Objectives

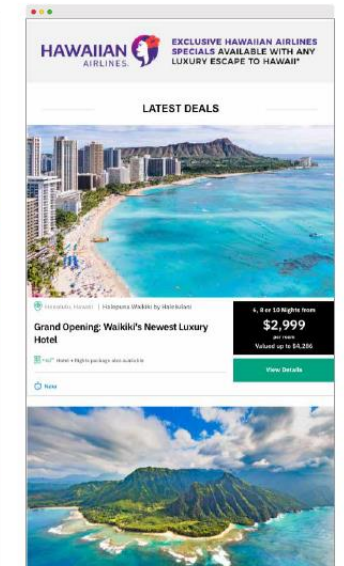
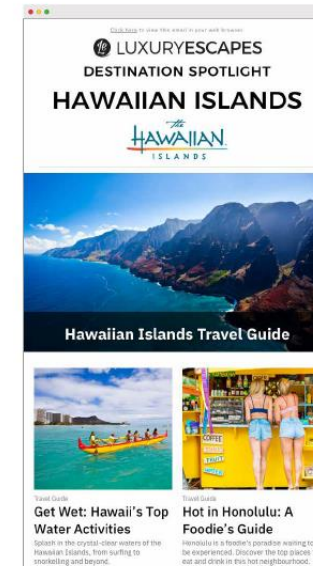
- Increase awareness of key messages through TV and digital content
- Promote key partners and activities
- Drive increased room nights within target demographic

## Timeline

Q3 2022

## Budget

\$110,000



# BUDGET

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[Insert Hawaii Tourism  
Market Logo here]

# BUDGET

Budget Category	Annual Budget	%
Consumer Direct	\$661,800	35%
Public Relations	\$188,726	10%
Travel Trade	\$631,464	33%
Research	\$0 (YouGov via DBEDT)	0%
Admin	\$418,101	22%
<b>Total</b>	<b>\$1,900,000</b>	

# PERFORMANCE MEASURES

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# PERFORMANCE MEASURES

	Annual Target
Consumer Paid Media - Digital Impressions	4,000,000
Travel Trade Paid Media - Digital Reach	400,000
No. of Media/PR Calls	60
No. of Press Releases Issued	12
Digital Publicity Value - Paid	\$1,000,000
Digital Impressions - Paid	12,000,000
Print Publicity Value - Earned	\$6,000,000
Digital Publicity Value - Earned	\$10,000,000
Broadcast Publicity Value - Earned	\$5,000,000
Print Impressions - Earned	20,000,000
Digital Impressions - Earned	50,000,000
Broadcast Impressions - Earned	3,000,000
No. of Group Media FAMs	3
No of Articles Generated from Group Media FAMs	15
No. of Individual Press Trips	12
No of Articles Generated from Individual Press Trips	20
Consumer Shows - No. of Shows	3
Show Attendance	9,000

<b>TRAVEL TRADE</b>	Trade Show Attendance	600
	No. of Trade Show Appointments	60
	No. of Travel Trade FAMs	4
	No. of Travel Trade FAM Participants	32
	No. of Trade Education Sessions	12
	No. of Trade Education Participants	120
	No. of Agents Completed Training Program	200
<b>SOCIAL MEDIA –FACEBOOK</b>	Total Impressions Gained	3,000,000
	Total Interactions Gained	300,000
	Total Fan Count	130,000
	Increase in Fans	7,000
	Total Posts	240
<b>SOCIAL MEDIA –INSTAGRAM</b>	Total Impressions Gained	1,000,000
	Total Interactions Gained	100,000
	Total Fan Count	33,000
	Increase in Fans	4,000
	Total Posts	240
<b>DMAP MEASURES</b>		
	No. of DMAP Action Items Supported	12
	No. of Initiatives to Promote Hawai'i Made Products	12
	No. of Hawai'i Festivals & Events Promoted	24
	No. of Voluntourism Programs Promoted	12



# MAHALO

Darragh Walshe and Jennifer Gaskin  
Hawai'i Tourism Oceania

## **7e**

Presentation, Discussion and/or Action on the  
**Hawai'i Tourism Korea 2022 Brand Marketing  
& Management Plan (BMMP)**. Recommendation  
to Approve the BMMP

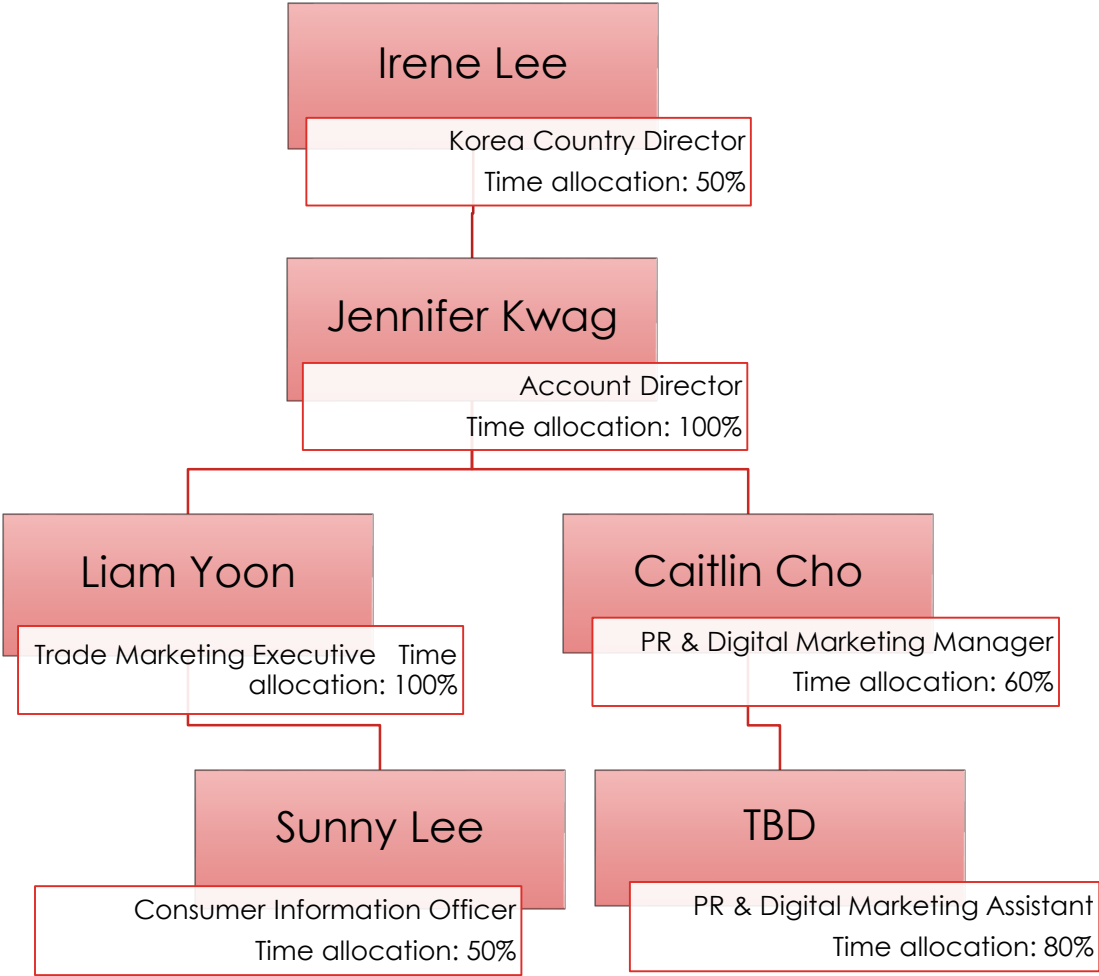


# **2022 BMMP**

## **HTA BOARD MEETING 12.23.2021**

Irene Lee  
Korea Country Director

# HTK TEAM



Total 4.4 full time equivalent

# MARKET SITUATION

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# MARKET SITUATION

## General economy

- 2021 & 2022 economic growth projections: 3.8% & 3.0%
- Korea's exports increased 32.1 % year-on-year to USD 60.4 billion, marking the highest growth in history

## COVID-19 situation

- Vaccination rate for Koreans is 81.4% of the total population (as of Dec 15)
- With the easing of social distancing in November, reservations for overseas travel spiked
- Travel sentiment fluctuates due to the appearance of Omicron and 10- day quarantine
- From Dec. 3 to Jan. 6, Korea requires 10-day self-quarantine for those arriving from abroad regardless of nationality and vaccination status
- Conducting nationwide campaign to encourage booster shots and shortened the period between shots from 6 months to 3 months.
- Applying Vaccine Passes to most public indoor facilities including restaurants, cafés, theaters, sports stadiums, museums, libraries, etc. to reinforce the dike against COVID-19.



# MARKET SITUATION

## Airlift

- Projected total air seats for 2022: 217,305

	Dec 2021	Jan 2022	Apr 2022	Seats (Aircraft)
Hawaiian Airlines (HA460)	3 flights/w	4 flights /w (Jan 22~)	4 flights/w	278 seats (A330)
Korean Air (KE053)	3 flights /w	5 flights /w (Jan 3~)	Daily	~Dec 11: 218 seats (A330-200) Dec 12~26: 369 seats (74HI) Jan 3~: 368 seats (B747)
Asiana Airlines (OZ232)			3 flights/w	300 seats (B777-200)

## Competitive landscape

- Overseas golf travel to surge – Thailand, Vietnam
- Preferred domestic or nearby beach destinations – Jeju, Guam, Saipan
- Australia easing border restrictions from December 15
- Quarantine exempted for Travel Bubble countries – Singapore, Saipan

# TARGET AUDIENCE

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# TARGET AUDIENCE

- Hawai'i Tourism Korea will target high value mindful visitors who are likely to travel abroad for leisure within the next 12 months
- Key geographic Area: Seoul and Busan

## High-Value Mindful Travelers

### Millennial-minded

20s~50s

independent, followers of special interests, adventurers keen to try various activities and new experiences

### Mainstreamer

40s~60s

conventional, favoring well-known brands, family travel, safety first, shoppers, monthly household income more than \$6,000

### Outdoor goer

20s~50s

sports enthusiasts, enjoy surfing, snorkeling, hiking, or golf, nature lovers, monthly household income more than \$6,000

### Sweetheart

20s~40s

honeymooners, delayed honeymooners, couples, anniversaries, romance, high-spending

### Sustainability seeker

20s~50s

global citizens, interested in social impact, fair trade, environmental protection, vegetarian, zero waste, green

# 2022 STRATEGY

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# STRATEGY

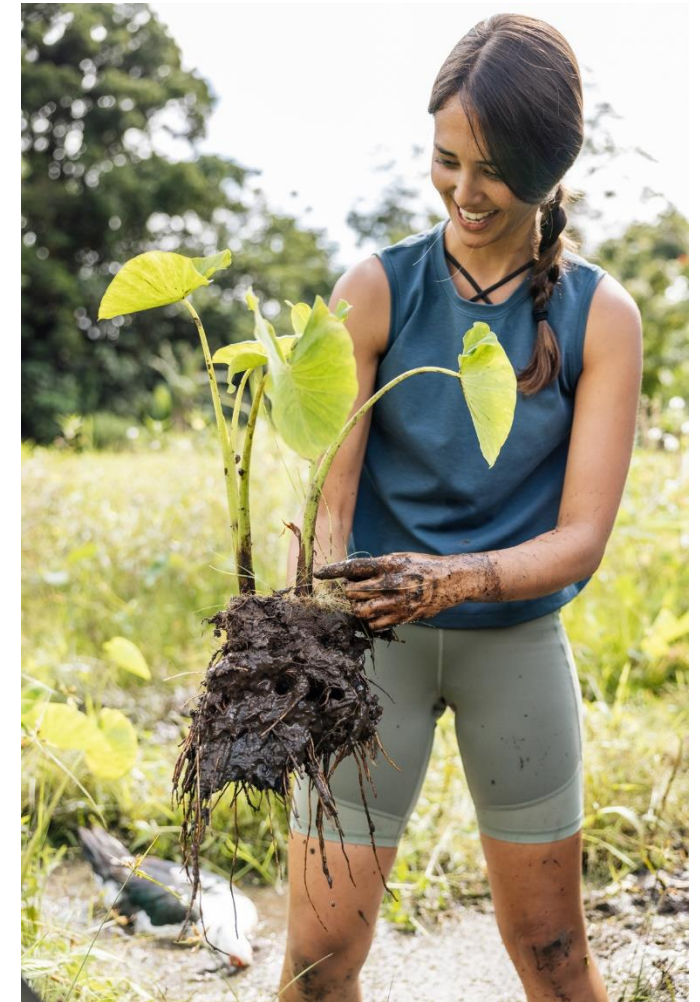
- **Build Mālama Hawai'i brand awareness** through integrated consumer, PR, Media, influencers, and travel trade programs
- **Partner with high-profile sustainable consumer brands to engage with environmentally conscious consumers**
- **Develop Mālama Hawai'i contents** in sync with Hawai'i's regenerative tourism and Korea's green growth initiatives
- **Educate travel agents** by collaborating with NaHHA and other partners to provide training and first hand experiences of Mālama Hawai'i
- Target repeat visitors, outdoor leisure travelers (especially golf) and honeymooners to **increase per visitor daily spending**

# KEY CAMPAIGNS/PROGRAMS

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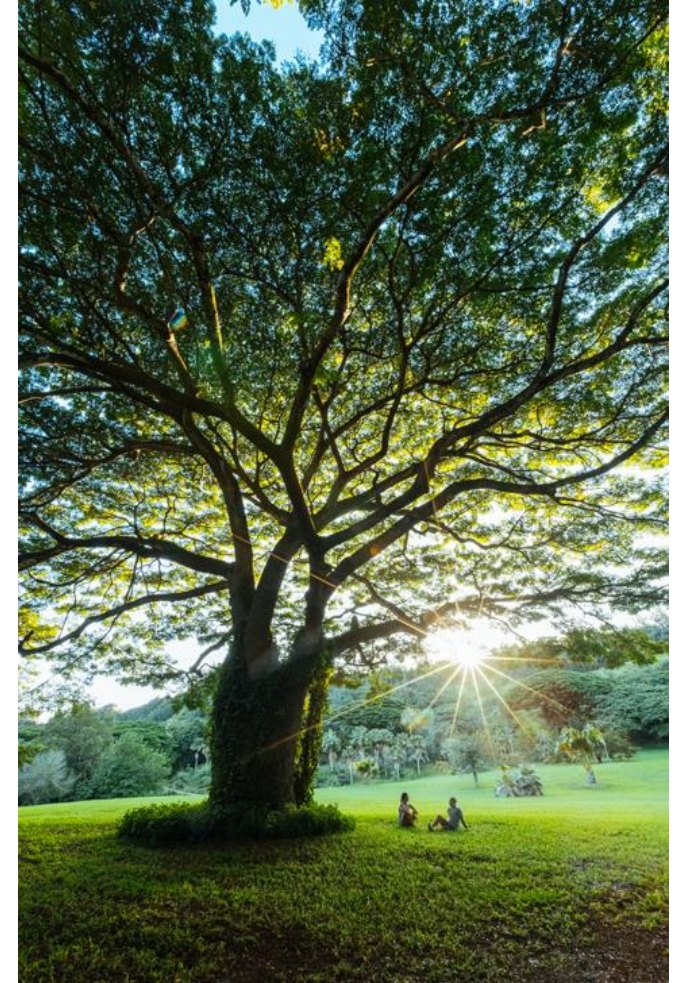
# MĀLAMA HAWAI'I CAMPAIGN

- **Timeline:** Jan – Apr, 2022
- **Components**
  - ✓ PR
    - ✓ celebrity magazine photo shoot
    - ✓ In-depth Mālama Hawai'i content
    - ✓ Gohawaii KR website dedicated to Mālama Hawai'i (tentative)
    - ✓ Social buzz on sustainable brands' owned social channels
  - ✓ Trade
    - ✓ Collaboration with airlines and travel agencies to deliver Mālama Hawai'i message
    - ✓ Key travel agencies to develop sustainable travel options for their customers
    - ✓ Educational seminars for travel agents
- **Projected outcome:**
  - ✓ Social Media Value of \$300,000 from social media posts and engagement
  - ✓ PR Value of \$100,000 from print/digital media coverage
  - ✓ Tour products developed that incorporate Hawaiian cultural elements or sustainable options
- **Budget:** \$150,000



# KULEANA CAMPAIGN

- **Timeline:** Apr – Sep, 2022
- **Components**
  - ✓ PR
    - ✓ Kuleana campaign video social marketing
    - ✓ “Travel to Hawai‘i with Kuleana” offline event inviting media and consumers
    - ✓ Promotion item production with Hawai‘i’s local brands (DMAP)
  - ✓ Trade
    - ✓ Partner with hotel platforms or airlines to send emails containing responsible travel tips to customers who have booked Hawai‘i
    - ✓ Social consumer promotion in partnership with travel agencies
- **Projected outcome:**
  - ✓ Offline consumer reach, social media engagement value of \$250,000
  - ✓ PR Value of \$60,000 from print/digital/social media coverage and engagement
  - ✓ More Hawai‘i visitors will understand Mālama Hawai‘i and engage in give-back activities.
- **Budget:** \$90,000





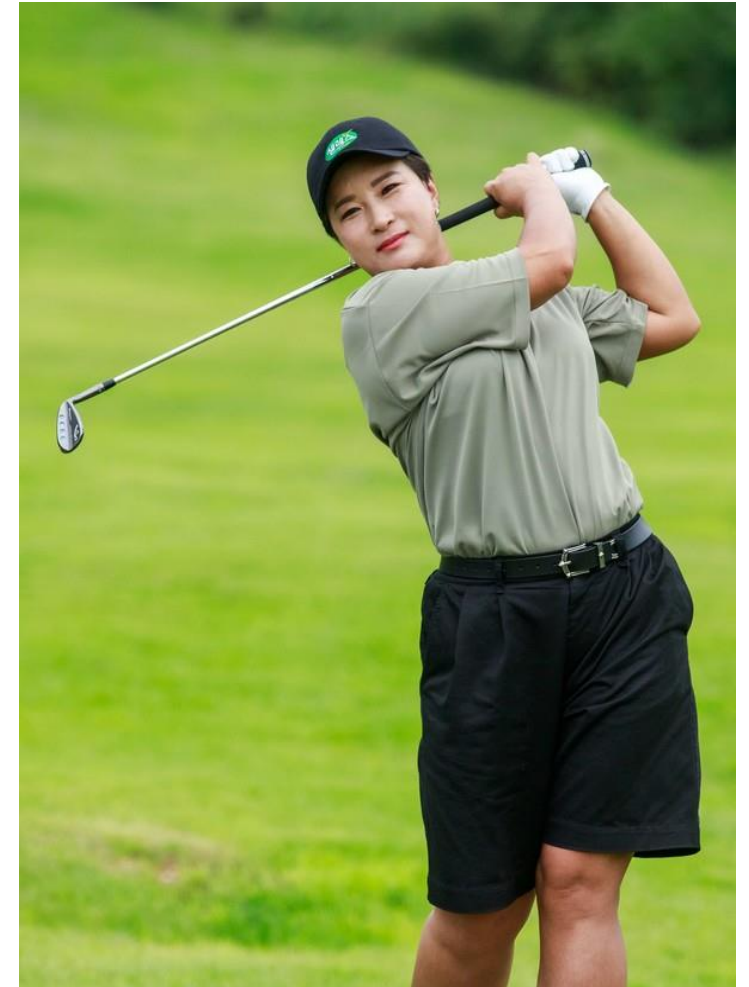
# MADE IN HAWAI'I CAMPAIGN

- **Timeline:** May – Jul, 2022
- **Components**
  - ✓ PR
    - ✓ Brand co-op promotion with major retail corporate
    - ✓ On/offline consumer promotion & consumer event with popular chef
    - ✓ Influencer campaign to drive social buzz
  - ✓ Trade
    - ✓ Co-op with airlines and travel agencies
    - ✓ Trade FAM tour featuring made in Hawai'i products
- **Projected outcome:**
  - ✓ Offline consumer reach, social media engagement value of \$200,000 and minimum 3K increase in HTK IG followers
  - ✓ PR Value of \$60,000 from print/digital/social media coverage and engagement
  - ✓ Increased awareness of Hawai'i-made products among Koreans
- **Budget:** \$62,500



# TV FILMING/CELEBRITY PROGRAM

- **Timeline:** Aug – Nov, 2022
- **Components**
  - ✓ Consumer/PR
    - ✓ TV filming with top rated sports entertainment show
    - ✓ Press release and editorial placement
    - ✓ Social media marketing brand co-op with outdoor brand
    - ✓ Include neighbor Island features and offerings
  - ✓ Trade
    - ✓ Develop a related tour product with travel agent partner
- **Projected outcome:**
  - ✓ TV/mobile views, digital impressions, print/digital/social media value of minimum \$5M
  - ✓ Special interest tour product developed for sports enthusiasts
- **Budget:** \$220,000



# BUDGET

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# BUDGET

Budget Category	Annual Budget	%
Consumer Direct	\$260,000	19%
Public Relations	\$323,040	23%
Travel Trade	\$447,000	32%
Research	\$68,000	5%
Admin	\$301,960	21%
Total	\$1,400,000	100%

# PERFORMANCE MEASURES

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# PERFORMANCE MEASURES

Measures	2022 Annual Target	Measures	2022 Annual Target
<b>Consumer Paid Media Measures</b>		<b>Travel Trade</b>	
TV Reach	10%	No. of Trade Shows(2Roadshow, 1Trade Mission)	3
Digital Reach	2,000,000	No. of Travel Trade FAMs	4
TV Impressions	20,000,000	No. of Trade Education Sessions	4
Digital Impressions	3,000,000	No. of Trade Education Participants	100
<b>Public Relations Measures</b>		No. of Agents Completed Training Program	40
No. of Media/PR Calls	100	<b>Social Media Metrics</b>	
No. of Press Releases Issued	12	FACEBOOK	
Print Publicity Value - Paid	\$600,000	Total Impressions Gained	150,000
Digital Publicity Value - Paid	\$2,000,000	Total Fan Count	20,000
Broadcast Publicity Value - Paid	\$5,000,000	INSTAGRAM	
Print Impressions - Paid	4,800,000	Total Impressions Gained	200,000
Digital Impressions - Paid	20,000,000	Total Fan Count	25,000
Broadcast Impressions - Paid	50,000,000	YOUTUBE	
Print Publicity Value - Earned	\$300,000	Total Impressions Gained	500,000
Digital Publicity Value - Earned	\$1,000,000	Total Fan Count	1000
Broadcast Publicity Value - Earned		<b>Consumer Shows</b>	
Print Impressions - Earned	2,400,000	No. of Shows	1
Digital Impressions - Earned	10,000,000	Show Attendance	500
No. of Group Media FAMs	2	<b>DMAP Measures</b>	
No of Articles Generated from Group Media FAMs	12	No. of DMAP Action Items Supported	80
No. of Individual Press Trips	4	No. of Initiatives to Promote Hawai'i Made Products	8
No of Articles Generated from Individual Press Trips	4	No. of Hawai'i Festivals & Events Promoted	50
		No. of Voluntourism Programs Promoted	10



**MAHALO!**

**감사합니다!**

## **7f**

Presentation, Discussion and/or Action on the  
**Hawai'i Tourism Japan 2022 Brand Marketing  
& Management Plan (BMMP)**. Recommendation  
to Approve the BMMP





HAWAII TOURISM

JAPAN

**2022 BMMP**

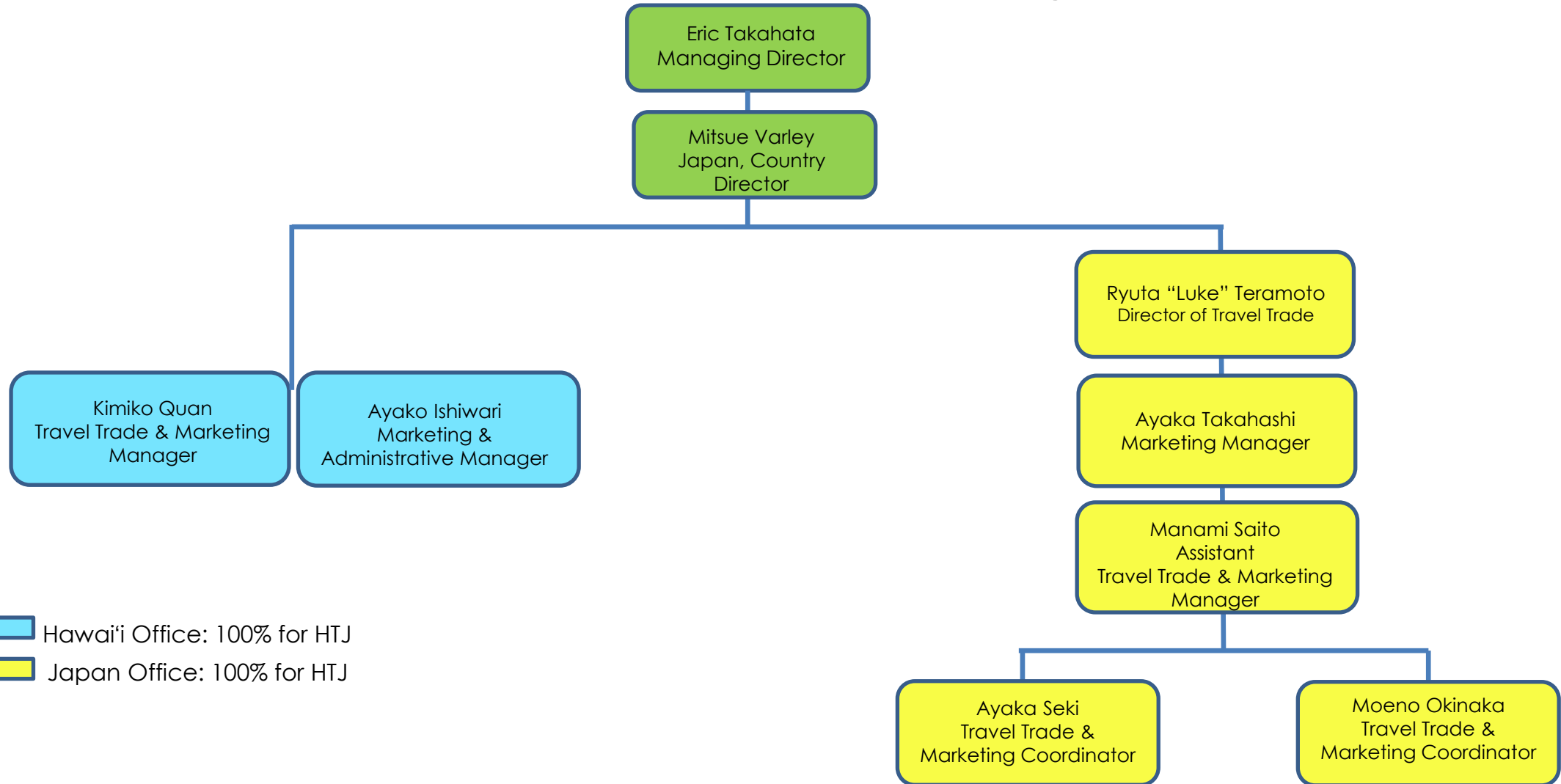
**HTA BOARD MEETING**

**12.23.2021**

Eric Takahata

Managing Director

# HTJ TEAM



 Hawai'i Office: 100% for HTJ

 Japan Office: 100% for HTJ



# MARKET SITUATION

# MARKET SITUATION

**Omicron variant:** Japan to suspend entry of overseas travelers due to Omicron variant, quarantine restriction back to 14 days\*

*\*Up to 12/2, was heading in positive direction*

## **Japan travel industry optimistic for spring recovery**

- Japan's vaccination rate 77.4% (completed, as of 12/5), the government sees more booster shot demand from Japanese nationals
- Government plans to revive domestic and international travel in the new year
- ANA, JAL, HA and ZIPAIR continue to invest in Hawai'i as a top priority destination (JAL: 7 flights per week starting Feb 2022)

	December 2021	January 2022	February 2022
Total Flights	81	64	36
Total Air Seats	20,016	15,868	7,060

# MARKET SITUATION

~Competing destinations~



Guam



Thailand



Singapore



Europe



Canada



Australia



# MARKET SITUATION

~Competing destinations~



Guam



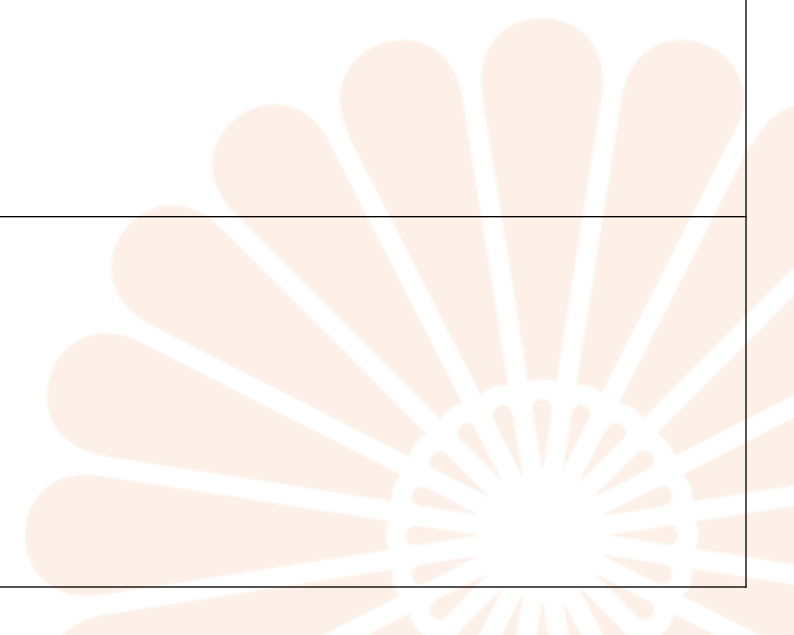
x



Thailand



Singapore



A large, stylized graphic of an orange slice, rendered in shades of orange and light beige, occupies the upper left portion of the slide. The segments are clearly defined by white lines.

# TARGET AUDIENCE

# TARGET AUDIENCE





## Target Regions

Japan by Region	2019 Japan Visitors Arrivals	% Share by Area	Population	# of Passport Holders
Kanto	800,191	51.00%	42,995,000	11,680,090
Kinki	252,268	16.10%	22,541,000	5,326,649
Chubu	250,320	16.00%	21,460,000	4,211,497
Kyushu	82,609	5.30%	13,016,000	2,114,749
Tohoku	65,295	4.20%	8,983,000	974,116
Chugoku	52,534	3.40%	7,438,000	1,118,987
Hokkaido	31,310	2.00%	5,382,000	722,965
Shikoku	24,523	1.60%	3,845,000	498,131
Okinawa	8,779	0.60%	1,434,000	282,881
<b>TOTAL</b>	<b>1,567,829</b>	<b>-</b>	<b>127,094,000</b>	<b>26,930,065</b>

## Household income

- Single income over \$75,000
- Dual income over \$100,000

## Target visitor segments

-  Repeater, Hawai'i lovers, property owners, hula communities
-  New norm workers, entrepreneurs, investors, influencers in their 30s and 40s
-  Romance, wedding, honeymooners
-  Family





# 2022 STRATEGY

# RECOVERY

- Keeping the momentum and being flexible under current market conditions
- Mālama Hawai'i message distribution and efforts to increase booking pace
- Support Travel Industry with Co-op
- Continuation of focus industry education through Mālama Hawai'i initiatives

# STRATEGY

## CONSUMER

Position the Mālama Hawai'i initiative as the catalyst for change in our state's regenerative tourism approach

## PUBLIC RELATIONS

Launch "Mālama Hawai'i Media 100 Project" and Enhance media center website with Mālama Hawai'i content and latest updates, doubling media access

## TRAVEL TRADE

Focus on top 8 wholesalers and 5 OTAs, partner with 4 major airlines and educational outreach leveraging JATA partners



**JATA**

The logo for JATA, consisting of the word "JATA" in a bold, blue, sans-serif font, enclosed within a blue circular border that has a slight gap at the bottom.

**Wholesalers**

A collection of logos for travel wholesalers. The logos include: Knt (blue square with white text), HIS (blue stylized text), NTA (red and green curved lines above "NTA"), HANKYU TRAVEL (blue text with a white circle icon), JALPAK (black text with a red circle icon), JTB (red text), TOBU TOP TOURS (blue and red geometric shapes), and ANA X (blue text).

**OTAs**

A collection of logos for Online Travel Agencies (OTAs). The logos include: tabikobo (red and white circular icon), Reiva (pink circular icon), Rakuten (red text), AirTrip (blue text), and Expedia.co.jp (blue text with a globe icon).

**Major Airlines**

A collection of logos for major airlines. The logos include: HAWAIIAN AIRLINES (blue text with a woman's face icon), JAL (red circular icon with a white "J"), ANA (blue and white diagonal stripes), and ZIPAIR (green and blue text).

# BRANDING COLLABORATION

HTJ will develop event and digital promotions that reinforce the Mālama Hawai‘i messaging & CSR opportunities and expand consumer reach through collaborative campaigns with private companies and aligned audiences.



**KIRIN**

*Calbee*



**MORINAGA**

*SHISEIDO*



mastercard

*Asahi*

*Glico*



*Kanebo*  
FEEL YOUR BEAUTY



**SUNTORY**

**LOTTE**



*House*



**HILTON**  
GRAND VACATIONS



**TULLY'S COFFEE**

**meiji**



Eat Well, Live Well.

**AJINOMOTO.**

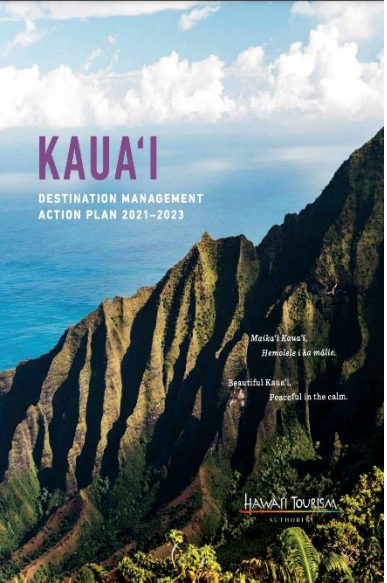
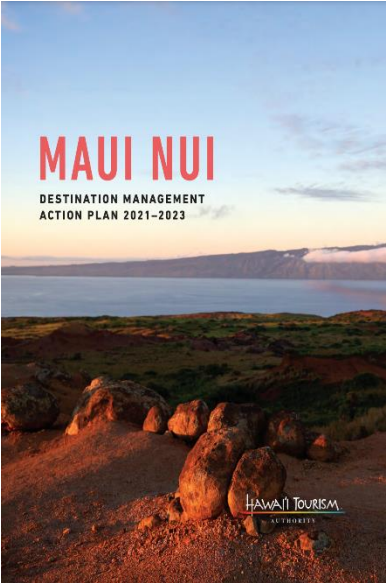
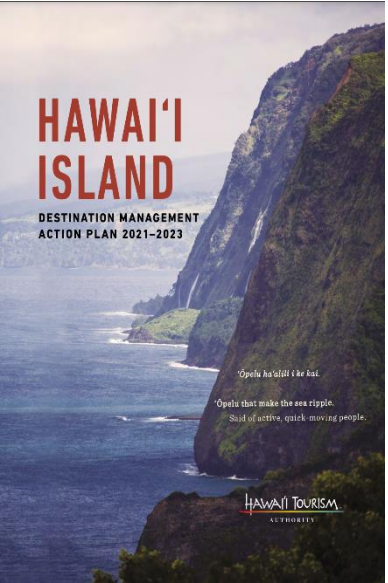
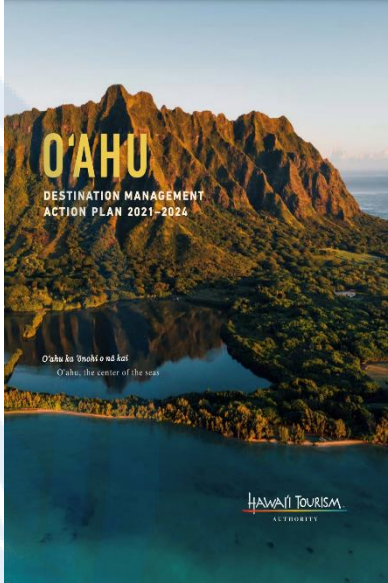


**KOSÉ**

# DMAP

## Destination Management and Regenerative Tourism

- Capitalize on growing SDG interest across Japan to raise awareness of Mālama Hawai‘i and the state’s Aloha+ Challenge initiatives
- HTJ to orchestrate coordination of its owned media, events, satellite offices and partners on branding initiatives and DMAP for each island



# KEY CAMPAIGNS/PROGRAMS

# MĀLAMA HAWAI'I CAMPAIGN

Budget: \$2,200,000

- Advertising campaign targeting major cities
- Collaboration with Gakken (i.e. Scholastic)
- Mālama Hawai'i Influencer campaigns including digital marketing

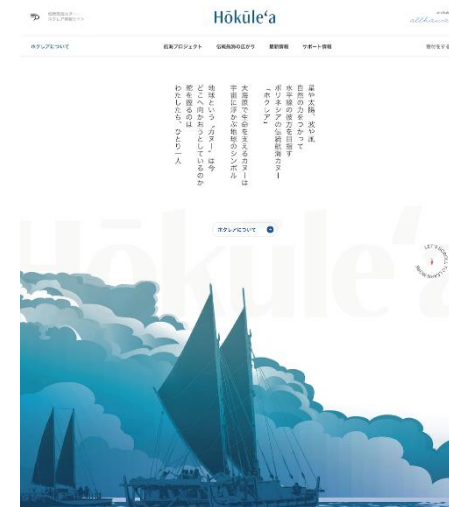


**Outcome:** Exposure, reach and brand positioning

# HÖKŪLE‘A PROJECT – SISTER CITY BLITZ

Budget: \$500,000

Support the Polynesian Voyaging Society’s initiative of actively inheriting the global environment and culture of each country through the screening of the documentary film, “Moananuiākea” in 10 sister cities across Japan



**Outcome:** Exposure, reach, brand positioning and # of educated participants



# CONSUMER EVENT MARKETING

## ~HAWAI'I EXPO & MADE IN HAWAI'I PROMOTION~

Budget: \$172,000

HTJ's signature Hawai'i EXPO to be amplified in 2022 with Hawai'i events in Japan that support B to B and B to C opportunities while promoting made in Hawai'i products



**Outcome:** Exposure, brand positioning, and # of Made in Hawai'i product feature



**ALOHA PROGRAM**

# ALOHA PROGRAM

Budget: \$991,000

HTJ's flagship Hawaiian culture educational platform with 63,000 members and 25,000 Hawai'i specialists serving as ambassadors of Hawai'i's regenerative tourism initiatives

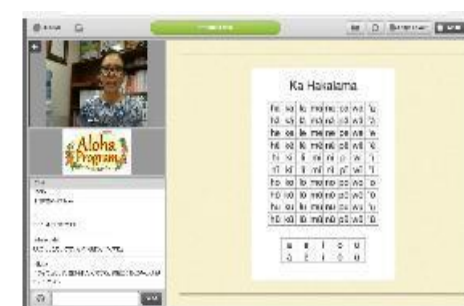
## Workshop



## Field Trip ~Aloha Program Week in Hawai'i~



## Webinar



# ALOHA PROGRAM CONT.

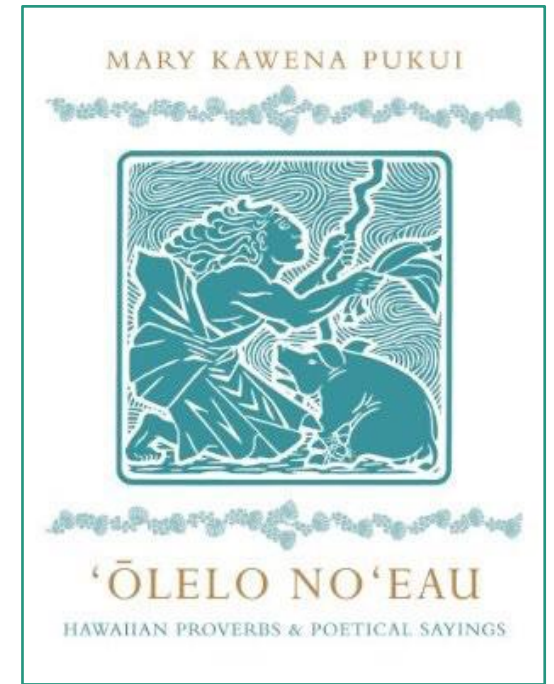
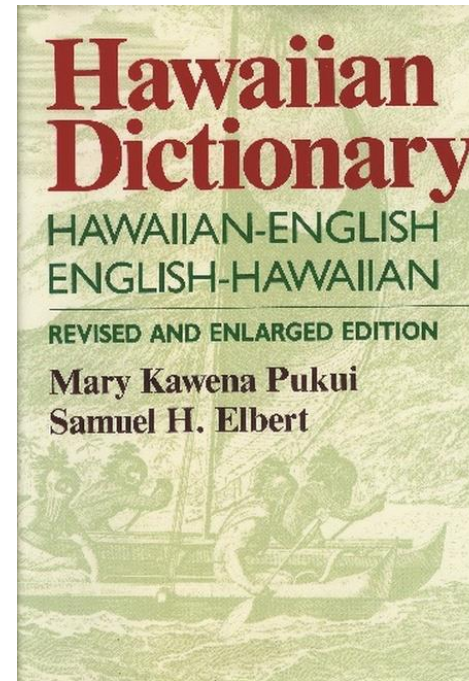
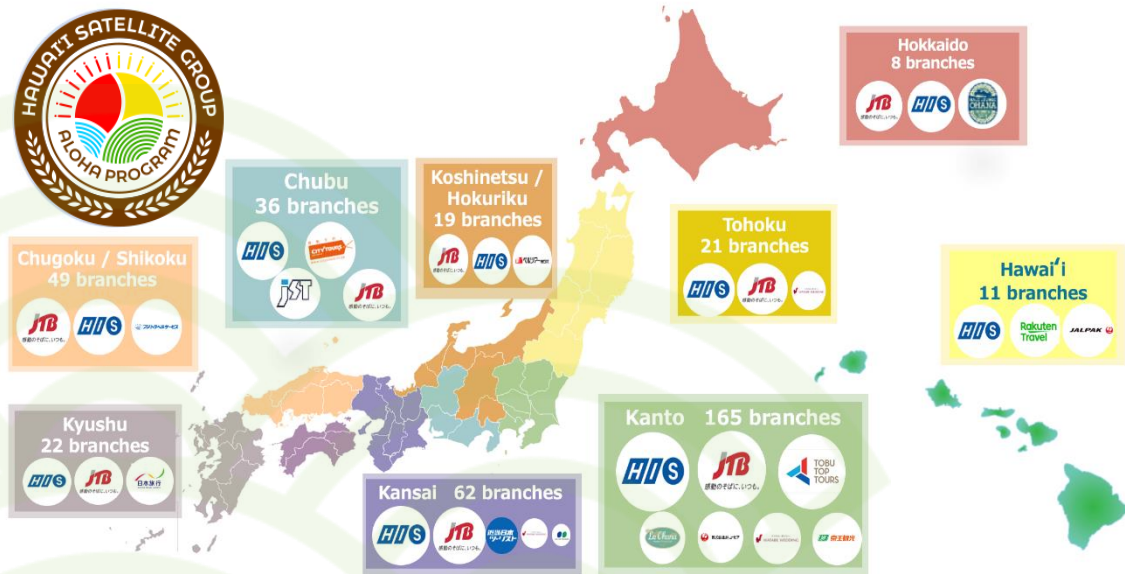
Aloha Program special projects include:

#1: Advanced satellite office program

#2: 'Ōlelo Hawai'i 10<sup>th</sup> anniversary in February 2022

(SNS promotion, webinar, creation of 'ōlelo Hawai'i learning tools etc.)

## Satellite office: Total 393 branches



**Outcome:** Increase # of members/Hawai'i specialists, # of participants of educational events, # of new product development related to Mālama Hawai'i, and exposure to future mindful travelers



# ROMANCE MARKET INITIATIVES

*Budget: \$500,000*

HTJ will collaborate with The Hawai'i Wedding Association to increase bookings in 2022 and onward. Romance events will be conducted targeting individuals in their 20s-30s.

Anniversary trips, target age range 40s - 60s



**Outcome:** Exposure, increase future bookings, and higher expenditures



# BUDGET

# BUDGET

Budget Category	Annual Budget	%
Consumer Direct	\$4,202,000	46.7%
Public Relations	\$1,143,000	12.7%
Travel Trade	\$1,675,000	18.6%
Research	\$0	0%
Admin	\$1,980,000	22.0%
<b>Total</b>	<b>\$9,000,000</b>	<b>100.0%</b>

# PERFORMANCE MEASURES

# PERFORMANCE MEASURES

	Annual Target	Semi-Annual Targets	
	2022	Jan-Jun	Jul-Dec
<b>Consumer Paid Media Measures</b>			
TV Reach	25,824,000	12,912,000	12,912,000
Print Circulation	3,349,333	1,758,333	1,591,000
Digital Reach	17,522,876	16,682,876	840,000
Radio Reach	11,918,712	5,959,356	5,959,356
Out of Home Reach	306,071,400	131,923,922	174,147,478
TV Impressions	63,785,280	31,892,640	31,892,640
Print Impressions	11,722,666	6,154,166	5,568,500
Digital Impressions	21,027,451	20,019,451	1,008,000
Radio Impressions	29,439,219	14,719,609	14,719,609
Out of Home Impressions	367,285,680	158,308,706	208,976,974
<b>Travel Trade Paid Media Measures</b>			
Print Circulation	17,800	8,900	8,900
Digital Reach	150,000	75,000	75,000
Print Impressions	62,300	31,150	31,150
Digital Impressions	370,500	185,250	185,250
<b>Public Relations Measures</b>			
No. of Media/PR Calls	295	155	140
No. of Press Releases Issued	24	12	12
Print Publicity Value - Paid	170,000	80,000	90,000
Digital Publicity Value - Paid	120,000	60,000	60,000
Broadcast Publicity Value - Paid	120,000	60,000	60,000
Print Impressions - Paid	1,800,000	900,000	900,000
Digital Impressions - Paid	576,000,000	288,000,000	288,000,000
Broadcast Impressions - Paid	12,000,000	6,000,000	6,000,000
Print Publicity Value - Earned	960,000	480,000	480,000
Digital Publicity Value - Earned	9,000,000	4,500,000	4,500,000
Broadcast Publicity Value - Earned	284,000,000	84,000,000	200,000,000
Print Impressions - Earned	3,150,000	1,550,000	1,600,000
Digital Impressions - Earned	576,000,000	288,000,000	288,000,000
Broadcast Impressions - Earned	284,000,000	74,000,000	210,000,000
No. of Group Media FAMs	0	0	0
No of Articles Generated from Group Media FAMs	0	0	0
No. of Individual Press Trips	4	2	2
No of Articles Generated from Individual Press Trips	8	4	4
<b>Consumer Shows</b>			
No. of Shows	13	7	6
Show Attendance	753,750	502,000	251,750

	Annual Target	Semi-Annual Targets	
	2022	Jan-Jun	Jul-Dec
<b>Travel Trade</b>			
No. of Meetings with Travel Trade Partners	586	293	293
No. of Travel Trade Partners Met With	1,492	750	742
No. of Trade Shows	4	2	2
Trade Show Attendance	320	160	160
No. of Trade Show Appointments	120	60	60
No. of Travel Trade FAMs	5	3	2
No. of Travel Trade FAM Participants	65	35	30
No. of Trade Education Sessions	28	18	10
No. of Trade Education Participants	2,800	1,800	1,000
No. of Agents Completed Training Program	4,600	2,400	2,200
<b>Social Media Metrics</b>			
<b>FACEBOOK</b>			
Total Impressions Gained	3,600,000	1,800,000	1,800,000
Total Interactions Gained	180,000	90,000	90,000
Total Fan Count	119,220	119,100	119,220
Increase in Fans	240	120	120
Total Posts	216	108	108
<b>INSTAGRAM</b>			
Total Impressions Gained	6,520,000	3,260,000	3,260,000
Total Interactions Gained	288,000	144,000	144,000
Total Fan Count	1,916,500	932,500	984,000
Increase in Fans	16,000	8,500	7,500
Total Posts	334	166	168
<b>DMAP Measures</b>			
No. of DMAP Action Items Supported	96	48	48
No. of Initiatives to Promote Hawai'i Made Products	48	24	24
No. of Hawai'i Festivals & Events Promoted	120	54	66
No. of Voluntourism Programs Promoted	36	18	18
<b>allhawaii</b>			
Page View	6,440,000	3,120,000	3,320,000
Unique Users	2,390,000	1,170,000	1,220,000
Number of Page Session	14,510,000	6,510,000	8,000,000
Page per Session	2.5	2.5	2.5
Average session duration	2:00	2:00	2:00
<b>Aloha Program</b>			
Page View	2,570,000	1,280,000	1,290,000
Unique Users	534,000	262,000	272,000
Number of Page Session	743,000	371,000	372,000
Page per Session	3.63	3.68	3.57
Average session duration	4:56	4:30	4:83





**MAHALO NUI LOA**

## **8**

Report by the ***Budget, Finance, and Convention  
Center Standing Committee*** of their Meeting held on  
December 21, 2021

## **8a.1**

Financials – November 2021



AUTHORITY

Financial Statements – Executive Summary  
November 1, 2021 – November 30, 2021

**Foreword:**

- FY21 Transactions Processed in FY22. As noted in HTA’s June 30, 2021 financial statements, some transactions using FY21 funds that we submitted to DAGS in FY21 were processed by DAGS as FY22 business. It is necessary to include these transactions processed in July 2021 in HTA’s official records for FY22 and accordingly are acknowledging that via a separate Budget Statement included in these financial statements for informational purposes only. However, we have included these transactions in HTA’s unofficial FY21 encumbrance records and we will omit these transactions from our focus in FY22 business discussed in these financial statements. Further detail can also be found in HTA’s June 30, 2021 financial statements.
- New Fund Accounts. With HTA now appropriated Federal ARPA funds in FY 2022, we have added two new sections to the Executive Summary to discuss the Tourism Federal Fund (ARPA) and Convention Center Federal Fund (ARPA).

***Tourism Federal Fund (ARPA TFF) – [Official Name: HTA CSFRF Subaward]:***

1. \$32.6M in cash (remaining from amount that has been allotted to HTA so far).
2. The release of TFF funds for HTA use is accomplished through an approval process that includes approval by the Governor (CSFRF approval), the State’s Department of Budget & Finance’s (B&F) and the HTA Board of Directors. Below is a summary of the status of those approvals:

	Gov Approved	B&F Funds Release		Board Approved	Encumbered
	(CSFRF)	Requested	Approved	Amount	
Hawaiian Culture	-	-	-	790,500	-
Natural Resources	-	-	-	415,000	-
Community	27,289,500	-	-	735,500	-
Branding	28,500,000	28,600,000	28,600,000	31,305,000	22,600,000
Sports	-	-	-	3,677,889	-
Safety & Security	-	-	-	900,000	-
Research	-	-	-	60,000	-
Planning	-	-	-	430,200	-
Admin	648,700	648,700	648,700	999,111	12,420
Governance and Org-Wide	351,800	246,800	246,800	351,800	41,827
Payroll	3,210,000	3,210,000	3,210,000	3,410,000	3,210,000
	60,000,000	32,705,500	32,705,500	43,075,000	25,864,247

Currently, the \$60M in ARPA funds must be encumbered and expended by June 30, 2022. HTA has submitted a request to B&F to extend this period of performance.

- Over several meetings, the HTA Board approved a partial FY 2022 budget of \$43M, further detailed below.

	Incremental Approved at Meeting	Cumulative Budget Approved	Description
June 11, 2021 Meeting	1,000,000	1,000,000	Payroll
July 2021 Meeting	32,200,500	33,200,500	Branding, Payroll, Admin and Governance
September 2021 Meeting	1,787,889	34,988,389	Cruise and Sports
November 2021 Meeting	8,086,611	<b>43,075,000</b>	All other programs

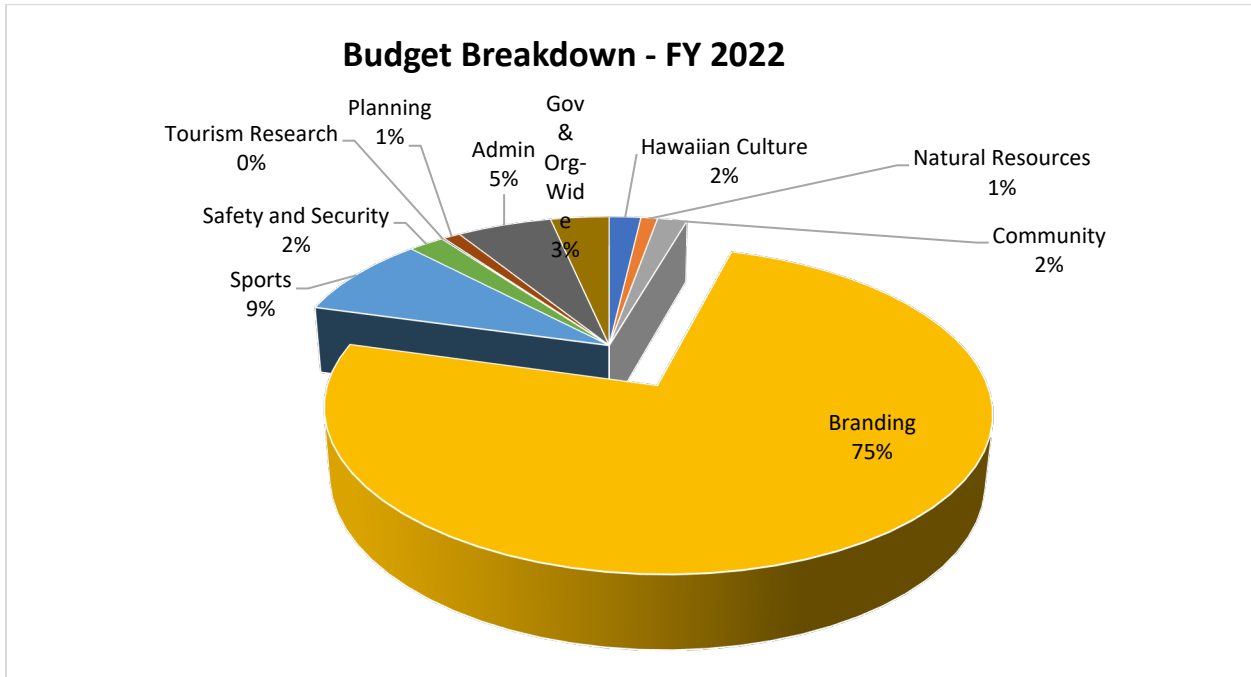
At the November 2021 Board meeting, staff presented a draft \$60M FY 2022 budget. The budget was approved, subject to the Board subsequently identifying programs on which the Board had further questions and for which approval of those programs' budgets would be deferred. The Board identified \$18,546,800 in program budgets to defer. However, the \$18.5M included \$1,621,800 of programs that the Board approved in its July 2021 meeting. The financial statements continue to reflect the \$1.6M as approved budget amounts. Accordingly, \$16,925,000 in budget has been deferred resulting in a FY 2022 budget of \$43,075,000 approved to date.

As of November 30, 2021, \$25.9M of the \$43M FY2022 budget was utilized/encumbered, or 60%.

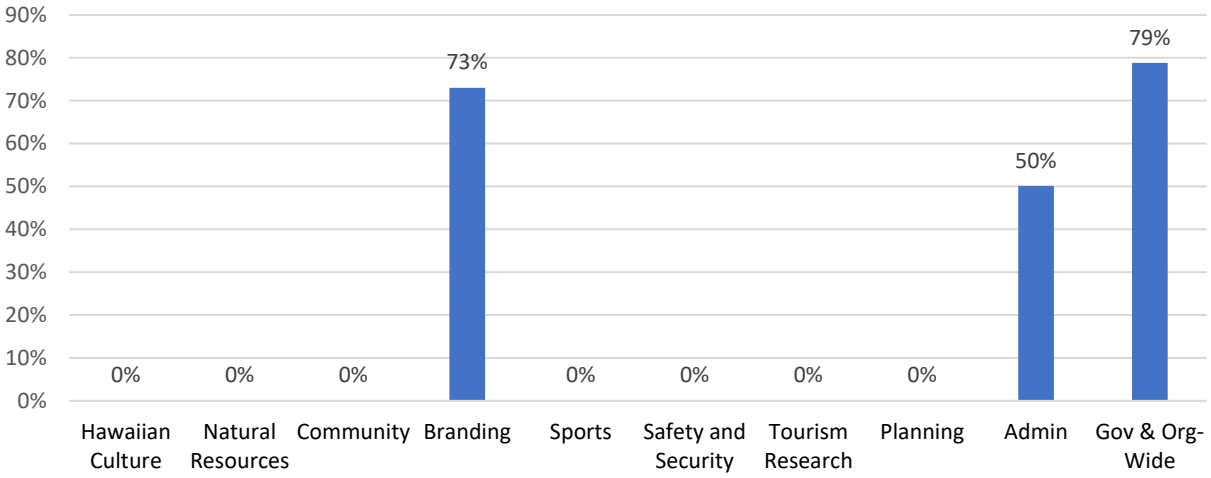
Below is a summary of the FY 2022 budget based upon Federal reporting categories (titles were paraphrased):

Primary Federal Category	Budget	Encumbered	Remaining
Economic Recovery	39,665,000	22,654,247	17,010,753
Continuation of Government Services			
Payroll	3,410,000	3,210,000	200,000
	<b>43,075,000</b>	<b>25,864,247</b>	<b>17,210,753</b>

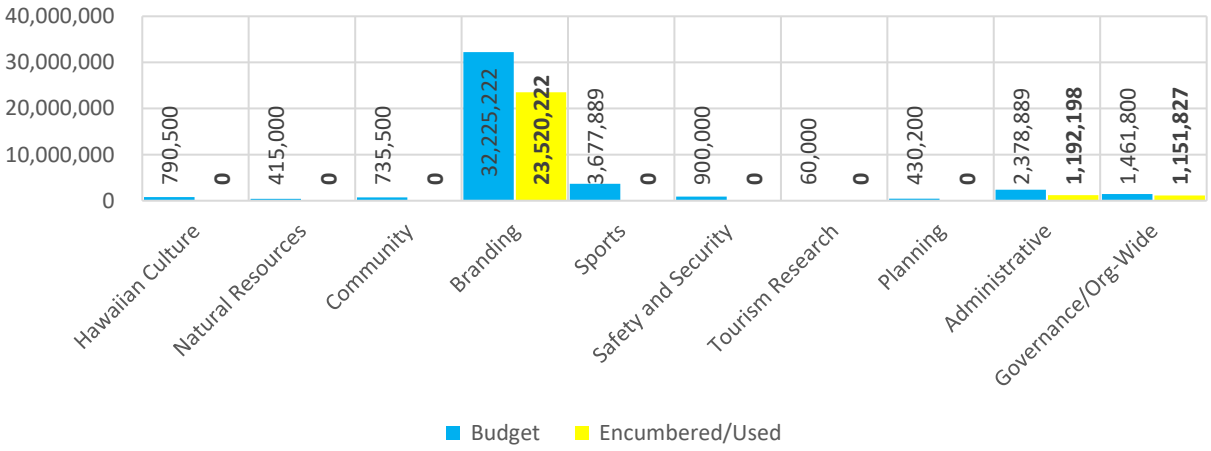
The following are various charts to depict our FY 2022 budget, budget utilization and trends. It is important to note that only a portion of HTA's budget has been approved as of the date of these financial statements, and accordingly are reflected here below. A more balanced budget would be evident upon approval of HTA's full FY 2022 budget and when considering the contracts for FY 22 services that HTA encumbered using FY 2021 funds (sourced from June 2021 TAT revenue and HTA Board Resolution funds).



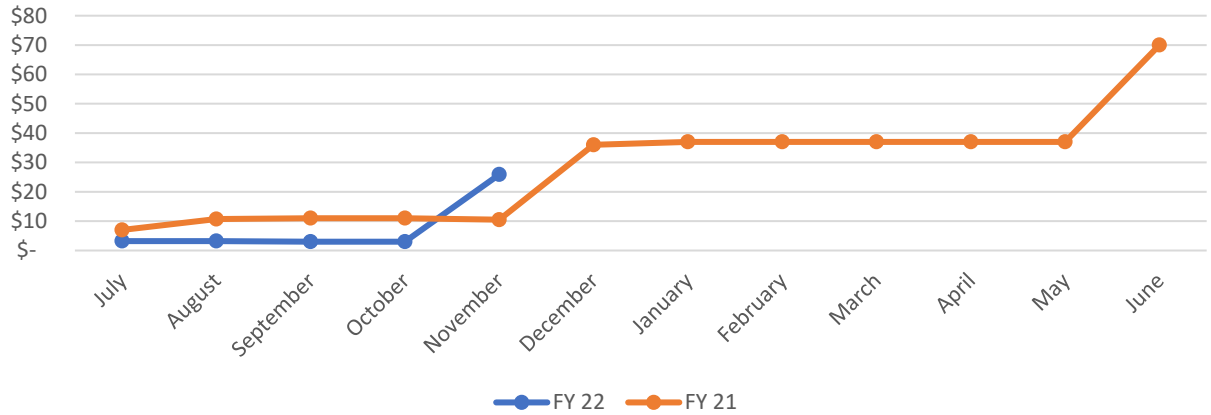
### Percentage of Budget Utilized 11/30/21



### Budget vs Encumbered as of 11/30/21 (Budget Used)



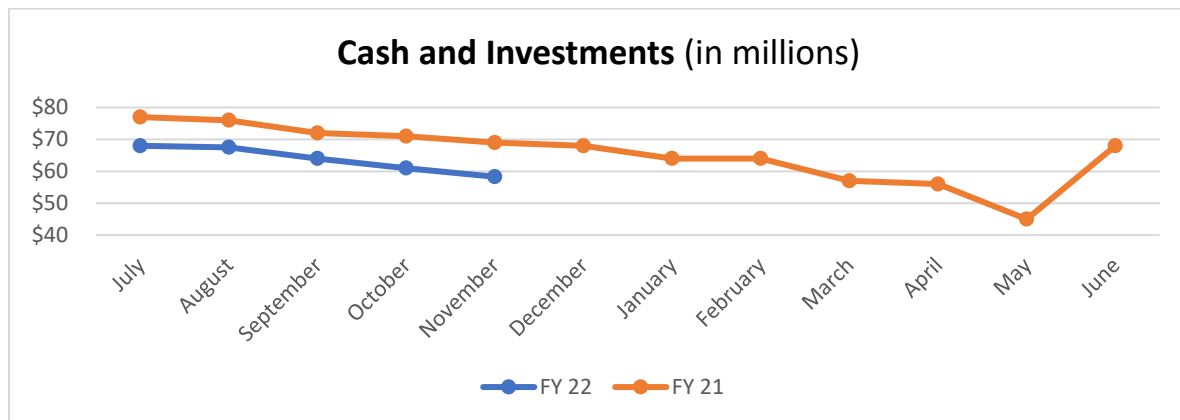
### Budget Utilized (in millions)



4. No budget reallocations were made in November 2021. A detail of the reallocations made for the reporting period and cumulatively for the fiscal year are typically detailed on the accompanying Budget Reallocation Summary.
5. Operating Income (Loss):
  - a. Approximately \$28.6M in ARPA funds were allotted to HTA during the November 2021 period. Cumulatively, \$32.7M has been allotted to HTA year-to-date, which represents ARPA funds HTA will use in FY 2022 for staff's payroll, branding, admin and governance costs.
  - b. Since this is the fund's first year in operation, no Statement of Revenues and Expenditures associated with prior year funds is included.

**Tourism Special Fund (TSF):**

6. The Tourism Special Fund is set to sunset on January 1, 2022, pursuant to Act 001, 2021 Legislative Special Session, upon which all unencumbered funds will be remitted to the State's General Fund. The \$5M Emergency Fund will remain with HTA.
7. \$58.3M in cash and investments



- a. Includes \$5M in Emergency Fund held as investments.
  - i. Approximately \$5.0M held in money market funds
  - ii. Further detail provided in the financial statements (as of October 2021)



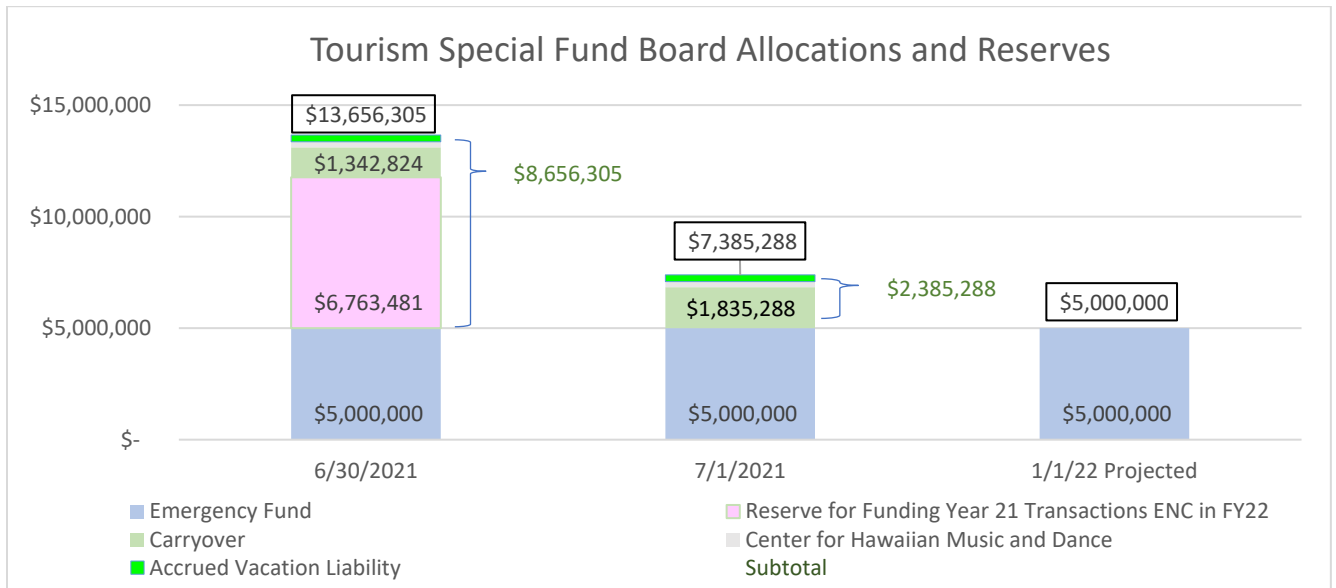
- b. Cash decreased by approximately \$2.9M from October 31, 2021 primarily due to disbursements related to operational and program expenditures.
- c. We anticipate the cash balance to decrease to \$0 over time once all encumbered funds are expended, except for the \$5M Emergency Fund.

8. HTA's outstanding encumbrances are summarized as follows:

\$50.6M	Prior year encumbrances currently being spent down	
\$0.00	Current year encumbrances remaining	
\$50.6M	Total encumbrances outstanding at November 30, 2021	

Staff routinely makes a concerted effort to liquidate older encumbrances that should no longer be encumbered and that is reflected here.

9. In addition to HTA's \$5M Emergency Fund, \$2.3M was reserved as Board allocations as of July 1, 2021. This compares to \$8.6M at the end of last fiscal year. The reduction is due to the FY21 transactions that DAGS processed in July of FY22, as previously discussed. A supporting schedule is also embedded in these financial statements to provide greater detail. These balances are comprised of the following:



Pursuant to Act 001, Special Session 2021 (HB 862), the Tourism Special Fund will be repealed on January 1, 2022. At that time, any unencumbered funds will return to the State's General Fund, which we currently anticipate being approximately \$2.7M.

10. There is no budget for the Tourism Special Fund in FY 2022, as only Federal funds were appropriated.

11. Operating Income (Loss):

- a. Pursuant to Act 001, Legislative Special Session 2021, HTA is no longer included in the TAT allocation.
- b. \$44.9K in investment income was earned in November 2021.

***Convention Center Federal Fund (ARPA CCFF) – [Official Name: Convention Center CSFRF Subaward]:***

12. \$490K in cash (remaining from amount that has been allotted to HTA so far).

13. The Board approved a \$490K budget for payroll, which was fully encumbered earlier in FY 2022.

14. Operating Income:

- a. No ARPA funds were allotted to the Convention Center in November 2021. Cumulatively, \$490K has been allotted year-to-date, which represents ARPA funds HTA will use in FY 2022 for staff's payroll.
  - i. Note: In December 2021, \$10,510,000 was approved by B&F for allotment to HTA, representing the remainder of the \$11M FY 2022 Convention Center ARPA funds.
- b. Since this is the fund's first year in operation, no Statement of Revenues and Expenditures associated with prior year funds is included.

***Convention Center Enterprise Special Fund (CCESF):***

15. \$48.9M in cash. Cash increased by \$1.1M from October 31, 2021 due to the receipt of HCC revenue.

16. \$19.1M in cash with contractor or with DAGS, for R&M projects (as of October 2021).

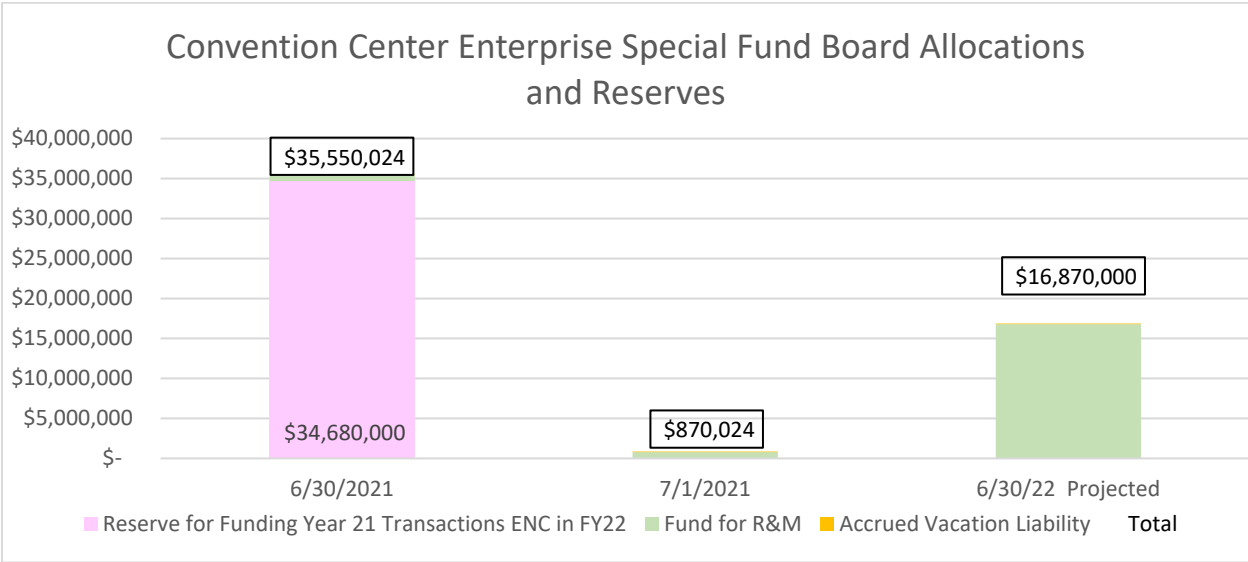
- a. Includes \$2M in Emergency R&M funds
- b. These funds are encumbered or budgeted toward specific projects such as kitchen wall rehabilitation and exterior planter repairs, exterior building painting,

trellis replacement, house audio upgrades, ballroom gutter and transom glass repair, chiller replacement, and various equipment purchases and upgrades. Of the \$19.1M, approximately \$7.2M has been contracted (as of November 2021).

- c. The amount of cash remaining with the contractor already takes into account \$5.3M expended on current and future projects (in-progress costs or preliminary work).

17. \$13M reserved as Board allocations as of November 30, 2021. This compares to a reserve balance of \$35.5M as of June 30, 2021. The decrease is due to the FY 2021 transactions that were processed by DAGS in July 2021 (as FY 2022 business) discussed earlier, partially offset by \$1M in HCC revenue receipts and \$11M in TAT revenue deposited into the CCESF in FY 2022, pursuant to HRS 237D, as amended by Act 1 of the 2021 Legislative Special Session. We anticipate the \$13M reserve balance to further increase to \$16.8M by June 30, 2022, due to:

- a. The deposit of Convention Center revenues throughout FY 2022.
- b. The inability to spend these funds due to the CCESF not having an appropriation ceiling in FY 2022.



18. \$35.9M of prior year outstanding encumbrances currently being spent down.

19. Budget:

- a. No budget has been established for the CCESF in FY 2022, as no expenditure ceiling was appropriated, as discussed earlier.
- b. Note: In FY 2021, HTA used the \$16.5M TAT it received in June 2021 and \$18.6M previously reserved as Board Allocations to fund AEG’s FY 2022 operations contract. Staff advised the Board of its intention to do so at the June 10, 2021 Board meeting, including to deploy reserve funds in an effort to ensure we maximize HCC’s ROI and efficiently use any time afforded during the pandemic to address major repair and maintenance. The \$16.5M and \$18.6M were encumbered as follows:

	FY22 HCC Operations - Encumbrance Funded with		
	TAT Restart Funds	Reserve / Board Reso Funds	Total
HCC Facility Operations Expenses	5,517,400	5,169,000	10,686,400
HCC Operating Contingency	-	2,500,000	2,500,000
HCC Local Sales	533,000	-	533,000
Major R&M (from TAT Restart funds)	10,129,600	-	10,129,600
Major R&M (from CCESF Reserves)	-	10,831,000	10,831,000
Property Insurance	320,000	100,000	420,000
	<b>16,500,000</b>	<b>18,600,000</b>	<b>35,100,000</b>

\* Additionally, the AEG contract included \$5,948,568 funded from the TSF for the Center for Hawaiian Music & Dance.

20. Operating Income:

- a. \$11M in TAT funds were received YTD.
- b. Convention Center Operations
  - i. Note: \$2.1M operating loss fiscal-year-to-date per HCC financial statements (as of November 2021). Funded by FY21’s encumbrance as discussed above.

**Hawaii Tourism Authority**  
Balance Sheet  
Tourism Federal (ARPA) Fund  
As of 11/30/21

	<u>Current Year</u>
Assets	
Current Assets	
Checking	<u>32,663,673.01</u>
Total Current Assets	<u>32,663,673.01</u>
Total Assets	<u><u>32,663,673.01</u></u>
Fund Balance	
Encumbered Funds	
FY 2022 Funds	<u>25,864,246.99</u>
Total Encumbered Funds	25,864,246.99
Unencumbered Funds	
Total Unencumbered Funds	6,799,426.02
Total Fund Balance	<u><u>32,663,673.01</u></u>

**Hawaii Tourism Authority**

Balance Sheet

Tourism Special Fund

As of 11/30/21

	<u>Current Year</u>
Assets	
Current Assets	
Checking	53,347,803.63
Petty Cash	5,000.00
Total Current Assets	<u>53,352,803.63</u>
Total Assets	<u><u>53,352,803.63</u></u>
Fund Balance	
Encumbered Funds	
FY 2015 Funds	7,851.29
FY 2016 Funds	6,047.12
FY 2017 Funds	15,706.80
FY 2018 Funds	4,137.03
FY 2019 Funds	295,245.21
FY 2020 Funds	1,804,026.97
FY 2021 Funds	48,448,354.92
Total Encumbered Funds	<u>50,581,369.34</u>
Unencumbered Funds	
Total Unencumbered Funds	2,771,434.29
Total Fund Balance	<u><u>53,352,803.63</u></u>

**Hawaii Tourism Authority**  
Balance Sheet  
Convention Center Federal (ARPA) Fund  
As of 11/30/21

	<u>Current Year</u>
Assets	
Current Assets	
Checking	490,000.00
Total Current Assets	<u>490,000.00</u>
Total Assets	<u>490,000.00</u>
Fund Balance	
Encumbered Funds	
FY 2022 Funds	490,000.00
Total Encumbered Funds	<u>490,000.00</u>
Total Fund Balance	<u>490,000.00</u>

**Hawaii Tourism Authority**  
Balance Sheet  
Convention Center Enterprise Special Fund  
As of 11/30/21

	<u>Current Year</u>
Assets	
Current Assets	
Checking	48,925,508.72
Total Current Assets	<u>48,925,508.72</u>
Total Assets	<u><u>48,925,508.72</u></u>
 Fund Balance	
Encumbered Funds	
FY 2019 Funds	110,894.39
FY 2021 Funds	35,796,538.80
Total Encumbered Funds	<u>35,907,433.19</u>
Unencumbered Funds	
Total Unencumbered Funds	13,018,075.53
 Total Fund Balance	<u><u>48,925,508.72</u></u>



**Hawaii Tourism Authority**

Balance Sheet

Emergency Trust Fund

As of 11/30/21

	<u>Current Year</u>
Assets	
Current Assets	
Investments	5,013,936.13
Total Current Assets	<u>5,013,936.13</u>
 Total Assets	 <u><u>5,013,936.13</u></u>
 Fund Balance	
Current year net assets	
	(5,022.95)
Total Current year net assets	<u>(5,022.95)</u>
Prior years	
Total Prior years	5,018,959.08
 Total Fund Balance	 <u><u>5,013,936.13</u></u>

HTA Allocations  
FY 2021 and FY 2022 (Projected)

**Annual Budgets:**  
**-\$60M FY 2022 HTA Tourism Federal (ARPA) Fund**  
 [subject to approval]  
**-\$11M FY 2022 Convention Center Federal (ARPA) Fund**  
 [subject to approval]

\$5M Emergency Funds	
<b>\$5M Emergency Fund Reserve</b> (Established by Statute as a separate fund, to be used upon declaration of a tourism emergency by the Governor)	<b>\$0M Mandated by Board</b> (designated for use in the event of a significant economic downturn upon Board approval; used to fund FY 21 budget)

	Tourism Special Fund Long-Term Obligations, Commitments and Allocations:			Convention Center Fund Long-Term Obligations, Commitments and Obligations:		
	6/30/2021	7/1/2021	Projected 1/1/2022	6/30/2021	7/1/2021	Projected 6/30/2022
Carryover of FY 2020 to FY 2021 Budget (Use in FY 21)	-	-	-	-	-	-
Reserve for Funding Year 21 Transactions Enc in FY22	6,763,481	-	-	34,680,000	-	-
Carryover	1,342,824	1,342,824	-	790,024	790,024	16,790,000
FY21 Interest, Refunds and Other Income	-	-	-	-	-	-
Encumbrance liquidations	-	492,464	-	-	-	-
Center for Hawaiian Music & Dance	250,000	250,000	-	-	-	-
Accrued Health Liability	-	-	-	-	-	-
Accrued Retirement Liability	-	-	-	-	-	-
Accrued Vacation Liability	300,000	300,000	-	80,000	80,000	80,000
<b>Total Long-Term Obligations and Commitments</b>	<b>8,656,305</b>	<b>2,385,288</b>	<b>-</b>	<b>35,550,024</b>	<b>870,024</b>	<b>16,870,000</b>

**TOTAL RESERVES (incl \$5M Emergency Fund) 13,656,305 7,385,288 5,000,000**

**35,550,024 870,024 16,870,000**

**Hawaii Tourism Authority**  
Statement of Revenues and Expenditures  
Tourism Federal (ARPA) Fund  
FY 2022 Funds  
From 11/1/2021 Through 11/30/2021

	<u>Total Budget - FY22</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance - FY22</u>
Revenue				
Alloted Federal Funds	60,000,000.00	28,600,000.00	32,705,500.00	(27,294,500.00)
Total Revenue	<u>60,000,000.00</u>	<u>28,600,000.00</u>	<u>32,705,500.00</u>	<u>(27,294,500.00)</u>
Expense				
Perpetuating Hawaiian Culture	790,500.00	0.00	0.00	790,500.00
Natural Resources	415,000.00	0.00	0.00	415,000.00
Community	735,500.00	0.00	0.00	735,500.00
Branding	32,225,222.00	0.00	0.00	32,225,222.00
Sports	3,677,889.00	0.00	0.00	3,677,889.00
Safety and Security	900,000.00	0.00	0.00	900,000.00
Tourism Research	60,000.00	0.00	0.00	60,000.00
Planning	430,200.00	0.00	0.00	430,200.00
Administrative	2,378,889.00	0.00	0.00	2,378,889.00
Governance and Org-Wide	1,461,800.00	41,826.99	41,826.99	1,419,973.01
Total Expense	<u>43,075,000.00</u>	<u>41,826.99</u>	<u>41,826.99</u>	<u>43,033,173.01</u>
Net Income	<u>16,925,000.00</u>	<u>28,558,173.01</u>	<u>32,663,673.01</u>	<u>15,738,673.01</u>

**Hawaii Tourism Authority**  
Statement of Revenues and Expenditures  
Tourism Special Fund  
FY 2022 Funds  
From 11/1/2021 Through 11/30/2021

	<u>Total Budget - FY22</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance - FY22</u>
Revenue				
Miscellaneous	0.00	0.00	10,192.89	10,192.89
Refunds	<u>0.00</u>	<u>642.09</u>	<u>47,842.09</u>	<u>47,842.09</u>
Total Revenue	<u>0.00</u>	<u>642.09</u>	<u>58,034.98</u>	<u>58,034.98</u>
Net Income	<u><u>0.00</u></u>	<u><u>642.09</u></u>	<u><u>58,034.98</u></u>	<u><u>58,034.98</u></u>

**Hawaii Tourism Authority**  
Statement of Revenues and Expenditures  
**Prior Years - Tourism Special Fund**  
From 11/1/2021 Through 11/30/2021

	<u>Total Budget</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance</u>
Revenue				
Interest and Dividends	0.00	44,914.53	44,914.53	44,914.53
Total Revenue	<u>0.00</u>	<u>44,914.53</u>	<u>44,914.53</u>	<u>44,914.53</u>
Expense				
Perpetuating Hawaiian Culture	11,199,632.00	0.00	813,621.00	10,386,011.00
Natural Resources	3,447,910.00	40,000.00	745,000.00	2,702,910.00
Community	8,462,772.12	24,351.07	335,062.07	8,127,710.05
Branding	33,112,516.00	2,638,870.47	6,459,332.21	26,653,183.79
Sports	160,222.00	0.00	7,222.00	153,000.00
Safety and Security	770,114.66	0.00	37,125.00	732,989.66
Tourism Research	2,270,248.83	190,138.00	959,445.28	1,310,803.55
Administrative	933,514.62	30,095.36	220,897.12	712,617.50
Governance and Org-Wide	<u>201,675.92</u>	<u>1,727.75</u>	<u>116,335.46</u>	<u>85,340.46</u>
Total Expense	<u>60,558,606.15</u>	<u>2,925,182.65</u>	<u>9,694,040.14</u>	<u>50,864,566.01</u>
Net Income	<u>(60,558,606.15)</u>	<u>(2,880,268.12)</u>	<u>(9,649,125.61)</u>	<u>50,909,480.54</u>

**Hawaii Tourism Authority**  
Statement of Revenues and Expenditures  
Convention Center Federal (ARPA) Fund  
FY 2022 Funds  
From 11/1/2021 Through 11/30/2021

	<u>Total Budget - FY22</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance - FY22</u>
Revenue				
Alloted Federal Funds	11,000,000.00	0.00	490,000.00	(10,510,000.00)
Total Revenue	<u>11,000,000.00</u>	<u>0.00</u>	<u>490,000.00</u>	<u>(10,510,000.00)</u>
Expense				
Branding	72,958.00	0.00	0.00	72,958.00
Administrative	247,042.00	0.00	0.00	247,042.00
Governance and Org-Wide	<u>170,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>170,000.00</u>
Total Expense	<u>490,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>490,000.00</u>
Net Income	<u><u>10,510,000.00</u></u>	<u><u>0.00</u></u>	<u><u>490,000.00</u></u>	<u><u>(10,020,000.00)</u></u>

**Hawaii Tourism Authority**  
Statement of Revenues and Expenditures  
Convention Center Enterprise Special Fund  
FY 2022 Funds  
From 11/1/2021 Through 11/30/2021

	<u>Total Budget - FY22</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance - FY22</u>
Revenue				
Transient Accomodations Tax	11,000,000.00	0.00	11,000,000.00	0.00
Miscellaneous	0.00	42,210.00	53,972.91	53,972.91
Refunds	0.00	64,838.38	64,838.38	64,838.38
HCC Revenue	<u>0.00</u>	<u>856,563.98</u>	<u>856,563.98</u>	<u>856,563.98</u>
Total Revenue	<u>11,000,000.00</u>	<u>963,612.36</u>	<u>11,975,375.27</u>	<u>975,375.27</u>
Net Income	<u>11,000,000.00</u>	<u>963,612.36</u>	<u>11,975,375.27</u>	<u>975,375.27</u>

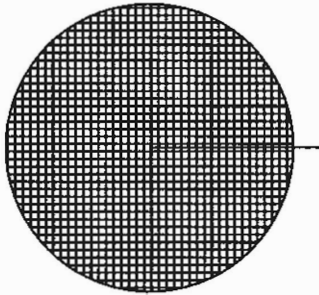
**Hawaii Tourism Authority**  
Statement of Revenues and Expenditures  
**Prior Years - Convention Center Enterprise Special Fund**  
From 11/1/2021 Through 11/30/2021

	<u>Total Budget</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance</u>
Revenue				
Interest and Dividends	0.00	18,191.98	18,191.98	18,191.98
HCC Revenue	<u>0.00</u>	<u>154,484.38</u>	<u>154,484.38</u>	<u>154,484.38</u>
Total Revenue	<u>0.00</u>	<u>172,676.36</u>	<u>172,676.36</u>	<u>172,676.36</u>
Expense				
Branding	6,080.00	0.00	6,079.86	0.14
Administrative	19,449.64	0.00	19,449.86	(0.22)
Governance and Org-Wide	587,376.00	0.00	8,917.40	578,458.60
HCC Operating Expense	13,465,701.52	0.00	0.00	13,465,701.52
HCC Repair and Maintenance	20,960,600.00	0.00	0.00	20,960,600.00
HCC Sales and Marketing / MFF	<u>902,672.93</u>	<u>0.00</u>	<u>0.00</u>	<u>902,672.93</u>
Total Expense	<u>35,941,880.09</u>	<u>0.00</u>	<u>34,447.12</u>	<u>35,907,432.97</u>
Net Income	<u>(35,941,880.09)</u>	<u>172,676.36</u>	<u>138,229.24</u>	<u>36,080,109.33</u>



## Summary Of Investments

### Investment Allocation



0.0%	CASH	42.59
100.0%	CASH EQUIVALENTS	5,013,893.54
100.0%	<b>TOTAL</b>	<b>5,013,936.13</b>

### Investment Summary

	Market Value	%	Estimated Income	Current Yield
CASH	42.59	0.00	0	0.00
CASH EQUIVALENTS	5,013,893.54	100.00	501	0.01
<b>Total Fund</b>	<b>5,013,936.13</b>	<b>100.00</b>	<b>501</b>	<b>0.01</b>

### Schedule Of Investments

UNITS	DESCRIPTION	BOOK VALUE	MARKET VALUE	% OF CATEGORY
	CASH	42.59	42.59	100.00
	CASH EQUIVALENTS			
	CASH MANAGEMENT			
5,013,893.54	DREYFUS TREASURY OBLIGATIONS CASH MANAGEMENT FUND	5,013,893.54	5,013,893.54	100.00
	<b>Total Fund</b>	<b>5,013,936.13*</b>	<b>5,013,936.13*</b>	<b>100.00*</b>

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**Hawaii Convention Center**  
Facility  
Income Statement  
From 11/01/2021 Through 11/30/2021  
(In Whole Numbers)

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
<b>Direct Event Income</b>								
Rental Income (Net)	141,535	153,370	(11,835)	218,100	810,623	736,901	73,722	1,606,030
Service Revenue	103,544	139,010	(35,466)	202,885	658,587	694,095	(35,508)	1,029,131
<b>Total Direct Event Income</b>	<b>245,079</b>	<b>292,380</b>	<b>(47,301)</b>	<b>420,985</b>	<b>1,469,209</b>	<b>1,430,996</b>	<b>38,214</b>	<b>2,635,161</b>
<b>Direct Service Expenses</b>	<b>101,648</b>	<b>167,594</b>	<b>65,946</b>	<b>184,506</b>	<b>664,704</b>	<b>1,005,914</b>	<b>341,210</b>	<b>954,091</b>
<b>Net Direct Event Income</b>	<b>143,431</b>	<b>124,786</b>	<b>18,644</b>	<b>236,478</b>	<b>804,505</b>	<b>425,081</b>	<b>379,423</b>	<b>1,681,069</b>
<b>Ancillary Income</b>								
Food and Beverage (Net)	10,663	97,856	(87,193)	15,184	22,833	336,843	(314,010)	131,248
Event Parking (Net)	3,832	21,240	(17,408)	5,407	339,568	71,640	267,928	45,844
Electrical Services	0	320	(320)	0	0	20,320	(20,320)	0
Audio Visual	210	4,400	(4,190)	0	10,881	18,560	(7,679)	2,790
Internet Services	0	0	0	0	0	0	0	0
Rigging Services	0	0	0	0	1,343	1,000	343	0
First Aid Commissions	0	0	0	0	0	0	0	0
<b>Total Ancillary Income</b>	<b>14,705</b>	<b>123,816</b>	<b>(109,111)</b>	<b>20,591</b>	<b>374,625</b>	<b>448,363</b>	<b>(73,738)</b>	<b>179,883</b>
<b>Total Event Income</b>	<b>158,136</b>	<b>248,602</b>	<b>(90,467)</b>	<b>257,069</b>	<b>1,179,130</b>	<b>873,444</b>	<b>305,685</b>	<b>1,860,952</b>
<b>Other Operating Income</b>								
Non-Event Parking	0	0	0	(875)	3,480	0	3,480	(875)
Other Income	(76,536)	1,417	(77,953)	4,130	32,763	7,085	25,678	12,103
<b>Total Other Operating Income</b>	<b>(76,536)</b>	<b>1,417</b>	<b>(77,953)</b>	<b>3,255</b>	<b>36,243</b>	<b>7,085</b>	<b>29,158</b>	<b>11,228</b>
<b>Total Gross Income</b>	<b>81,600</b>	<b>250,019</b>	<b>(168,420)</b>	<b>260,324</b>	<b>1,215,373</b>	<b>880,529</b>	<b>334,844</b>	<b>1,872,180</b>
<b>Net Salaries &amp; Benefits</b>								
Salaries & Wages	309,624	364,400	54,776	288,438	1,557,793	1,817,160	259,367	1,475,891
Payroll Taxes & Benefits	88,278	125,893	37,615	173,476	414,577	629,465	214,888	487,444
Labor Allocations to Events	(75,038)	(134,816)	(59,777)	(179,357)	(450,847)	(671,793)	(220,946)	(899,470)
<b>Total Net Salaries &amp; Benefits</b>	<b>322,864</b>	<b>355,478</b>	<b>32,613</b>	<b>282,557</b>	<b>1,521,524</b>	<b>1,774,833</b>	<b>253,309</b>	<b>1,063,866</b>
<b>Other Indirect Expenses</b>								
Net Contracted Services	14,986	23,220	8,234	10,911	74,989	114,435	39,446	52,893
Operations	6,083	10,534	4,451	22,524	28,923	52,670	23,747	52,138
Repair & Maintenance	60,160	72,367	12,207	68,831	322,823	361,835	39,012	264,941
Operational Supplies	11,901	34,545	22,644	46,494	90,307	166,586	76,279	72,011
Insurance	11,843	10,681	(1,162)	(40,622)	59,733	51,183	(8,550)	(6,855)
Utilities	138,836	146,912	8,076	149,825	826,011	666,813	(159,198)	772,844
Meetings & Conventions	1,038	850	(188)	150	3,396	5,250	1,854	6,315
Promotions & Communications	0	2,300	2,300	(848)	(2,663)	11,500	14,163	6,550
General & Administrative	18,348	13,875	(4,473)	10,178	57,526	68,485	10,959	52,858
Management Fees	18,633	18,633	(0)	18,232	93,167	93,165	(2)	91,162
Other	200	2,166	1,966	(11,260)	6,151	10,830	4,679	(73,337)
<b>Total Other Indirect</b>	<b>282,028</b>	<b>336,083</b>	<b>54,055</b>	<b>274,416</b>	<b>1,560,362</b>	<b>1,602,752</b>	<b>42,390</b>	<b>1,291,518</b>
<b>Net Income (Loss) before CIP Funded Expenses</b>	<b>(523,293)</b>	<b>(441,541)</b>	<b>(81,752)</b>	<b>(296,649)</b>	<b>(1,866,513)</b>	<b>(2,497,055)</b>	<b>630,542</b>	<b>(483,204)</b>
<b>CIP Funded Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(11,460)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(74,272)</b>
<b>Net Income (Loss) from Operations</b>	<b>(523,293)</b>	<b>(441,541)</b>	<b>(81,752)</b>	<b>(308,109)</b>	<b>(1,866,513)</b>	<b>(2,497,055)</b>	<b>630,542</b>	<b>(557,476)</b>
<b>Fixed Asset Purchases</b>	<b>(74,507)</b>	<b>8,333</b>	<b>82,840</b>	<b>0</b>	<b>38,801</b>	<b>41,665</b>	<b>2,864</b>	<b>22,770</b>
<b>Net Income (Loss) After Fixed Asset Purchases</b>	<b>(448,786)</b>	<b>(449,874)</b>	<b>1,089</b>	<b>(308,109)</b>	<b>(1,905,313)</b>	<b>(2,538,720)</b>	<b>633,407</b>	<b>(580,246)</b>

**Hawaii Convention Center**  
**Facility**  
**Income Statement**  
**From 11/01/2021 Through 11/30/2021**  
**(In Whole Numbers)**

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
<b>Revenues</b>								
Food & Beverage	22,179	162,574	(140,395)	18,986	232,188	557,156	(324,968)	190,833
Facility	174,077	321,857	(147,780)	429,646	1,898,754	1,559,051	339,703	2,695,023
<b>Total Revenues</b>	<b>196,256</b>	<b>484,431</b>	<b>(288,175)</b>	<b>448,632</b>	<b>2,130,942</b>	<b>2,116,207</b>	<b>14,735</b>	<b>2,885,856</b>
<b>Expenses</b>								
Food & Beverage	100,135	160,920	60,785	50,503	613,749	691,947	78,198	337,155
Facility	619,414	765,052	145,639	694,778	3,383,705	3,921,315	537,610	3,031,905
<b>Total Expenses</b>	<b>719,549</b>	<b>925,972</b>	<b>206,423</b>	<b>745,281</b>	<b>3,997,454</b>	<b>4,613,262</b>	<b>615,807</b>	<b>3,369,060</b>
Net Income (Loss) before CIP Funded Expenses	(523,293)	(441,541)	(81,752)	(296,649)	(1,866,513)	(2,497,055)	630,542	(483,204)
CIP Funded Expenses	0	0	0	(11,460)	0	0	0	(74,272)
<b>Net Income (Loss) from Operations</b>	<b>(523,293)</b>	<b>(441,541)</b>	<b>(81,752)</b>	<b>(308,109)</b>	<b>(1,866,513)</b>	<b>(2,497,055)</b>	<b>630,542</b>	<b>(557,476)</b>
Fixed Asset Purchases	(74,507)	8,333	82,840	0	38,801	41,665	2,864	22,770
<b>Net Income (Loss) after Fixed Asset Purchases</b>	<b>(448,786)</b>	<b>(449,875)</b>	<b>1,089</b>	<b>(308,109)</b>	<b>(1,905,314)</b>	<b>(2,538,720)</b>	<b>633,406</b>	<b>(580,246)</b>

## **8a.2**

Budget Statement – Summary  
November 30, 2021

Category	Tourism Federal Fund - ARPA [TFF]				Convention Center Federal Fund - ARPA [CCFF]			
	Fiscal Year 2022				Fiscal Year 2022			
	Budget	YTD Amount of Budget Used	Balance	Activity for November 2021	Budget	YTD Amount of Budget Used	Balance	Activity for November 2021
<b>Revenues</b>								
TAT Revenue Allocation			-	-			-	-
Federal ARPA Funds	60,000,000	32,705,500	27,294,500	28,600,000	11,000,000	490,000	10,510,000	-
Prior Year Carryover			-	-			-	-
Availability of \$5M Emergency Fund (Subject to Governor Approval)			-	-			-	-
Other			-	-			-	-
<b>Total Revenues</b>	<b>60,000,000</b>	<b>32,705,500</b>	<b>27,294,500</b>	<b>28,600,000</b>	<b>11,000,000</b>	<b>490,000</b>	<b>10,510,000</b>	<b>-</b>
<b>Encumbrances</b>								
<b>Perpetuating Hawaiian Culture</b>								
Hawaiian Culture Programs	790,500	-	790,500	-	-	-	-	-
In-House Contracted Staff - Hawaiian Culture	-	-	-	-	-	-	-	-
Subtotal	790,500	-	790,500	-	-	-	-	-
<b>Natural Resources (Statute: \$1M minimum)</b>								
Natural Resources Programs	415,000	-	415,000	-	-	-	-	-
In-House Contracted Staff - Natural Resources	-	-	-	-	-	-	-	-
Subtotal	415,000	-	415,000	-	-	-	-	-
<b>Community</b>								
Community Programs	735,500	-	735,500	-	-	-	-	-
In-House Contracted Staff - Community	-	-	-	-	-	-	-	-
Subtotal	735,500	-	735,500	-	-	-	-	-
<b>Branding</b>								
Branding Programs	31,305,000	22,600,000	8,705,000	22,600,000	-	-	-	-
In-House Contracted Staff - Branding	-	-	-	-	-	-	-	-
State Employee Salaries - Branding	920,222	920,222	-	-	72,958	72,958	-	-
Subtotal	32,225,222	23,520,222	8,705,000	22,600,000	72,958	72,958	-	-
<b>Sports</b>								
Sports Programs	3,677,889	-	3,677,889	-	-	-	-	-
Subtotal	3,677,889	-	3,677,889	-	-	-	-	-
<b>Safety and Security</b>								
Safety and Security Programs	900,000	-	900,000	-	-	-	-	-
Subtotal	900,000	-	900,000	-	-	-	-	-
<b>Tourism Research</b>								
Tourism Research Programs	60,000	-	60,000	-	-	-	-	-
In-House Contracted Staff - Tourism Research	-	-	-	-	-	-	-	-
Subtotal	60,000	-	60,000	-	-	-	-	-
<b>Planning</b>								
Planning Programs	430,200	-	430,200	-	-	-	-	-
In-House Contracted Staff - Planning	-	-	-	-	-	-	-	-
Subtotal	430,200	-	430,200	-	-	-	-	-
<b>Hawai'i Convention Center</b>								
Sales & Marketing	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Major Repair & Maintenance	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
<b>Administrative (Statute: Cannot exceed 3.5% = \$2,765,000)</b>								
Operations	999,111	12,420	986,691	12,420	-	-	-	-
In-House Contracted Staff - Admin	-	-	-	-	-	-	-	-
State Employee Salaries - Admin	1,379,778	1,179,778	200,000	-	247,042	247,042	-	-
Subtotal	2,378,889	1,192,198	1,186,691	12,420	247,042	247,042	-	-
<b>Organizationwide Costs</b>								
State Employee Fringe	1,110,000	1,110,000	-	-	170,000	170,000	-	-
Organization-Wide	230,000	-	230,000	-	-	-	-	-
Governance - Board/Others	121,800	41,827	79,973	41,827	-	-	-	-
Subtotal	1,461,800	1,151,827	309,973	41,827	170,000	170,000	-	-
<b>Total Encumbrances</b>	<b>43,075,000</b>	<b>25,864,247</b>	<b>17,210,753</b>	<b>22,654,247</b>	<b>490,000</b>	<b>490,000</b>	<b>-</b>	<b>-</b>
<b>Revenues vs Encumbrances</b>	<b>16,925,000</b>	<b>6,841,253</b>			<b>10,510,000</b>	<b>-</b>		

Category	Tourism Special Fund (TSF)				Convention Center Enterprise Special Fund (CCESF)			
	Fiscal Year 2022				Fiscal Year 2022			
<b>Revenues</b>								
TAT Revenue Allocation	-	-	-	-	11,000,000	11,000,000	-	-
Convention Center Revenue - Relating to FY22 (also tied to FY21 encumbrance)	-	-	-	-	-	856,564	(856,564)	856,564
Convention Center Revenue - Relating to Prior Years	-	-	-	-	-	154,484	(154,484)	154,484
Other	-	102,950	(102,950)	45,557	-	137,003	(137,003)	125,240
<b>Total Revenues</b>	<b>-</b>	<b>102,950</b>	<b>(102,950)</b>	<b>45,557</b>	<b>11,000,000</b>	<b>12,148,051</b>	<b>(1,148,051)</b>	<b>1,136,288</b>

## **8a.3**

Budget Statement  
November 30, 2021

Hawaii Tourism Authority  
Budget Statement  
FY 2022

Program Code	Program Title	Budget FY22	YTD Amount of Budget Used	Remaining Balance	November 2021 Activity
<b>Tourism Federal Fund</b>					
<b>Perpetuating Hawaiian Culture</b>					
214	Legacy Award Program	25,000.00	0.00	25,000.00	0.00
216	Olelo Hawaii	500,000.00	0.00	500,000.00	0.00
217	FESTPAC	250,000.00	0.00	250,000.00	0.00
297	Memberships and Dues - Hawaiian Culture	500.00	0.00	500.00	0.00
298	Travel - Hawaiian Culture	15,000.00	0.00	15,000.00	0.00
<b>Subtotal</b>	<b>Perpetuating Hawaiian Culture</b>	<b>790,500.00</b>	<b>0.00</b>	<b>790,500.00</b>	<b>0.00</b>
<b>Natural Resources</b>					
406	Visitor Impact Program	350,000.00	0.00	350,000.00	0.00
407	Hawaii Eco Tourism Association	50,000.00	0.00	50,000.00	0.00
498	Travel - Natural Resources	15,000.00	0.00	15,000.00	0.00
<b>Subtotal</b>	<b>Natural Resources</b>	<b>415,000.00</b>	<b>0.00</b>	<b>415,000.00</b>	<b>0.00</b>
<b>Community</b>					
702	Community Training Workshops (formerly Capacity)	500,000.00	0.00	500,000.00	0.00
797	Memberships and Dues - Community	500.00	0.00	500.00	0.00
798	Travel - Community	15,000.00	0.00	15,000.00	0.00
802	Current Workforce Development (Industry Career Dev)	100,000.00	0.00	100,000.00	0.00
803	Future Workforce Development (LEI)	120,000.00	0.00	120,000.00	0.00
<b>Subtotal</b>	<b>Community</b>	<b>735,500.00</b>	<b>0.00</b>	<b>735,500.00</b>	<b>0.00</b>
<b>Branding</b>					
4	Cruise Infrastructure Improvements and Arrival Experience	100,000.00	100,000.00	0.00	100,000.00
10	HTUS/HTJ Campaign Effectiveness Study	270,000.00	0.00	270,000.00	0.00
12	Rebranding of the Hawaiian Islands	1,000,000.00	0.00	1,000,000.00	0.00
102	Hawai'i Tourism Summit	125,000.00	0.00	125,000.00	0.00
317	Convention Center Sales & Marketing - City Wide	2,600,000.00	0.00	2,600,000.00	0.00
319	MCI MFF	850,000.00	0.00	850,000.00	0.00
321	US (formerly North America)	22,500,000.00	22,500,000.00	0.00	22,500,000.00
331	Meetings, Convention & Incentives	1,900,000.00	0.00	1,900,000.00	0.00
339	Global Digital Marketing Strategy (former Intl Online Strat)	713,000.00	0.00	713,000.00	0.00
350	Global Mkt Shared Resces (formerly Intellect Prop Data Bank)	787,000.00	0.00	787,000.00	0.00
380	Marketing Opportunity Fund	250,000.00	0.00	250,000.00	0.00
397	Memberships and Dues - Branding	160,000.00	0.00	160,000.00	0.00
398	Travel - Branding	50,000.00	0.00	50,000.00	0.00
934	State Employee Salaries - Branding	920,222.00	920,222.00	0.00	0.00
<b>Subtotal</b>	<b>Branding</b>	<b>32,225,222.00</b>	<b>23,520,222.00</b>	<b>8,705,000.00</b>	<b>22,600,000.00</b>
<b>Sports</b>					
312	PGA Tour Contracts	2,177,889.00	0.00	2,177,889.00	0.00
379	Sports Programs - Unallocated	1,500,000.00	0.00	1,500,000.00	0.00
<b>Subtotal</b>	<b>Sports</b>	<b>3,677,889.00</b>	<b>0.00</b>	<b>3,677,889.00</b>	<b>0.00</b>
<b>Safety and Security</b>					
601	Visitor Assistance Programs	500,000.00	0.00	500,000.00	0.00
602	Crisis Management	100,000.00	0.00	100,000.00	0.00
603	Lifeguard Program	200,000.00	0.00	200,000.00	0.00
604	Preventative Programs	100,000.00	0.00	100,000.00	0.00
<b>Subtotal</b>	<b>Safety and Security</b>	<b>900,000.00</b>	<b>0.00</b>	<b>900,000.00</b>	<b>0.00</b>
<b>Tourism Research</b>					
506	Infrastructure Research (Accommodations and Airseats)	60,000.00	0.00	60,000.00	0.00
<b>Subtotal</b>	<b>Tourism Research</b>	<b>60,000.00</b>	<b>0.00</b>	<b>60,000.00</b>	<b>0.00</b>
<b>Planning</b>					
652	Planning Tools and Assessments	410,000.00	0.00	410,000.00	0.00
697	Memberships and Dues - Planning	3,200.00	0.00	3,200.00	0.00
698	Travel - Planning	17,000.00	0.00	17,000.00	0.00
<b>Subtotal</b>	<b>Planning</b>	<b>430,200.00</b>	<b>0.00</b>	<b>430,200.00</b>	<b>0.00</b>
<b>Administrative</b>					
101	Community-Industry Outreach & Public Relations Svcs	200,000.00	0.00	200,000.00	0.00
103	hawaiiitourismauthority.org (formerly HTA web/Global Social)	100,000.00	0.00	100,000.00	0.00
901	General and Administrative	648,700.00	12,420.00	636,280.00	12,420.00
930	State Employee Salaries - Admin	1,379,778.00	1,179,778.00	200,000.00	0.00
998	Travel - Admin	50,411.00	0.00	50,411.00	0.00
<b>Subtotal</b>	<b>Administrative</b>	<b>2,378,889.00</b>	<b>1,192,198.00</b>	<b>1,186,691.00</b>	<b>12,420.00</b>
<b>Governance and Org-Wide</b>					
915	Organization-Wide	230,000.00	0.00	230,000.00	0.00
919	Governance - Gen Board/Others	121,800.00	41,826.99	79,973.01	41,826.99
931	State Employees Fringe	1,110,000.00	1,110,000.00	0.00	0.00
<b>Subtotal</b>	<b>Governance and Org-Wide</b>	<b>1,461,800.00</b>	<b>1,151,826.99</b>	<b>309,973.01</b>	<b>41,826.99</b>
<b>Total</b>	<b>FY 2022 Funds</b>	<b>43,075,000.00</b>	<b>25,864,246.99</b>	<b>17,210,753.01</b>	<b>22,654,246.99</b>
<b>Convention Center Federal Fund</b>					
<b>Branding</b>					
934	State Employee Salaries - Branding	72,958.00	72,958.00	0.00	0.00
<b>Subtotal</b>	<b>Branding</b>	<b>72,958.00</b>	<b>72,958.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Administrative</b>					
930	State Employee Salaries - Admin	247,042.00	247,042.00	0.00	0.00
<b>Subtotal</b>	<b>Administrative</b>	<b>247,042.00</b>	<b>247,042.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Governance and Org-Wide</b>					
931	State Employees Fringe	170,000.00	170,000.00	0.00	0.00
<b>Subtotal</b>	<b>Governance and Org-Wide</b>	<b>170,000.00</b>	<b>170,000.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>FY 2022 Funds</b>	<b>490,000.00</b>	<b>490,000.00</b>	<b>0.00</b>	<b>0.00</b>

## **8a.4**

Budget Reallocation 2021



Budget Reallocation Summary  
 FY 2022  
 Through November 30, 2021

Budget Line Item	Program Code	Budget	Year-to-Date		November 2021 Activity
			Reallocation	Budget After Reallocations	
<b>Perpetuating Hawaiian Culture</b>					
<i>From:</i>					
None				-	
				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
				-	
				-	
				-	
			-		-
<b>Natural Resources</b>					
<i>From:</i>					
None				-	
				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
				-	
				-	
			-		-
<b>Community</b>					
<i>From:</i>					
None				-	
				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
				-	
				-	
			-		-

Budget Reallocation Summary  
 FY 2022  
 Through November 30, 2021

Budget Line Item	Program Code	Budget	Reallocation	Budget After Reallocations	November 2021 Activity
				-	
				-	
				-	
			-		-
<b>Branding</b>					
<i>From:</i>					
None				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
				-	
			-		-
<b>Sports</b>					
<i>From:</i>					
None				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
				-	
			-		-
<b>Safety and Security</b>					
<i>From:</i>					
None				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
				-	
			-		-
<b>Tourism Research</b>					
<i>From:</i>					

Budget Reallocation Summary  
 FY 2022  
 Through November 30, 2021

Budget Line Item	Program Code	Budget	Reallocation	Budget After Reallocations	November 2021 Activity
None				-	
				-	
			-		-
<b>To:</b>				-	
				-	
			-		-
<hr/>					
<b>Planning</b>					
<b>From:</b>					
None				-	
				-	
			-		-
<b>To:</b>					
				-	
				-	
			-		-
<hr/>					
<b>Administration</b>					
<b>From:</b>					
None				-	
				-	
			-		-
<b>To:</b>					
				-	
				-	
			-		-
<hr/>					
<b>Governance and Organization-Wide</b>					
<b>From:</b>					
None				-	
				-	
			-		-
<b>To:</b>					
				-	
				-	
			-		-

Budget Reallocation Summary  
 FY 2022  
 Through November 30, 2021

Budget Line Item	Program Code	Budget	Reallocation	Budget After Reallocations	November 2021 Activity
<b>Board Allocations</b>					
<i>From:</i>					
None			-	-	-
			-		-

## **8a.5**

Budget Statement – July 1, 2021  
(August 19, 2021)

Hawaii Tourism Authority  
Budget Statement  
July 1, 2021

**Note:** This schedule summarizes transactions that were encumbered with FY21 funds, processed by FY22 business. See further discussion in Executive Summary.

Program Code	Program Title	FY21 Funds Transactions, Processed in FY22
<b>Perpetuating Hawaiian Culture</b>		
201	Kukulu Ola: Living Hawaiian Cultural Prog	-
202	Hawaiian Culture Initiative	-
206	Kahea Program - Harbor Greetings	-
207	Kahea Program - Airport Greetings	-
208	Hawaiian Music and Dance Center	5,948,568
212	Merrie Monarch Hula Festival	-
215	Hawaiian Culture Opportunity Fund	99,995
216	Olelo Hawaii	-
297	Memberships and Dues - Hawaiian Culture	-
717	Monthly Music Series	-
932	Salaries - Hawaiian Culture	-
	<b>Total - Perpetuating Hawaiian Culture</b>	<b>6,048,563</b>
<b>Natural Resources</b>		
402	Aloha Aina (formerly NR and Leg Prov NR)	-
406	Visitor Impact Program	-
407	Hawaii Eco Tourism Association	-
499	In-House Contracted Staff - Natural Resources	-
936	State Employee Salaries - Natural Resources	-
	<b>Total - Natural Resources</b>	<b>-</b>
<b>Community</b>		
700	Community Opportunity	-
701	Community Enrichment Program	-
731	Community-Based Tourism - Oahu	-
732	Community-Based Tourism - Maui County	20,000
733	Community-Based Tourism - Hawaii Island	15,000
734	Community-Based Tourism - Kauai	15,000
797	Memberships and Dues - Community	-
933	State Employee Salaries - Community	-
	<b>Total - Community</b>	<b>50,000</b>
<b>Branding</b>		
4	Cruise Infrastructure Improvements and Arrival Experiences	-
318	gohawaii.com (formerly Online Website Coordination)	-
320	Island Chapters Staffing and Admin	-
321	US (formerly North America)	-
322	Canada	800,000
323	Japan	-
324	Korea	-
325	Oceania	-
329	China	-
331	Meetings, Convention & Incentives	-
339	Global Digital Marketing Strategy (former Intl Online Strategy)	-
350	Global Mkt Shared Rescues (formerly Intellect Prop Data Bank)	-
380	Marketing Opportunity Fund	-
397	Memberships and Dues - Branding	-
398	Travel - Branding	-
723	Hawaii Film Office Partnership	-
934	State Employee Salaries - Branding	-
	<b>Total - Branding</b>	<b>800,000</b>
<b>Sports</b>		
312	PGA Tour Contracts	-
377	Polynesian Football HoF	-
378	UH Athletics Branding Partnership	-
384	Football	-
	<b>Total - Sports</b>	<b>-</b>
<b>Safety and Security</b>		
601	Visitor Assistance Programs	55,000
602	Crisis Management	-
	<b>Total - Safety and Security</b>	<b>55,000</b>

Hawaii Tourism Authority  
Budget Statement  
July 1, 2021

<b>Tourism Research</b>		
505	Est of Visitor Arrivals by Country by Month	-
506	Infrastructure Research (Accomodations and Airseats)	-
512	Visitor Arrivals and Departure Surveys	(390,082)
513	Evaluation and Performance Studies	-
514	Marketing Research	-
597	Memberships and Dues - Research	-
935	State Employee Salaries - Research	-
	<b>Total - Tourism Research</b>	<b>(390,082)</b>
<b>Administrative</b>		
101	Community-Industry Outreach & Public Relations Svcs	200,000
103	hawaiitourismauthority.org (formerly HTA web/Global Sc	-
901	General and Administrative	-
909	Protocol Fund	-
930	State Employee Salaries - Admin	-
	<b>Total - Administrative</b>	<b>200,000</b>
<b>Governance and Organization-Wide</b>		
915	Organization-Wide	-
919	Governance - Gen Board/Others	-
931	State Employees Fringe	-
	<b>Total - Governance and Organization-Wide</b>	<b>-</b>
	<b>Total</b>	<b>6,763,481</b>

**Convention Center Enterprise Special Fund:**

<b>Branding</b>		
934	State Employee Salaries - Branding	-
	<b>Total - Branding</b>	<b>-</b>
<b>Administrative</b>		
930	State Employee Salaries - Admin	-
	<b>Total - Administrative</b>	<b>-</b>
<b>HCC Operations</b>		
850	HCC Operating Expense	13,186,400
860	HCC Repair and Maintenance	20,960,600
870	HCC Sales and Marketing / MFF	-
871	HCC Local Sales	533,000
	<b>Total - HCC Operations</b>	<b>34,680,000</b>
<b>Governance and Organization-Wide</b>		
915	Organization-Wide	-
931	State Employees Fringe	-
	<b>Total - Governance and Organization-Wide</b>	<b>-</b>
	<b>Total CCESF</b>	<b>34,680,000</b>

# 9

Report of the ***Ho'okahua Hawai'i Standing Committee*** of their Meeting held on December 13, 2021



## **9a.1**

### **Kauai DMAP Progress Report**

## Fall 2021 Progress Report – Kaua‘i Destination Management Action Plan





The Kaua‘i Destination Management Action Plan (DMAP) was approved by the Hawai‘i Tourism Authority’s (HTA) board of directors in December 2020. It was released to the public and published on HTA’s website on February 5, 2021.

This report provides an update on the progress toward fulfilling Kaua‘i’s DMAP from August through November 4, 2021, and specifically provides updates on the actions identified for Phase 1 (calendar year 2021) implementation. Only Phase 1 sub-actions are listed unless otherwise noted. There are 34 sub-actions in Phase 1, of which 26 (76%) are in progress. In addition, three sub-actions that were identified to start in Phase 2 are currently being addressed in Phase 1.



Mahalo to the County of Kaua‘i’s Office of Economic Development and the Kaua‘i Visitors Bureau (KVB) for their support and partnership in moving the Kaua‘i DMAP actions forward. HTA also acknowledges the other state, county and federal agencies, nonprofit organizations, and the visitor industry which have been integral to advancing the DMAP efforts.

### Legend

Symbol	Definition
	Not Started – Action has not begun.
	Delayed – Action was initially targeted for the identified phase, but then deferred to a later phase.
	In Progress – Action is being worked on.
	Completed – Action is finished being implemented.

## Fall 2021 Progress Report – Kaua‘i DMAP (continued)

**Action A. Focus policy efforts on appropriate behavior that will instill value in both visitors and residents for our natural and cultural resources (mālama ‘āina).**

Progress	Sub-Action No.	Sub-Action
	A.1	<b>Include Department of Land and Natural Resources (DLNR) on all discussions and find ways for state and county departments to work together.</b>
<p>This action is ongoing. Alan Carpenter, Assistant Administrator, DLNR’s Division of State Parks has been added to Kaua‘i’s DMAP Steering Committee. Sue Kanoho, KVB Executive Director, is working with Dan Dennison, DLNR’s Senior Communications Manager, and Alan on issues. For example, press release and cease and desist letter issued re: illegal wedding photography on state park properties.</p>		
	A.2	<b>Explore and implement a universal user fee model to help offset maintenance costs at beaches and parks. Advocate for the adjustment of usage fees (camping permits) to target different levels of users and instill better management of illegal users.</b>
<p>County of Kaua‘i has commenced a study regarding usage fees at different parks.</p>		
	A.3	<b>Support and promote DLNR’s App (DLNRtip) which allows citizens to help with enforcement and creates public awareness.</b>
<p>HTA promoted via social media.</p>		
	A.4	<b>Identify and provide more informational signage at cultural sites, beaches and hiking spots for safety, education, and a great experience.*</b>
<p>HTA staff has allocated in its FY 2022 budget to program which modernizes and improves signage.</p>		
	A.5	<b>Educate tour operators and boating companies about proper etiquette to deter ocean and reef pollution.</b>
<p>A contract has been executed with the Sustainable Tourism Association of Hawai‘i to move this action forward.</p>		
	A.6	<b>Advocate for more stringent and intentional inspections/enforcement of camping/hiking gear and shoes upon arrival at the airport.</b>
<p>DLNR and the State Department of Transportation’s Airports and Harbors Divisions are working to further develop a ‘Ports of Entry Biosecurity’ project for the State of Hawai‘i.</p>		
	A.7	<b>Support awareness and education of appropriate behavior towards endangered species such as Hawaiian monk seals, sea turtles, Newell’s Shearwaters, koloa maoli (native ducks) and native birds.</b>
<p>HTA, KVB, and the Hawai‘i Visitors and Convention Bureau (HVCB) have published social media posts about respecting wildlife to their respective profiles (@HawaiiHTA, @KauaiDiscovery and @GoHawaii). Airline partners are also doing their part to educate travelers, including Hawaiian Airlines who created a 5-minute in-flight travel pono video (<a href="https://youtu.be/KPcoUjCmhFg">https://youtu.be/KPcoUjCmhFg</a>) which began airing in cabins the week of September 20. HTA is also in discussions with other airlines, including United Airlines.</p>		

\* This action was to begin in Phase 2, but we are addressing it earlier.

## Fall 2021 Progress Report – Kaua‘i DMAP (continued)



**A.8**

**Advocate for increased ranger presence and enforcement at county and state parks.**

The County is proposing to use a portion of its Transient Accommodations Tax (TAT) to fund rangers at identified hotspot areas. They are also looking at establishing an educational ambassador program in 2022.

**Action B. Collaborate with State of Hawai‘i Department of Land & Natural Resources (DLNR) to develop and implement policies to increase monitoring and enforcement efforts.**

Progress	Sub-Action No.	Sub-Action
	<b>B.1</b>	<b>Include DLNR on all discussions and find ways for state and county departments to work together.</b>
		KVB to stay connected with DLNR to further plan and coordinate.
	<b>B.2</b>	<b>Advocate state/county partnerships with organizations to steward sites. Explore HTA’s role in being a liaison between DLNR and Hawaiian lineage descendants for land stewardship.</b>
		The County continues to help some stewards on county lands.
	<b>B.3</b>	<del>Advocate for DLNR staff training and education.</del> <b>Committee agreed to refine this action to now read: Provide updates to DLNR and ensure the DLNR staff have the latest updates/briefs.</b>
		KVB is working with DLNR to keep its list of areas to promote and areas to not promote current.
	<b>B.4</b>	<b>Advocate for increased state funding within DLNR for natural resource protection, watershed management, maintenance and development of trail networks, and protection of shoreline and nearshore marine resources, all paired with increased island-specific control and input in such efforts.</b>
	<b>B.5</b>	<b>Encourage DLNR to review regulations for commercial boat and kayak tours along the Nāpali Coast, including schedules and capacity at the Kikiaola Boat Harbor and Port Allen. Implement restrictions if deemed necessary.</b>

## Fall 2021 Progress Report – Kaua‘i DMAP (continued)






### **Action C. Invest in Hawaiian cultural programs and identify funding sources that enhance the visitor experience and connect both tourism and communities.**

Progress	Sub-Action No.	Sub-Action
	C.1	<b>Develop training programs relating to Hawaiian textiles and weaving targeted at visitors and locals.</b> A Request for Proposal for the HTA's Kūkulu Ola program was issued on September 15, 2021.
	C.2	<b>Work with hotels to provide cultural and history classes that guests can attend. Examples include lei making or making poi.</b> Currently this is on hold at this time due to staff shortages. Will revisit at the beginning of 2022.
	C.3	<b>Develop a video to educate groups (corporate, weddings, other larger parties) about cultural values and respecting the ‘āina and ocean. Encourage viewership of the video.</b> KVB is working on short video vignettes using County and HTA funds. It should be completed by 1st quarter of 2022.
	C.4	<b>Support activities like kanikapila songfests featuring Hawai‘i’s music and musicians.*</b> An RFP for the HTA's Kūkulu Ola program was issued on September 15, 2021, and HTA's Community Enrichment Program on September 27, 2021.
	C.5	<b>Support educational programs at cultural sites and invest time into mālama sacred sites such as heiau and resources such as the kai (ocean).*</b> An RFP for the HTA's Aloha ‘Āina program was issued on September 15, 2021, and HTA's Community Enrichment Program on September 27, 2021.
	C.6	<b>Connect Hawaiian culture organizations with the visitor industry to help grow, enhance, design their programs and offering. Explore creating a resource team.</b> Native Hawaiian Hospitality Association's Kuhikuhi online directory (kuhikuhi.com) is now available. KVB will also be coordinating with Mālie Foundation to create a resource team.
	C.7	<b>Develop ways to bridge cultural practitioners with the visitor industry and small businesses, such as connecting to meetings, conventions and incentives markets, ground operators, destination management companies, festivals and events. Explore the creation of a resource list of cultural practitioners.</b> Native Hawaiian Hospitality Association's Kuhikuhi online directory (kuhikuhi.com) is now available. KVB will also be coordinating with Mālie Foundation to create a resource team.

\* This action was to begin in Phase 2, but we are addressing it earlier.





Fall 2021 Progress Report – Kaua‘i DMAP (continued)

**Action D. Focus policies that address overtourism by managing people while on Kaua‘i.**


Progress	Sub-Action No.	Sub-Action
	D.1	<p><b>Assess and set specific site visitor limits and create site management plans/develop and implement tourism capacity management models at “hotspot” areas. Allot rest days for hotspot areas.</b></p> <p>This effort continues through the Department of Business, Economic Development and Tourism (DBEDT) and HTA’s Symphony Dashboards. The County’s Energy Transition Initiative Partnership Project (ETIP) working group will be conducting a mobility study.</p>
	D.2	<p><b>Pilot a reservation system to manage capacity of visitors and explore feasibility of expanding to other hotspot areas.</b></p> <p>HTA is investing in a “Channel Manager System.” This system will sit on top of other reservation and booking systems.</p>
	D.3	<p><b>Continue the county’s stringent shut down of illegal transient vacation rentals (TVRs), such as the partnership with Airbnb and Expedia.</b></p> <p>County’s efforts continue.</p>
	D.4	<p><b>Explore and understand land use, zoning and permitting to manage number of future visitor accommodations on Kaua‘i based on current infrastructure and improve infrastructure. Create a white paper to document findings.</b></p>
	D.5	<p><b>Explore ways to count and manage the movement of visitors and residents at identified hotspot areas to prevent the degradation of natural resources, alleviate congestion, and manage the area. Strive for a systematic mechanism to monitor different areas.</b></p> <p>This effort continues with the getaroundkauai.com website and County’s ETIP Committee to study mobility and monitoring.</p>

Fall 2021 Progress Report – Kaua‘i DMAP (continued)

**Action E. Encourage low-impact green rides to improve the visitor experience, reduce island traffic, increase small business opportunities, and meet climate action goals.**

Progress	Sub-Action No.	Sub-Action
	E.1	<del>Foster and promote diverse mobility choices so that visitors may elect alternatives to renting cars for their entire stay.</del> <b>The Steering Committee refined this action further to read:                      Foster and promote diverse mobility choices for visitors.</b>
County is looking to do a mobility study in Waipouli. KVB and County had two meetings with the rental car agencies regarding multiple mode choices.		
	E.2	<b>Continuously examine the movement of visitors around the island, including popular visitor attractions and beach destinations, and encourage the development of public-private shuttle systems from the airport and in major Visitor Destination Areas (VDAs).</b>
County is looking to do a mobility study in Waipouli. KVB and County had two meetings with the rental car agencies regarding multiple mode choices.		
	E.3	<b>Meet with and discuss with rental car agencies and car sharing companies to provide electric vehicles, and increase incentives to install EV chargers at the airport and at potential high-use car share locations.</b>
County is looking to do a mobility study in Waipouli.		
	E.4	<b>Create incentives for visitors to choose alternative transportation options such as separating parking costs from resort fees and implementing paid parking at beaches and other parking-limited destinations.</b>






**Action F. Increase communication, engagement and outreach efforts with the community, visitor industry, and other sectors.**

Progress	Sub-Action No.	Sub-Action
	F.1	<b>Explore new ways to communicate with the residents and visitor industry to share information and increase understanding. Create a communications plan.</b>


KVB is developing a communications plan.

Fall 2021 Progress Report – Kaua‘i DMAP (continued)

**Action G. Develop educational materials for visitors and new residents to have respect for our local cultural values.**

Progress	Sub-Action No.	Sub-Action
	G.1	Create a list of organizations to work with to build an educational program.
	G.2	Review existing publications that address respect for Kaua‘i’s local culture values. Explore the creation of a “Kaua‘i 101” curriculum for visitors and new residents.  The organization, Leadership Kaua‘i, is producing a “Kaua‘i 101” for both new residents and visitors. KVB is providing support.
	G.3	Work with Hawaiian cultural practitioners when developing education materials so that the Hawaiian culture is portrayed accurately for the visitors.
	G.4	Create an educational video about entering Hawai‘i and the history, culture, people and environment of Kaua‘i. Look at the feasibility of an inflight video, and playing it at the airport.  KVB plans to create an education video.
	G.5	Explore developing content for social media – “home grown media” – to showcase Kaua‘i local culture.


**Action H. Promote “Shop Local” to visitors and residents.**

Progress	Sub-Action No.	Sub-Action
	H.1	Expand the <i>Kaua‘i Made</i> products Program, market, promote, and brand beyond Kaua‘i’s shores. Explore an “Aloha for Kaua‘i” type of online-portal.  The Alakoko storefront is anticipated to open in December/January. The County is starting to rebuild the <i>Kaua‘i Made</i> products program and is exploring a social media campaign to promote the initiative. County is supporting 6-7 vendors from Kaua‘i at the “Hawai‘i Made Festival” on O‘ahu.



Fall 2021 Progress Report – Kaua‘i DMAP (continued)

**Action I. Support Diversification of Other Sectors.**

Progress	Sub-Action No.	Sub-Action
	I.1	<b>Support and preserve Kaua‘i’s agriculture industry, such as value-added products, and agritourism through amended rules/regulations</b>

County is working on a new ordinance which allows farmers to sell produce and other goods from their agriculture lands and value-added agriculture products.

## **9a.2**

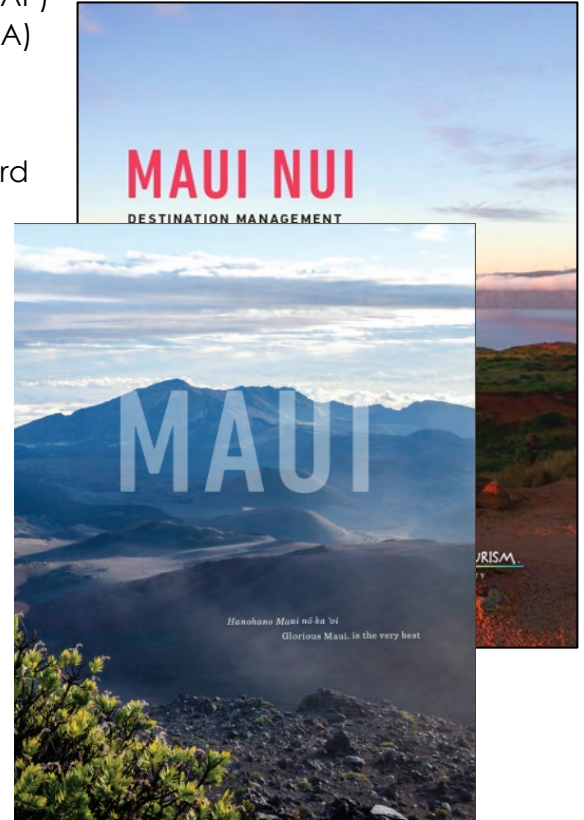
### **Maui DMAP Progress Report**

## Fall 2021 Progress Report – Maui Destination Management Action Plan





The Maui Destination Management Action Plan (DMAP) was approved by the Hawai'i Tourism Authority's (HTA) board of directors in December 2020. The Maui Nui DMAP was released to the public on March 4, 2021.

This report provides an update on the progress toward fulfilling Maui's DMAP from August through as of November 15, 2021, and specifically provides updates on the actions identified for Phase 1 (calendar year 2021) implementation. Only Phase 1 sub-actions are listed unless otherwise noted. There are 18 sub-actions in Phase 1 of which 16 (78%) are in progress and one has been completed. In addition, two sub-actions identified to start in Phase 2 are currently being addressed in Phase 1.

Mahalo to the County of Maui's Office of Economic Development, Office of the Mayor's Community Liaison for tourism and natural resources, and the Maui Visitors and Convention Bureau (MVCB) for their support and partnership in moving the Maui DMAP actions forward. HTA also acknowledges the other state, county and federal agencies, nonprofit organizations, and the visitor industry which have been integral to advancing the DMAP efforts.



### Legend

Symbol	Definition
	Not Started – Action has not begun.
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## Fall 2021 Progress Report – Maui DMAP (continued)

### **Action A. Implement a responsible tourism marketing communications program to educate visitors pre- and post-arrival about safe and respectful travel.**

Progress	Sub-Action No.	Sub-Action
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**A.1**

**Develop and implement a coordinated marketing and branding plan that defines and amplifies Regenerative tourism on Maui Island.**

HTA's Global Marketing Team is moving this action forward through their Brand Marketing and Management Plans, as well as the Mālama Hawai'i campaign.

Maui Visitors & Convention Bureau (MVCB) was featured on Hawaii News Now's HINow program on November 1, 2021, to showcase regenerative tourism opportunities. It featured Na Mahiai O Ke'anae, a Hawaiian culture organization. This segment also reached a West Coast audience. <https://www.hawaiinewsnow.com/2021/11/02/hawaii-visitor-leaders-work-with-local-non-profits-promote-responsible-tourism/>



**A.2**

**Review and enhance the goHawaii app to include more island specific features such as real time information, road closures, events, local etiquette, resource protection, and areas that are off-limits. A geo-targeted app is desired.**

MVCB and HTA continue to work with the Hawai'i Visitors & Convention Bureau (HVCB) to enhance the app.



**A.3**

**Encourage usage of the updated goHawaii app in the implementation of the marketing/branding plan (including social media). Encourage partners to also promote the goHawaii app and other visitor education programs.\***

HTA continues to work with its Global Marketing Team in English speaking countries to promote the goHawaii app.

*\* This action was to begin in Phase 2, but we are addressing it earlier.*



**A.4**




**Continue public service announcements about being a responsible visitor on incoming flights and at airports. Ensure continued funding for program.**

Airline partners are also doing their part to educate travelers, including Hawaiian Airlines who created a 5-minute in-flight travel pono video (<https://youtu.be/KPcoUjCmhFg>) which began airing in cabins the week of September 20.


United Airlines is also making the Mālama Hawai'i videos accessible in its library of videos/movies on all flights arriving in the Hawaiian Islands. In addition, they have included mālama sentiments on its in-flight flight attendants' announcements. United Airlines will also be sending these videos to all passengers via email when they book flights to Hawai'i beginning Q1 2022.

## Fall 2021 Progress Report – Maui DMAP (continued)

### **Action B. Initiate, fund and continue programs to protect the health of ocean, fresh water and land-based ecosystems and biosecurity.**

Progress	Sub-Action No.	Sub-Action
	B.1	<b>Promote Hawai'i's sunscreen law and educate visitors about proper sunscreen use through the goHawaii app and other visitor education programs.</b>
<p>MVCB added the App Reef Safe Sunscreen information to the image carousel of the goHawaii app. So far it has received good engagement and impressions. MVCB has also published an article with the Surfrider Foundation regarding reef safe sunscreen. MVCB is conducting a reef safe sunscreen campaign for the duration of 2022.</p>		
	B.2	<b>Explore the capacity limits at hotspots through science-based data. Continue educating the community and visitors about the importance of limiting numbers to ensure the hot spots can be sustained and thrive.</b>
<p>This effort continues through the Department of Business, Economic Development and Tourism (DBEDT) and HTA's Symphony Dashboards and use of Ubermedia data. The County's Management Department is working on a Park Maui program (currently in final RFP Stage) to address parking congestion.</p>		
	B.3	<b>Pilot a reservation system (e.g., East Maui Reservation and Itinerary System) to support a sustainable capacity of visitors and explore the feasibility of expanding capabilities to other hotspots on the island</b>
<p>HTA is investing in a "Channel Manager System." This system will sit on top of other reservation and booking systems.</p>		

### **Action C. Continue to reach out to the community to understand resident sentiment, increase communications to residents, and foster collaboration.**

Progress	Sub-Action No.	Sub-Action
	C.1	<b>Hold regular town hall meetings to include both community members, stakeholders, and industry partners.</b>
<p>HTA and MVCB held community forums on November 2, 2021. They were joined by DLNR and HVCB. Together they shared: 1) DMAP information and a progress report with the community, 2) updates on the Community Enrichment Program, 3) background on the reef-safe sunscreen campaign, and 4) the latest on the Mālama Maui County pledge and Maui visitor statistics. Input was also sought from participants regarding regenerative tourism. Questions were also taken from the audience.</p>		

## Fall 2021 Progress Report – Maui DMAP (continued)






C.2


**Increase awareness of tourism benefits such as jobs, small business successes, local/Maui workforce; how resident concerns are being viewed and addressed; and how it correlates with Maui's overall economy. Use town hall meetings addressed in C.1. as one vehicle for these messages.**

Data was shared at the HTA and MVCB community forums on November 2, 2021. MVCB will be producing a commercial featuring residents speaking of tourism's benefits to the island's economy.

### **Action D. Continue to offer cultural education and training programs to enhance and perpetuate aloha, mālama and kuleana, and the authentic Hawai'i experience.**

Progress	Sub-Action No.	Sub-Action
	D.1	<b>Explore funding and scholarships to increase tour guide certification program participation as pilot project for future compulsory culture and language training programs.</b>
HTA is focusing on a tour guide certification study to be conducted by University of Hawai'i's School of Travel Industry Management for completion in 2022.		
	D.3	<b>Explore options and identify community organizations that can work with industry partners to foster locations for educational sites for learning that supports practitioners: apprentice type of programs to ensure proper, quality learning.</b>
This was discussed at the October Regenerative Tourism Conference held on Maui. Currently, HTA is putting together a list of practitioners for the visitor industry.		
	D.4	<b>Continue to offer and promote cultural education workshop series for visitor industry and other businesses.</b>
This continues with Native Hawaiian Hospitality Association's webinars trainings ( <a href="https://www.nahha.com/training">https://www.nahha.com/training</a> ).		

### **Action E. Develop Regenerative Tourism initiatives.**

Progress	Sub-Action No.	Sub-Action
	E.1	<b>Support and incentivize product development to create more packages with opportunities to not only learn about Hawai'i but to also make the place better.</b>
HTA and MVCB collected feedback from the community forums' participants on November 2, 2021. MVCB also held two informational webinars targeted at nonprofits to share information about the Mālama Hawai'i program and encourage participation. HTA will be funding community product capacity building workshops through its FY 2022 budget.		

## Fall 2021 Progress Report – Maui DMAP (continued)






E.2

**Identify and promote cross-discipline activities into product development (i.e., invasive species eradication, planting taro, wildlife preservation and environmental protection for visitors and residents)**

We have collected feedback from the HTA and MVCB community forums' participants on November 2, 2021. MVCB also held two informational webinars targeted at nonprofits to share about the Mālama Hawai'i program and encourage participation. HTA will be funding community product capacity building workshops through its FY 2022 budget.



### **Action F. Develop and promote initiatives to improve the experience of transportation & ground travel.**

Progress	Sub-Action No.	Sub-Action
	F.1	<b>Support the efforts of Maui Metropolitan Planning Organization on decreasing traffic (Hele Mai).</b>
		This effort continues.
	F.3	<b>Identify ways to increase availability of rental cars in the resort areas for on-demand use.</b>
		Rental car walkup desks are being brought back at some resorts.
	F.4	<b>Together with HDOT-Airports explore options to reduce the number of flights arriving near the same time to reduce the related impact of high traffic volume between the airport and resort areas.*</b>

As stated in the summer progress report, according to Department of Transportation-Airports, this is regulated by the Federal Aviation Administration (FAA) and it is difficult to change flight schedules. If a slot is open, DOT-Airports will need to let them in.


*\* This action was to begin in Phase 2, but we are addressing it earlier.*

### **Action G. Ensure more direct benefits to residents from tourism.**

Progress	Sub-Action No.	Sub-Action
	G.1	<b>Encourage hotels and restaurants to prioritize purchases from local suppliers to support recovery efforts and recognize those who are helping.</b>
		HTA is in discussions with DBETD and Hawai'i State Department of Agriculture to determine how much the visitor industry (hotels and restaurants) is purchasing from local farmers.
	G.2	<b>Develop a master list of locally grown and value-added products that can be accessed by hotels and restaurants to know more easily what is available. The list can include local growers; co-ops; volume of product available; list of food products (Chamber); other manufactured/value-added products.</b>

**Fall 2021 Progress Report – Maui DMAP (continued)**

**Action H. Have HTA and the county advocate for consistent enforcement of laws and progress report(s) on enforcement.**

Progress	Sub-Action No.	Sub-Action
	H.1	Advocate for increased enforcement of current laws

This effort continues.



## **9a.3**

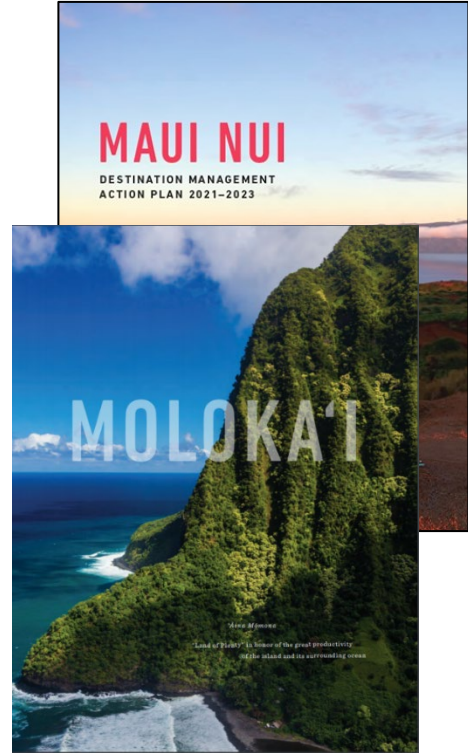
### **Molokai DMAP Progress Report**

## Fall 2021 Progress Report – Moloka‘i Destination Management Action Plan





The Moloka‘i Destination Management Action Plan (DMAP) was approved by the Hawai‘i Tourism Authority’s (HTA) board of directors in December 2020. The Maui Nui DMAP which incorporates the Moloka‘i DMAP was released to the public on March 4, 2021.

This report provides an update on the progress of Moloka‘i’s DMAP from August through November 15, 2021, and specifically provides updates on the actions identified for Phase 1 (calendar year 2021) implementation. Only Phase 1 subactions are listed unless otherwise noted. There are 11 sub-actions in Phase 1 of which 7 (64%) are in progress. In addition, five sub-actions that were identified to start in Phase 2 are currently being addressed in Phase 1.

Mahalo to the County of Maui’s Office of Economic Development, Office of the Mayor’s Community Liaison for tourism and natural resources, and the Maui Visitors and Convention Bureau (MVCB) for their support and partnership in moving the Moloka‘i DMAP actions forward. HTA also acknowledges the other state, county and federal agencies, nonprofit organizations, and the visitor industry which have been integral to advancing the DMAP efforts.



### Legend



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## Fall 2021 Progress Report – Moloka‘i DMAP (continued)

### **Action A. Develop communication and education programs to encourage responsible visitor behaviors.**

Progress	Sub-Action No.	Sub-Action
	A.1	<b>Assess the feasibility of a visitor center open every day and fully staffed.</b>
		On November, 4, 2021, HTA met with the Hawai‘i State Department of Transportation – Airports Division (DOT-A), County and some of the Moloka‘i Steering Committee members to discuss an Aloha Ambassador Volunteer Program at Moloka‘i Airport.
	A.2	<b>Develop Moloka‘i specific content for communications pieces to educate visitors about what to expect on Moloka‘i, including types of activities that are available as well as rules, sites where access is not allowed, safety rules, list of resources, etc. The content should also describe a process of mutual respect between residents and visitors.</b>
	A.3	<b>Develop a process that incoming visitors are highly encouraged to watch an orientation video at the Moloka‘i Airport.</b>

### **Action B. Support the growth of Moloka‘i businesses by encouraging new product development focused on regenerative tourism, while continuing support of traditional leisure tourism, to increase jobs for residents.**

Progress	Sub-Action No.	Sub-Action
	B.1	<b>Support existing businesses to remain viable until visitor industry stabilizes - anticipated to be Summer 2021. This could take the form of offering workshops on recovery, different aspects of capacity building, grants, and/or temporary offices/workspaces.</b>
		County of Maui’s Office of Economic Development held webinars in the first half of 2021 through the Kuha‘o Business Center on Moloka‘i. Workshops aimed to help build business capacity/organizational capacity. There was good participation. These will continue through the end of 2021.
	B.2	<b>Support the creation of new businesses (and existing businesses looking to grow or transition into new areas) that can offer desired experiences and services to visitors and provide more job stability for residents.*</b>
		Request for proposals were issued in September 2021 for HTA’s Community Enrichment, Kūkulu Ola, and Aloha ‘Āina programs for 2022.

*\* This action was to begin in Phase 2, but we are addressing it earlier.*

## Fall 2021 Progress Report – Moloka‘i DMAP (continued)



**B.3 Community-based businesses, organizations and tourism providers to identify regenerative tourism activities that could be offered to visitors and then amplified through product development and marketing programs.\***

Request for proposals were issued in September 2021 for HTA's Community Enrichment, Kūkulu Ola, and Aloha ‘Āina programs for 2022.

*\* This action was to begin in Phase 2, but we are addressing it earlier.*

**Action C. Promote Moloka‘i to attract kama‘āina and specific visitor segments who appreciate and understand the Moloka‘i lifestyle.**

Progress	Sub-Action No.	Sub-Action
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**C.1 Invite members of the community, cultural experts and businesses to be a part of an advisory group to guide messaging and campaigns to evolve the positioning of Moloka‘i towards a cultural and educational experience in addition to a leisure vacation destination.**

The first Moloka‘i Advisory Group meeting took place on October 29, 2021. The next one is scheduled for mid-December 2021.



**C.3 Target marketing towards groups that match with the experiences that Moloka‘i has to offer.**  
 - Kama‘āina visitors who better understand the lifestyle and experience Moloka‘i has to offer.  
 - Retreat groups.  
 - Repeat visitors to Moloka‘i.  
**Visitors looking to take part in agritourism and cultural tourism activities. Explore further the Hunter segment who can also help manage the deer population. \***

This has been communicated to the HTA's Global Marketing Team. Request for proposals were also issued in September 2021 for HTA's Community Enrichment Program and Kūkulu Ola Program to support agritourism and cultural tourism activities.

*\* This action was to begin in Phase 2, but we are addressing it earlier.*

**Action D. Enhance resident-visitor relations by strengthening existing cultural/community-based organizations and activities.**

Progress	Sub-Action No.	Sub-Action
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**D.1 Develop voluntourism activities that give visitors opportunities to participate with local nonprofit organizations in Lo‘i Kalo, Loko I‘a, conservation, and restoration activities.**

Request for proposals were issued in September 2021 for HTA's Community Enrichment Program and Aloha ‘Āina Program to support voluntourism activities. MVCB is in discussions/consultation with ‘āina Momona and Moloka‘i Land Trust.

## Fall 2021 Progress Report – Moloka‘i DMAP (continued)



**D.2 Support and strengthen existing events and create new events by local community experts for both residents and visitors. Ensure cultural events are run by someone with relevant experience.\***

Request for proposals were issued in September 2021 for HTA's Community Enrichment Program for 2022.



**D.5 Encourage cultural practitioners with generational ties to Moloka‘i to participate and lead in business efforts and events, to support continued cultural practices on island.**

Request for proposals were issued in September 2021 for HTA's Community Enrichment, Kūkulu Ola, and Aloha ‘Āina programs.



**D.6 Identify clean-up/restoration projects that could be implemented to support residents and tourists alike (see A.3).\***

Request for proposals were issued in September 2021 for HTA's Community Enrichment, Kūkulu Ola, and Aloha ‘Āina programs.



**D.8 Hold regular town hall meetings to include both community, stakeholders, and industry partners, to share updates on the benefits and trade-offs of tourism for Moloka‘i, through multiple modes of communication (not just online).**

*\* This action was to begin in Phase 2, but we are addressing it earlier.*

### **Action E. Provide accommodations that meet the needs of the target segments.**

Progress	Sub-Action No.	Sub-Action
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**E.1 Identify community infrastructure that needs improvement/revitalization.**

MVCB's Destination Manager has been in discussion with some community members in an effort to identify community infrastructure in need of repairs, such as Mālama Park. The County's Community Liaison recommended getting a list from the community which can then be shared with the appropriate departments for review and consideration.

### **Action F. Engage partners to determine a path forward that will enhance interisland transportation options for both residents and visitors.**

Progress	Sub-Action No.	Sub-Action
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**F.1 Advocate for airlines, County, HDOT and FAA to restore affordable and dependable air and sea transportation to viable levels that meet the needs of the community.**

This is currently in the hands of Hawai‘i Congressman Kai Kahele. The County has been working with Congressman Kahele's office to examine how to get Moloka‘i Airport designated as "Essential Air Service."

## **9a.4**

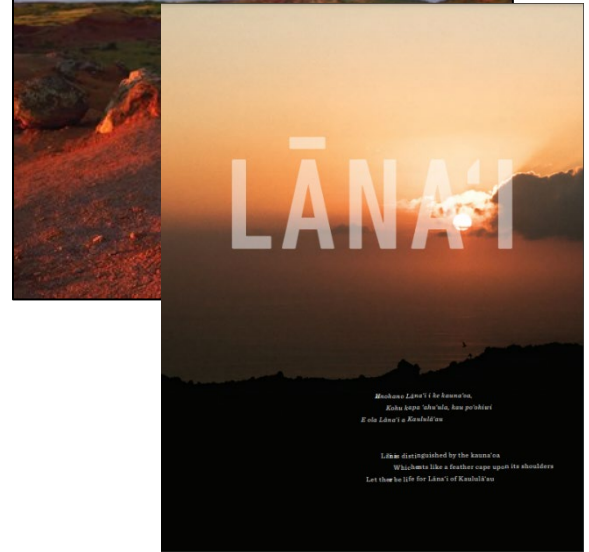
### **Lanai DMAP Progress Report**

## Fall 2021 Progress Report – Lāna‘i Destination Management Action Plan





The Lāna‘i Destination Management Action Plan (DMAP) was approved by the Hawai‘i Tourism Authority’s (HTA) board of directors in January 2021. The Maui Nui DMAP, which incorporates the Lāna‘i DMAP, was released to the public on March 4, 2021.

This report provides an update on the progress toward fulfilling Lāna‘i’s DMAP from August through November 16, 2021, and specifically provides updates to the actions identified for Phase 1 (calendar year 2021) implementation. Only Phase 1 sub-actions are listed unless otherwise noted. There are 23 sub-actions in Phase 1 of which 18 (78%) are in progress, four are on hold due to COVID-10, and one is completed. Two sub-actions from Phase 2 have been started of which one is completed.

Mahalo to the County of Maui’s Office of Economic Development, Office of the Mayor’s Community Liaison for tourism and natural resources, and the Maui Visitors and Convention Bureau (MVCB) for their support and partnership in moving the Maui DMAP actions forward. HTA also acknowledges the other state and county agencies, nonprofit organizations, and the visitor industry which have been integral to advancing the DMAP efforts.




### Legend

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Fall 2021 Progress Report – Lānaʻi DMAP (continued)

**Action A. Engage partners to determine a path forward that will enhance interisland transportation options for both residents and visitors.**


Progress	Sub-Action No.	Sub-Action
	A.1	<b>Advocate for airlines, County, HDOT and FAA to restore affordable and dependable air and sea transportation to viable levels that meet the needs of the community.</b>

Per the County Liaison, the County is working with Senator Kai Kahele’s office on this item. Lānaʻi is designated a rural airport only. Lānaʻi Airport does not have Essential Air Status (EAS) designation. This situation continues to be monitored. Essential Air Service designation & Rural designation can help with pricing. It is recommended that residents contact Senator Kahele’s office to further advocate.


**Action B. Develop partnerships and programs with resorts and other tourism businesses to improve and enhance community relationships.**

Progress	Sub-Action No.	Sub-Action
	B.1	<b>Facilitate discussions with Four Seasons, Sensei, and Hotel Lānaʻi management to explore ways to increase guest interactions and engagements with Lānaʻi City.</b>


This remains an ongoing discussion.

	B.2	<b>Encourage more resort staff and guests to participate in community workdays and volunteer opportunities.</b>
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Right now, the community/hotel are hesitant because of COVID-19 and staffing shortages. This sub-action is on hold.

	B.3	<b>Facilitate the conversation with hotels to coordinate marketing efforts with the community and small businesses based upon HVCB’s Mālama Hawaiʻi program.</b>
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Right now, the community/hotel are hesitant because of COVID-19 and staffing shortages. This sub-action is on hold.





	B.4	<b>Create opportunities for residents to feel welcome at resort properties. Continue to invite Lānaʻi artists and crafts people to do workshops and fairs at the resort properties.</b>
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Right now, the community/hotel are hesitant because of COVID-19 and staffing shortages. This sub-action is on hold.




**Fall 2021 Progress Report – Lāna‘i DMAP (continued)**

**Action C. Enhance and encourage the use of the Lāna‘i Culture & Heritage Center’s (LCHC) Guide App as a primary part of the travel protocol for traveling to the island.**




Progress	Sub-Action No.	Sub-Action
	C.1	<b>Identify appropriate places to visit and integrate into the app.</b>
LCHC continues to work on the enhancement of the app by identifying appropriate places to visit.		
	C.2	<b>Develop functionality of app to indicate potentially dangerous areas/trails that are closed or roads under construction.</b>
LCHC continues to refine and enhance the functionality of the app.		
	C.3	<b>Involve merchants to promote app and guide activities.</b>
LCHC will work on this once the enhancements are completed.		
	C.4	<b>Encourage visitors to respect the land, the people and the lifestyle on Lāna‘i.</b>
LCHC continues to work on enhancing the app and will incorporate this into the content.		

**Action D. Encourage sustainable tourism practices on Lāna‘i.**

Progress	Sub-Action No.	Sub-Action
	D.1	<b>Form a work group to brainstorm and develop solutions that are sustainable and oriented toward protection and preservation of Lāna‘i natural resources.</b>
This sub-action is on hold due to COVID-19. There are opportunities through Pūlama Lāna‘i (4 sites have been identified) and LCHC.		








## Fall 2021 Progress Report – Lāna‘i DMAP (continued)

### **Action E. Promote Lāna‘i City to increase spending that goes to residents and small businesses.**

Progress	Sub-Action No.	Sub-Action
	E.1	<p><b>Invite members of the community and businesses to be a part of an advisory group to guide messaging and campaigns to develop a unique brand for Lāna‘i City.</b></p> <p>MVCB organized the Lāna‘i Advisory Board meeting on October 25, 2021. The purpose of the Lāna‘i Advisory Board is to guide the messaging of Lāna‘i City. The committee’s brainstorm discussion focused on branding Lāna‘i City, sample day trip itineraries, and regenerative tourism activities. They also provided suggestions for website enhancements. MVCB is also looking at doing website enhancements and creating a QR code to be developed for visitors traveling by ferry.</p>
	E.2	<p><b>Continue to promote day trips and one-day festivals that are popular with Maui residents. Start at mid-day so visitors can come in on the morning ferry. Develop new festivals if needed.</b></p> <p>The Lāna‘i Advisory Board members sent suggested itineraries for MVCB’s review. Advisory members would like the festivals and Saturday markets to return. However, COVID-19 restrictions are prohibiting the opening of these events. County exemptions would need to be applied for. Events such as 5<sup>th</sup> Friday and the Pineapple Festival have received County funding in the past. Currently, the County is pausing because of COVID-19 gathering restrictions.</p>
	E.3	<p><del><b>Make transportation to Lāna‘i City easier for resort guests, and others that arrive via ferry and the airport.</b></del></p> <p><b><i>Committee agreed to refine this action to now read: “Create awareness of transportation opportunities to Lāna‘i City from the harbor and airport.”</i></b></p> <p>MVCB will need to do more education/communication to inform day trip visitors of private transportation companies available to them that take them from the harbor to Lāna‘i City. It does not look like public transportation will be placed at the harbor anytime soon. This is not an issue for resort visitors as the resort shuttle provides transportation to Lāna‘i City.</p>

## Fall 2021 Progress Report – Lāna‘i DMAP (continued)


### **Action F. Encourage and enable visitors to plan a meaningful daytrip or stay on Lāna‘i that is respectful to the land, the people and the lifestyle on Lāna‘i.**

Progress	Sub-Action No.	Sub-Action
	F.1	<b>Develop consistent messaging, campaign and content to encourage and enable visitors to plan a meaningful daytrip or stay on Lāna‘i and for visitors to begin learning about Lāna‘i’s unique history, culture and community. Include where to get information once on Lāna‘i and where not to go. Responsible Lāna‘i visit.</b>
		MVCB organized the Lāna‘i Advisory Board meeting on October 25, 2021. The purpose of the Lāna‘i Advisory Board is to guide the messaging of Lāna‘i City. The committee brainstorm discussion focused on branding Lāna‘i City, sample day trip itineraries, and regenerative tourism activities. They also provided suggestions for website enhancements. The information will be shared at a Lāna‘i community forum in early December 2021 for additional input.
	F.2	<b>Create educational videos or audio files to be played on ferry, airlines/airport and hotels. Identify the current video projects.</b>
		Since August 2021, the Mālama Maui video is being played on Expeditions. It will reach 200,000+ visitors each year. There is also a Lāna‘i City video played after the Mālama Maui video.
	F.3	<b>Create brochures for distribution by Lāna‘i businesses, hotels and kiosks.</b>
		Feedback from the initial advisory group and community forum has resulted in MVCB working on developing brochure(s).
	F.4	<b>Work with the community and businesses to develop online and social media content.</b>
		Feedback from the initial advisory group and community has resulted in MVCB working on developing online and social media content.
	F.5	<b>Describe what activities need to be arranged ahead of time such as reserving a 4-wheel drive vehicle.</b>
		MVCB will be working on content to be promoted.
	F.6	<b>Prior to visitors reaching Lāna‘i, provide information on a through multiple means. Communications vehicles could include: an enhanced gohawaii.com Lāna‘i webpage to help visitors plan their trip/day on Lāna‘i ahead of time; have informational iPads available on the ferry; have a person who can assist visitors going to Lāna‘i in Lahaina Harbor ferry line; brochures to distribute; etc.*</b>
		Feedback from the initial advisory group and community has resulted in MVCB exploring channels to provide information to visitors.
	F.7	<b>Explore setting up a visitors’ center/kiosk with a main location in town and potentially branches at the harbor and airport dedicated to providing information for all visitors upon arrival.*</b>
		The digital kiosk was installed at the Lāna‘i Airport in the summer of 2021.

*\* This action was to begin in Phase 2, but we are addressing it earlier.*

Fall 2021 Progress Report – Lānaʻi DMAP (continued)

**Action G. Develop and implement a process whereby visitors to Lānaʻi acknowledge to protect, respect, and learn about Lānaʻi cultural and natural resources, and community during their visit through the Mālama Maui County Pledge.**


Progress	Sub-Action No.	Sub-Action
	G.1	Support and promote the Mālama Maui County Pledge.

This effort is done and is continuing.

	G.2	Strengthen and foster the connection with Lānaʻi. Some level of sustainable and responsible tourism as an overall theme.
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This activity is being done through the Lānaʻi Advisory Board who is developing messaging and activities.

**Action H. Discourage activity companies from dropping off visitors who use Lānaʻi beaches and facilities without contributing to maintenance of the beaches and facilities.**


Progress	Sub-Action No.	Sub-Action
	H.1	Identify and implement the best way(s) to discourage this activity.

MVCB's Destination Manager attended the last Hulopoe Advisory Meeting. An online reservation system for non-residents is being considered.

**Action I. Educate visitors on activities and events available on Lānaʻi focused on cultural and natural resources. These activities could include fishpond restoration, koa tree planting, etc.**

Progress	Sub-Action No.	Sub-Action
	I.1	Support the development of marine science/natural resources seminars and workshops here that can be attended by residents and tourists to tailor a more educational type of vacation.

A Request for Proposal for the HTA's Aloha 'Āina program was issued on September 15, 2021, and HTA's Community Enrichment Program on September 27, 2021, that could support such workshops.

	I.2	Encourage community service opportunities.
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MVCB is working on identifying projects that could be promoted to visitors.

## **9a.5**

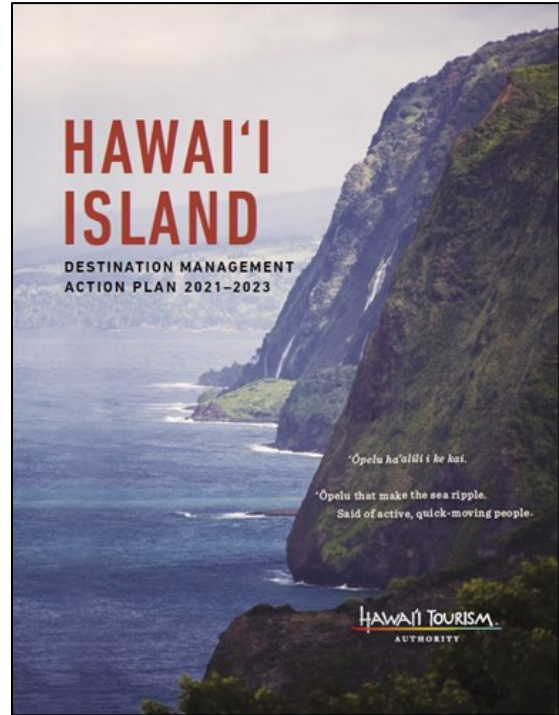
### **Hawaii Island DMAP Progress Report**

## Fall 2021 Progress Report – Hawai'i Island Destination Management Action Plan





The Hawai'i Island Destination Management Action Plan (DMAP) was approved by the Hawai'i Tourism Authority's (HTA) board of directors in February 2021. It was released to the public on HTA's website on April 1, 2021.

This report provides an update on the progress toward fulfilling Hawai'i Island's DMAP from August through November 15, 2021, and specifically provides updates on the actions identified for Phase 1 (calendar year 2021) implementation. Only Phase 1 sub-actions are listed unless otherwise noted. There are 36 sub-actions in Phase 1 of which 31 (86%) are in progress. There are also 5 phase 2 actions that have been started.

Mahalo to the County of Hawai'i's Department of Research & Development and the Island of Hawai'i Visitors Bureau (IHVB) for their support and partnership in moving the Hawai'i Island DMAP actions forward. HTA also acknowledges the other state, county and federal agencies, nonprofit organizations, and the visitor industry which have been integral to advancing the DMAP efforts.



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## Fall 2021 Progress Report – Hawai'i Island DMAP (continued)

### Action A. *Protect and preserve culturally significant places and hotspots.*

Progress	Sub-Action No.	Sub-Action
	A.1	<b>Develop and support opportunities to mālama and steward the places and culture of Hawai'i Island for both residents and visitors, including using Native Hawaiian practices of resource and cultural stewardship.</b> <ul style="list-style-type: none"><li>HTA's partnership with KUPU and the Hawai'i State Department of Land and Natural Resources' (DLNR) Na Ala Hele Trail to support the Pololū Valley Stewardship Pilot Program with stewards from the area.</li><li>County of Hawai'i's Innovative RFP issued in early summer resulted in awards to Liko No Ka Lama and Pohaha I Ka Kani to move this action forward.</li><li>Request for Proposals were issued in September 2021 for HTA's Kūkulu Ola and Aloha 'Āina programs, which are anticipated to be awarded at the beginning of December 2021 for projects in calendar year 2022.</li><li>IHVB will be facilitating meetings with community/stakeholders from Waipi'o Valley to address issues.</li></ul>
	A.2	<b>Emphasize local area cultural history and expertise to further expand Hawaiian cultural values, knowledge, and language with an emphasis on connection to place.</b> <ul style="list-style-type: none"><li>HTA's partnership with KUPU and DLNR's Na Ala Hele Trail to support the Pololū Valley Stewardship Pilot Program with stewards from the area.</li><li>County of Hawai'i's Innovative RFP issued in early summer resulted in awards for projects, including the Wahi Pana O Kahalu'u Series: Introduction &amp; Hoolauna - The Kohala Center; Lehia to Paipai Coastline Research Project – Edith Kanaka'ole Foundation</li><li>Kūkulu Ola and Aloha 'Āina RFPs to be awarded at the beginning of December 2021 for projects in calendar year 2022.</li><li>Native Hawaiian Hospitality Association (NaHHA) continued to conduct webinar trainings (<a href="https://www.nahha.com/training">https://www.nahha.com/training</a>).</li></ul>
	A.3	<b>Increase opportunities for community-led initiatives that steward and manage these resources, including closure of areas and managing traffic.</b> <ul style="list-style-type: none"><li>Kūkulu Ola and Aloha 'Āina RFPs to be awarded at the beginning of December 2021 for projects in calendar year 2022.</li><li>County of Hawai'i's Innovative RFP issued in early summer resulted in awards for projects, such as Advancing a New Mālama 'Āina Vision for Tourism on Hawai'i Island - Conservation International.</li></ul>
	A.4	<b>Work with the different stakeholders to communicate areas that need to be protected with the visitor industry and visitors.</b> <ul style="list-style-type: none"><li>IHVB is putting together a Waipi'o Valley community facilitation project which will be starting soon.</li><li>The Pololū Valley Stewardship Pilot Program continues with stewards from the area.</li><li>DLNR's Na Ala Hele's Universal Trail Assessment Project (UTAP) is preparing to install signage on Hawai'i Island's trails.</li></ul>

## Fall 2021 Progress Report – Hawai'i Island DMAP (continued)

**Action B. Develop resources and educational programs to perpetuate authentic Hawaiian culture and 'Ōlelo Hawai'i.**

Progress	Sub-Action No.	Sub-Action
	<b>B.1</b>	<b>Identify and assess proper providers and learning tools.</b> <ul style="list-style-type: none"><li>• The resources page on NaHHA's website continues to be developed (NaHHA.com/resources) with resources, such as dictionaries, Ma'ema'e Tool Kit, and other language and cultural resources. NaHHA is also in the process of developing a "Regenerative Tourism" video which defining the term and what does it means.</li><li>• NaHHA supported the Mauiola Endowment Program -- via HTA funding (executed on September 1, 2021). This program provides access to educational learning tools for individuals and organizations -- 3 different workshops -- symposiums and conversations with community on September 19, October 10, and December 12, 2021. Make connection between traditional ways/ceremonies and perpetuate ancient practices to modern times - community cultivating project.</li></ul>
	<b>B.2</b>	<b>Support Hawaiian cultural educational and training programs – including 'Ōlelo Hawai'i (Hawaiian language) for the employees in the visitor industry (e.g. hotels, tour guides).</b> <ul style="list-style-type: none"><li>• NaHHA supports the Awaiaulu Kīpapa Resources, which is a free Hawaiian language educator resource program that provides a bilingual curriculum, including Hawaiian history (awaiiaulu.org/kipapa).</li><li>• On September 28, 2021, NaHHA introduced "Curriculum to 'Ōlelo Hawai'i." This is a separate one-hour class. It will occur monthly through June 2022.</li><li>• NaHHA is working to develop a "Hakalama Drills" video, which provides pronunciation of Hawaiian words. It will be housed on NaHHA's resource webpage.</li><li>• HTA's Ma'ema'e Tool Kit is also on NaHHA's resource website.</li><li>• NaHHA is working on translating the DMAPs to 'ōlelo Hawai'i.</li><li>• NaHHA emailed resources to all webinar attendees.</li></ul>
	<b>B.3</b>	<b>Develop a recognition program for businesses who complete the Native Hawaiian Hospitality Association (NaHHA) programs (e.g. placards/certification).</b> <ul style="list-style-type: none"><li>• There is a NaHHA certificate available should participants in their trainings request it.</li><li>• NaHHA is having conversations with the Sustainable Tourism Association of Hawai'i (STAH) to find creative ways to develop a seal, but also to protect the integrity so that it's not easy to "steal".</li></ul>
	<b>B.4</b>	<b>Actively promote HTA's Ma'ema'e Toolkit to the visitor industry and business communities.</b>

This resource is on NaHHA's resource website.



## Fall 2021 Progress Report – Hawai'i Island DMAP (continued)



**B.5**

**Increase support and opportunities for cultural practitioners and community members to interact. Educate the visitor industry and individual companies about place-based practices to become more place-based.**

- The County is funding a pilot project – Kipa Program – through the Edith Kanaka'ole Foundation.
- NaHHA offers a Wahi Pana Series webinar. It consists of nine (9) curriculums throughout the state that talk about wahi pana. There are three (3) on Hawai'i island. The next Wahi Pana Series webinar starts on November 19, 2021.
- NaHHA is working with a consultant to develop guidelines for position descriptions, qualifications, and salary ranges for cultural resources and activity jobs as a tool to educate and support hotel management.
- NaHHA support provided to Awaiaulu Kipapa Resources (<https://awaiaulu.org>).



**B.6**

**Support a Tour Guide Certification Program.\***

NaHHA has contracted with the University of Hawai'i's School of Travel Industry Management (TIM) for a Tour Guide Certification Program study funded by HTA.



**B.7**

**Continue support of programs and projects that perpetuate the Hawaiian culture with the community and visitors, such as HTA's Kūkulu Ola program.\***

- A Request for proposals for the HTA's Kūkulu Ola program was issued on September 15, 2021, and HTA's Community Enrichment Program on September 27, 2021. Decisions will be made in December 2021.
- NaHHA helps to share updates about the Kūkulu Ola and Community Enrichment programs with their network.



**B.8**


**Encourage the integration of 'Ōlelo Hawai'i (Hawaiian language) into workforce and adult training programs.**

This continues with NaHHA's webinars trainings (<https://www.nahha.com/training>).

*\*This is a Phase 2 sub-action which is being addressed now.*

## Fall 2021 Progress Report – Hawai'i Island DMAP (continued)

**Action C. Support and promote 'āina-based education and practices to protect and preserve our natural resources so that residents and visitors will aloha 'āina.**

Progress	Sub-Action No.	Sub-Action
	C.1	<p><b>Identify, support, and partner with existing and new 'āina-based groups that are protecting and stewarding wahi pana (legendary/celebrated places or landmarks), cultural practices, and people.</b></p>
		<ul style="list-style-type: none"> <li>• NaHHA and Travel2Change's Kaiāulu Ho'okipa program helps Hawai'i nonprofit organizations and community groups build capacity to host experiences for kama'āina and visitors. There are 31 in this first cohort from all islands with four from Hawai'i Island.</li> <li>• One of the County's recipients of its Innovation Grant is Pohaha I Ka Lani's Liko No Ka Lama project.</li> </ul>
	C.2	<p><b>Create opportunities for community members to share in an ongoing way about the impact of tourism as well as the wahi pana, historically significant sites, and sacred sites that need to be protected.</b></p>
		<ul style="list-style-type: none"> <li>• The County is providing funding support for The Kohala Center's Wahi Pana O Kahalu'u Series: Introduction &amp; Ho'olauna and the Edith Kanaka'ole Foundation's Lehia to Paipai Coastline Research Project.</li> <li>• NaHHA offers a Wahi Pana Series webinar. It consists of nine (9) curriculums throughout the state that talk about wahi pana. There are three (3) on Hawai'i Island. The next Wahi Pana Series webinar starts on November 19, 2021.</li> <li>• As part of NaHHA and Travel2Change's Kaiāulu Ho'okipa program, the cohort participants were required to take a pre-requisite wahi pana training course.</li> </ul>
	C.3	<p><b>Pilot a certification program, in collaboration with community leadership and the university system, for workers tied to natural resources, cultural resources, and stewardship. Identify and review existing 'āina-based curricula, and create new curricula when necessary, that emphasizes Native Hawaiian knowledge, culture, place, and pono practices-based management. Develop curriculum that is led by efforts from that area and connects firmly to place-based management and stewardship.</b></p>
		<p>This pilot program is funded by the County – Edith Kanaka'ole Foundation's Kipa Program.</p>
	C.4	<p><b>Support interested 'āina-based groups to serve as interpretive educators, trainers, and/or cultural ambassadors to share cultural knowledge with the guest and visitor industry, tour operators, and other business owners.*</b></p>
		<p>Through the County's Hawai'i Island Resilience Action Team pilot projects, Mālama Wai Kupuna's culture-based education program is being supported.</p>
	C.5	<p><b>Support enhanced interpretation and education on Maunakea, including partnership with the Hawaiian community and residents.</b></p>

*\*This is a Phase 2 sub-action which is being addressed now.*

## Fall 2021 Progress Report – Hawai'i Island DMAP (continued)



C.6

**Work with the different stakeholders to communicate areas that need to be protected in collaboration with the visitor industry and visitors.**

- The County hold's quarterly Hawai'i Island Resilience Cohort Coalition meetings.
- Hawai'i Tourism USA's Mālama Hawai'i program continues to evolve.
- A Request for Proposals for the HTA's Aloha 'Āina program was issued on September 15, 2021. Decisions will be made in December 2021.

**Action D. Connect with community networks and partner with community-based organizations to collaboratively identify sites, set carrying capacities, and implement stewardship plans to protect and preserve our natural resources.**

Progress	Sub-Action No.	Sub-Action
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D.1

**Build capacity in communities to support increased opportunities for community-led stewardship actions and initiatives to manage resources, such as closing areas or limiting access (visitor and potentially resident) during certain times of the year.**

- IHVB is putting together a Waipi'o Valley community facilitation project which will be starting soon.
- The Pololū Valley Stewardship Pilot Program continues with stewards from the area.
- DLNR is reducing the number of permits allowable and timing for commercial beach access at Kahulu'u Bay.
- The County is supporting the following Hawai'i Island Resilience Action Team pilot project: Culture Based Education through Mālama Wahi Kupuna.
- NaHHA's Travel2Change Kaiāulu Ho'okipa program.



D.2

**Implement regenerative management strategies, like those found in the kapu system, Hā'ena on Kaua'i, East Maui, and Hanauma Bay on O'ahu. Provide clear opportunities and processes for local communities to participate in visitor access and resource and congestion management in their communities.\***

- IHVB is putting together a Waipi'o Valley community facilitation project which will be starting soon.
- The Pololū Valley Stewardship Pilot Program continues with stewards from the area.
- DLNR is reducing the number of permits allowable and timing for commercial beach access at Kahulu'u Bay.
- A Request for Proposals for the HTA's Aloha 'Āina program was issued on September 15, 2021. Decisions will be made in December 2021.

*\*This is a Phase 2 sub-action which is being addressed now.*

## Fall 2021 Progress Report – Hawai'i Island DMAP (continued)



D.3

**Support and advocate for stewardship efforts of coastal waters and beaches that incorporate and emphasize a mauka to makai collaborative approach given broader environmental implications.\***

- IHVB is putting together a Waipi'o Valley community facilitation project which will be starting in Q1 2022.
- The Pololū Valley Stewardship Pilot Program continues with stewards from the area.
- DLNR is reducing the number of permits allowable and timing for commercial beach access at Kahalu'u Bay.
- A Request for Proposals for the HTA's Aloha 'Āina program was issued on September 15, 2021. Decisions will be made in December 2021.
- There are four ocean-related and mauka to makai related cohort members in NaHHA/Travel2Change's Kaiāulu Ho'okipa program's cohort.



D.4

**Work with communities in each place to identify the carrying capacity (how many people a place can accommodate without having adverse effects and impacts on the biological resources of that place) of sites and develop a process for ongoing stewardship that is community-led. Explore the creation of pilot projects to find the balance at certain sites.\***

- IHVB is putting together a Waipi'o Valley community facilitation project which will be starting soon.
- The Pololū Valley Stewardship Pilot Program continues with stewards from the area.
- DLNR is reducing the number of permits allowable and timing for commercial beach access at Kahalu'u Bay.
- A Request for Proposals for the HTA's Aloha 'Āina program was issued on September 15, 2021. Decisions will be made in December 2021.



D.5

**Support opportunities that tie in Native Hawaiian practices of resource and cultural stewardship.**

NaHHA and Travel2Change's Kaiāulu Ho'okipa program aims to help Hawai'i nonprofit organizations and community groups build capacity to host experiences for kama'āina and visitors.



D.6

**Explore policies and regulations that aid in the implementation of stewardship plans and enforcement of critical need areas.**

County is examining ways to address critical need areas.



D.7

**Explore implementation of geo-fencing technology to aid management of sites.**



D.8




**Find ways to support communities who do not know how to deal with "rogue" visitors.**

IHVB fields calls via its call center.

*\*This is a Phase 2 sub-action which is being addressed now.*

## Fall 2021 Progress Report – Hawai'i Island DMAP (continued)

**Action E. Create opportunities for ongoing dialogue, communications, and engagement between the visitor industry, government and communities to improve community-industry relations and better serve the community.**

Progress	Sub-Action No.	Sub-Action
	E.1	<p><b>Develop an education and awareness campaign targeted at residents using traditional and social media vehicles.</b></p> <p>This is being done via the Pono Pledge.</p>
	E.2	<p><b>Create opportunities for visitor industry, government, and community stakeholders to connect on a regular basis for ongoing dialogue to 1) create shared understanding of the issues that our communities and the visitor industry face; 2) ensure that the visitor industry is supporting a sustainable and healthy Hawai'i Island; and 3) inform about tourism's contributions to the community.</b></p> <ul style="list-style-type: none"> <li>HTA conducted a Mālama Ku'u Home webinar on October 1, 2021, which provided an update on the organization's new structure, progress of the DMAPs, visitor statistics, and branding of the Hawaiian Islands.</li> <li>HTA's Public Affairs Officer started on November 1, 2021.</li> <li>NaHHA helps to share these messages to its network and on its website.</li> <li>A campaign is being developed to highlight tourism's contributions to the community.</li> </ul>
	E.3	<p><b>Increase and maintain regular opportunities to collaborate with HTA on its outreach efforts in the community to ensure a more robust and coordinated effort. This includes informing the industry and community about HTA's mission and its resources, and sharing the destination's marketing efforts and activities to orient businesses and communities about HTA, IHVB and the Global Marketing Team's initiatives.</b></p> <ul style="list-style-type: none"> <li>HTA conducted a Mālama Ku'u Home webinar on October 1, 2021, which provided an update on the organization's new structure, progress of the DMAPs, visitor statistics, and branding of the Hawaiian Islands.</li> <li>HTA's Public Affairs Officer started on November 1, 2021.</li> <li>NaHHA helps to share these messages to its network and on its website.</li> </ul>




## Fall 2021 Progress Report – Hawai'i Island DMAP (continued)

**Action F. Implement a comprehensive communications and education plan that facilitates positive community-visitor relations and pono practices, including the Pono Pledge.**

Progress	Sub-Action No.	Sub-Action
	F.1	<p><b>Increase messaging efforts to uplift and improve access to the Pono Pledge, and shift visitor and resident mindsets as they travel around Hawai'i Island.</b></p> <ul style="list-style-type: none"> <li>• Most of Hawai'i Island's hotel partners have incorporated mindful travel messaging into their email signatures and communications to guests (i.e., Four Seasons Hualālai Resort created a Pono Pledge brochure).</li> <li>• NaHHA listed a link to the Pono Pledge on its website as a resource (<a href="https://www.nahha.com/resources">https://www.nahha.com/resources</a>).</li> </ul>
	F.2	<p><b>Provide visitors with easy access to messaging, including increasing information pathways and educational materials, related to protecting culture and sense of place (i.e., in-flight videos on in-bound flights in multiple languages; rental cars; radio station public service announcements; podcasts; required place-based visitor orientation, etc.).</b></p> <ul style="list-style-type: none"> <li>• Most of Hawai'i Island's hotel partners have incorporated mindful travel messaging into their email signatures and communications to guests (i.e., Four Seasons Hualālai Resort created a Pono Pledge brochure).</li> <li>• NaHHA listed a link to the Pono Pledge on its website as a resource (<a href="https://www.nahha.com/resources">https://www.nahha.com/resources</a>).</li> </ul>
	F.3	<p><b>Continue to encourage and work with visitor industry stakeholders and businesses to integrate the Pono Pledge into their practices, such as business booking reservations, QR codes, phone apps, and monitors at the baggage claim.</b></p> <ul style="list-style-type: none"> <li>• Most of Hawai'i Island's hotel partners have incorporated mindful travel messaging into their email signatures and communications to guests (i.e., Four Seasons Hualālai Resort created a Pono Pledge brochure).</li> <li>• NaHHA listed a link to the Pono Pledge on its website as a resource (<a href="https://www.nahha.com/resources">https://www.nahha.com/resources</a>).</li> <li>• Hawaiian Airlines will be featuring the Pono Pledge video on its direct flights to Hawai'i Island beginning late January 2022.</li> </ul>
	F.4	<p><b>Collaborate with all segments of the visitor industry and community-based organizations for stewardship opportunities for visitors to leave Hawai'i Island a better place.</b></p> <ul style="list-style-type: none"> <li>• Most of Hawai'i Island's hotel partners have incorporated mindful travel messaging into their email signatures and communications to guests (i.e., Four Seasons Hualālai Resort created a Pono Pledge brochure).</li> <li>• NaHHA listed a link to the Pono Pledge on its website as a resource (<a href="https://www.nahha.com/resources">https://www.nahha.com/resources</a>).</li> <li>• NaHHA and Travel2Change's Kaiāulu Ho'okipa program are supporting agritourism/regenerative tourism experiences through a six-week studio. The purpose is to help Hawai'i nonprofit organizations and community groups build capacity to host experiences for kama'āina and visitors.</li> </ul>



## Fall 2021 Progress Report – Hawai'i Island DMAP (continued)

**Action G. Promote agritourism, and partner with Hawai'i Island's agriculture industry to support local food security.**



Progress	Sub-Action No.	Sub-Action
	G.1	<p><b>Create, support, and promote agritourism initiatives to connect local producers with visitors; provide visitors an active experience with nature and agriculture; and support legal vacation rentals in rural areas (e.g. farm stays) to alleviate the need for illegal vacation rentals in rural areas.</b></p> <ul style="list-style-type: none"> <li>• A Request for Proposals was issued on September 27, 2021, for the HTA's Community Enrichment Program. Decisions will be made in December 2021.</li> <li>• HTA continues its partnership with GoFarm Hawai'i to educate farmers and businesses on capacity building for those interested in expanding to agritourism.</li> <li>• NaHHA and Travel2Change's Kaiāulu Ho'okipa program are supporting agritourism/regenerative tourism experiences through a six-week studio. The purpose is to help Hawai'i nonprofit organizations and community groups build capacity to host experiences for kama'āina and visitors.</li> <li>• The County is supporting the following projects: Hawai'i Farm Trails; Big Island Made; Locavore Store, Hawai'i Island Agriculture Partnership, Big Island Box, Farm-to-Car, and marketing and promotional activities of the ornamental flower industry.</li> </ul>
	G.2	<p><b>Encourage the visitor industry (e.g., hotels and restaurants) to buy local produce, products, and goods.</b></p> <ul style="list-style-type: none"> <li>• HTA is in discussions with the Hawai'i State Department of Business, Economic Development &amp; Tourism (DBEDT) and Department of Agriculture (DOA) to determine the visitor industry's (hotels and restaurants) economic impact on the local agriculture industry.</li> <li>• Kohala Coast Resort Association is working with the County to examine opportunities between the resorts and the local farmers. Currently, there is direct purchasing between individual chefs and farmers. However, they are looking to streamline those communications to be more proactive with the farmers. The goal is to identify the needs of hotels/resorts and share that information with farmers, so they have an opportunity to plant crops in advance with a commitment from the hotels/resorts to purchase the produce.</li> <li>• Adaptations Inc. is working with over 100 farmers and developing a support network with food hubs across Hawai'i Island, Maui and O'ahu. They work with hotels, schools and hospitals.</li> </ul>
	G.3	<p><b>Support efforts of local producers to sell their goods online by strengthening online infrastructure, transportation of goods, marketing, and fulfillment of orders.</b></p>

## Fall 2021 Progress Report – Hawai'i Island DMAP (continued)

### **Action H. Invest in community-based programs that enhance quality of life for communities.**

Progress	Sub-Action No.	Sub-Action
	H.1	<p><b>Support community-led and activated efforts and offer capacity building/education opportunities to strengthen Hawai'i Island's product offerings.</b></p> <ul style="list-style-type: none"> <li>HTA will be funding Community Product Capacity Building workshops through its FY 2022 budget.</li> <li>On November 4 and 16, 2021, NaHAA executed the Ho'okahua Workshop Part 1 and Ho'okahua Workshop Part 2 with Travel2Change to support community-based and entrepreneurial projects.</li> </ul>
	H.2	<p><b>Uplift approaches to tourism that are reflective of Hawai'i Island and its different communities.</b></p> <p>The County hired a Community Well-Being Specialist. The County is also exploring how to support local childcare needs and childcare infrastructure, such as co-located childcare in a workplace (such as a hotel) for employees. Partners include Early Childhood Action Strategy and the Hawai'i Children's Action Network.</p>



### **Action I. Advocate/create more funding sources to improve infrastructure.**

Progress	Sub-Action No.	Sub-Action
	I.1	<p><b>Engage in cohesive infrastructure planning to address community and industry needs, such as incorporating plans to widen bike paths in tandem with other necessary road repairs.</b></p>
	I.2	<p><b>Coordinate with government entities, institutional stakeholders, and nearby private landowners.</b></p>



## Fall 2021 Progress Report – Hawai'i Island DMAP (continued)

### **Action J. Improve enforcement of vacation rental regulations.**

Progress	Sub-Action No.	Sub-Action
	J.1	<b>Confirm the existing baseline of (number of) vacation rentals. Gauge the capacity for current and new rentals.</b>
		IHVB, Hawai'i County Mayor Mitch Roth, the County's Department of Research & Development, Department of Finance, and ZENDO met on September 15, 2021, to discuss efforts to tighten up the short-term vacation rentals market. There is potentially new county council legislation being proposed which ties into the 3% county transient accommodations tax.
	J.2	<b>Explore ways to improve enforcement.</b>
		IHVB, Hawai'i County Mayor Mitch Roth, the County's Department of Research & Development, Department of Finance, and ZENDO met on September 15, 2021, to discuss efforts to tighten up the short-term vacation rentals market. There is potentially new county council legislation being proposed which ties into the 3% county transient accommodations tax.

## **9a.6**

### **Oahu DMAP Progress Report**

## Fall 2021 Progress Report – O’ahu Destination Management Plan





The O’ahu Destination Management Action Plan (DMAP) was approved by the Hawai’i Tourism Authority’s (HTA) board of directors in July 2021. It was released to the public and published on HTA’s website on August 31, 2021.

This report provides an update on the progress toward fulfilling O’ahu’s DMAP from September to November 18, 2021, and specifically provides updates on the actions identified for Phase 1 (September 2021 - 2022) implementation. Only Phase 1 sub-actions are listed unless otherwise noted. There are 37 sub-actions in Phase 1, of which 26 (70%) are in progress. One sub-action in phase 2 has been started.

Mahalo to the City & County of Honolulu’s Office of Economic Revitalization and the O’ahu Visitors Bureau (OVB) for their support and partnership in moving the O’ahu DMAP actions forward. HTA also acknowledges the other state and county agencies, nonprofit organizations, and the visitor industry which have been integral to advancing the DMAP efforts.






### Legend

Symbol	Definition
	Not Started – Action has not begun.
	Delayed – Action was initially targeted for the identified phase, but then deferred to a later phase.
	In Progress – Action is being worked on.
	Completed – Action is finished being implemented.





## Fall 2021 Progress Report – O’ahu DMAP (continued)

**Action A. Decrease the total number of visitors to O’ahu to a manageable level by controlling the number of visitor accommodations and exploring changes to land use, zoning and airport policies.**

Progress	Sub-Action No.	Sub-Action
	A.1	<p><b>Lower the number of illegal short-term vacation rentals by supporting the County to improve enforcement of current regulations. Support the County in implementing new rules.</b></p> <ul style="list-style-type: none"> <li>HTA had a number of meetings with the City &amp; County of Honolulu’s director of the Department of Planning and Permitting (DPP) between August and October.</li> <li>DPP introduced proposed amendments to Chapter 21, relating to transient accommodations. This included the enhancement of their enforcement ability with unpermitted short-term vacation rentals throughout the City &amp; County of Honolulu. A City &amp; County Planning Commission hearing was held on September 1, 2021. HTA provided testimony in support of the proposed amendments.</li> <li>Bill 41 was introduced to the Honolulu City Council’s Committee on Zoning and Planning on October 19, 2021. It passed first reading on November 10, 2021.</li> <li>HTA’s President and CEO John De Fries also sent out communication on November 2, 2021, to HTA’s contact list of more than 18,000 to bring awareness to Bill 41 and rally support.</li> <li>A statement from HTA’s President and CEO, was also included in the City &amp; County’s press release on November 4, 2021, announcing the Blangiardi administration’s proposed amendments to Bill 41.</li> <li>HTA’s President and CEO also sent out communication on November 4, 2021, to HTA’s contact list to bring further awareness to Bill 41 and encourage residents to support Bill 41 CD1.</li> <li>Bill 41 was introduced to the City Council’s Committee on Zoning and Planning on October 19, 2021. It passed first reading on November 10, 2021. A request for a time extension occurred for the bill.</li> </ul>
	A.2	<p><b>Provide resources to engage communities and agencies to collaborate on additional rules; particularly to limit expansion of legal short-term vacation rentals outside of the resort areas.</b></p> <ul style="list-style-type: none"> <li>HTA’s President and CEO also sent out communication on November 2, 2021, to HTA’s contact list to bring awareness to Bill 41 and rally support.</li> <li>HTA’s President and CEO also sent out communication on November 4, 2021, to HTA’s contact list to bring further awareness to Bill 41 and encourage residents to submit testimony in support of Bill 41 CD1.</li> <li>OVB also sent out communications to the industry and community to drum up support.</li> </ul>
	A.3	<p><b>Commit resources to study methods of limiting supply such as:</b></p> <ul style="list-style-type: none"> <li><b>Controlling new visitor accommodation development through building permits or approvals for new sites.</b></li> <li><b>Exploring changes to land use, zoning, airport policies, etc. that influence tourism infrastructure and ultimately determine the number of visitors that can access O’ahu sites.</b></li> </ul>

Fall 2021 Progress Report – O‘ahu DMAP (continued)

**Action B. Implement a pre- and post-arrival tourism communications program to encourage respectful and supportive behavior.**

Progress	Sub-Action No.	Sub-Action
	<b>B.1</b>	<b>Identify the best messaging and ways to reach and communicate with visitors prior to arrival.</b>
		This is currently being done through: 1) HTA and OVB's social media - how to be a respectful, mindful traveler; 2) Hawai'i Tourism USA and HTA's Mālama Hawai'i and kuleana (travel tips) efforts; 3) HTA's Global Marketing Team messaging on being a responsible traveler; and 4) HTA partnering with the Hawai'i State Department of Transportation's Airport Division to put up safe travel messaging at Daniel K. Inouye International Airport's baggage claim areas.
	<b>B.2</b>	<b>Support Hawaiian cultural educational and training programs – including ‘Ōlelo Hawai‘i (Hawaiian language) for the employees in the visitor industry (e.g. hotels, tour guides).</b>
		<ul style="list-style-type: none"> <li>• OVB is exploring the possibility of utilizing its board of directors to reach out to Human Resources departments at hotels/resorts to push for ‘ōlelo Hawai‘i training.</li> <li>• Native Hawaiian Hospitality Association (NaHHA)'s will continue to support the Awaiaulu Kipapa Resources going into to FY 2022. This includes a Hawaiian language project -- free educator resource programs -- both in Hawaiian and English; bilingual curriculum; Hawaiian history (awaiaulu.org/kipapa) – which has been effective since October 18, 2021.</li> <li>• On September 28, 2021, NaHHA introduced “Curriculum to ‘Ōlelo Hawai‘i.” This is a separate one-hour class. It will occur monthly through June 2022.</li> <li>• NaHAA is working to develop a “Hakalama Drills” video, which is to provide pronunciation of Hawaiian words. It will be housed on NaHHA's resource webpage.</li> <li>• HTA's Ma‘ema‘e Tool Kit is also on NaHHA's resource website in addition to being providing to new HVCB members.</li> <li>• The Mayor's Office on Culture and the Arts has also started offering ‘ōlelo Hawai‘i training for city employees.</li> </ul>
	<b>B.3</b>	<b>Develop a messaging program (physical and virtual) to educate visitors and locals about significant sites or areas and pono practices related to them.</b>
	<b>B.4</b>	<b>Enhance the goHawaii app to include more real time information, road closures, events, local etiquette, resource protection, and areas that are of-limits.</b>
	<b>B.5</b>	<b>Boost the goHawaii app with geofencing capabilities to notify visitors when they are in proximity to a hotspot and redirect them to other more accessible areas through a reservation system.</b>

OVB will be testing five (5) sites (i.e., historical site; natural resource; parks; hot spots) via the goHawaii.app beacons starting in CY 2022.

## Fall 2021 Progress Report – O’ahu DMAP (continued)



**B.6**



**Promote use of the goHawaii app to travelers to encourage safe travels and communicate with them to understand where to go and not go.**

The HTA’s Brand team has pushed out the goHawaii app through its Global Marketing Team to English-speaking countries. OVB is also promoting the app to its members, partners and platforms.



### **Action C. Identify sites and implement stewardship plans for key hotspots on O’ahu.**

Progress	Sub-Action No.	Sub-Action
	C.1	<p><b>Work with stakeholders to identify sites associated with public impact on natural and cultural resources. Prioritize sites where:</b>  <b>1) communities and/or neighborhoods have issues with visitors;</b>  <b>2) conflicts exist within communities regarding visitors; or</b>  <b>3) residents’ access and traditional cultural access need protection.</b></p>
	C.2	<p><b>Work with communities to determine desired conditions or limits of acceptable change then identify management actions to achieve/ sustain those conditions to ensure integrity and avert degradation of hotspots.</b></p>
	C.3	<p><b>Develop a process to support government and community collaboration on how to manage and steward sites. Determine if there are similar issues across some of the hotspots, so they can be addressed in a group or pilot program.</b></p>
	C.4	<p><b>Increase opportunities for community-led initiatives that steward and manage these resources, including closure of areas and managing traffic.</b></p>
	C.5	<p><b>Advocate for increased funding and resources for Department of Land and Natural Resources, City and County Department of Planning and Permitting, and City and County Parks and Recreation, to better manage hotspots.</b></p>

Fall 2021 Progress Report – O‘ahu DMAP (continued)



	C.6	Investigate site user fees or hiking permits that go directly to support and manage specific hotspots and the affected communities. Review studies to determine whether site fees are warranted and how fees are to be processed and returned to that spot or community for maintenance, management and enforcement. Evaluate if the fees are working.
	C.7	Explore the process of requiring hikers to apply for and acquire a hiking permit. Fees would also go to reimburse search and rescue expenses. The process would include mandatory education on safety and protocol while hiking.

**Action D. Increase enforcement and active management of sites and trails.**

Progress	Sub-Action No.	Sub-Action
	D.1	Explore ways to improve enforcement of parking rules at hotspots and popular visitor attractions. Crack down on illegal tour vans and buses dropping people off at beaches and trails.
	D.2	<p>Increase biosecurity at Daniel K. Inouye International Airport and trails.</p> <ul style="list-style-type: none"> <li>• Promote sanitation protocols for cleaning gear.</li> <li>• Encourage responsible visitor practices like cleaning gear at hiking trails and not tracking in invasive species.</li> </ul>

DLNR and the Hawai‘i State Department of Transportation’s Airports and Harbors Divisions are working to further develop a “Ports of Entry Biosecurity” project for the State of Hawai‘i.

**Action E. Develop a reservation system to monitor and manage users at natural resource and cultural sites.**

Progress	Sub-Action No.	Sub-Action
	E.1	Explore a reservation system and demand-based fee pricing at popular sites and hotspots.
	E.2	Evaluate the current reservation systems at Hanauma Bay and Lē‘ahi to support a sustainable capacity of visitors and advocate for expansion to other hotspots on the island.

HTA is investing in a “Channel Manager System.” This system will sit on top of other reservation and booking systems.

## Fall 2021 Progress Report – O’ahu DMAP (continued)



E.3

**Pilot a program for a statewide reservation system that can redistribute excess demand to other sites or to other participating attractions.**

HTA is investing in a “Channel Manager System.” This system will sit on top of other reservation and booking systems.

**Action F. Establish a “Regenerative Tourism Fee” that directly supports programs to regenerate Hawai’i’s resources, protect natural resources, and address unfunded conservation liabilities.**

Progress	Sub-Action No.	Sub-Action
	F.1	<b>Identify how to legally collect this fee (State gives the County the authority to establish such a fee), distribute this type of fee, and develop accountability measures. The fee would support the management system, impacted communities, and workforce development in jobs related to invasive species removal, fishpond restoration, coral growing, and native ecosystem restoration.</b>

On November 3, 2021, a meeting was held which brought together HTA, OVB, Conservation International, Harold K.L. Castle Foundation, and Kanu Hawai’i to discuss the proposed 2022 legislation for a “green fee” – which is similar to a “regenerative tourism fee.” The proposed legislation will be introduced by the private sector. Details are still being worked out.

**Action G. Develop and implement marketing programs to attract positive-impact travelers who prioritize the environment, culture and investing in our local community.**

Progress	Sub-Action No.	Sub-Action
	G.1	<b>Continue to develop and focus marketing messaging to market segments that appreciate learning about unique cultures and natural resources.</b>
		<ul style="list-style-type: none"> <li>• The HTA’s Global Marketing Team is developing their 2022 Brand Management &amp; Marketing Plans with this action in mind.</li> <li>• OVB also continues this effort.</li> </ul>
	G.2	<b>Continue to develop plans to attract higher spending travelers (i.e., meetings, conventions and incentives (MCI) visitors, weddings, business travelers, medical tourism, LGBTQ, and arts and culture).</b>
		The HTA’s Global Marketing Team is developing their 2022 Brand Management & Marketing Plans with this action in mind, and HTA will be monitoring performance.
	G.3	<b>Continue to reassess and adjust marketing O’ahu with context and not just surf and sand. Include island values, prioritize environment and culture to attract the right kind of visitors.</b>

This is an ongoing effort by HTA, its Global Marketing Team, and OVB.



## Fall 2021 Progress Report – O’ahu DMAP (continued)



G.4

**Use marketing campaigns as an opportunity for visitors to connect with O’ahu on a deeper level through immersive experiences, and travel in a way that enriches their lives while giving back to the communities they are fortunate enough to visit.**

This is an ongoing effort by HTA, its Global Marketing Team, and OVB.



G.5

**Continue to develop campaigns to shift visitation from peak periods to slower shoulder periods.**



G.6

**Be intentional about what we promote to ensure that it is authentic. Enhance the current “The Hawaiian Islands” brand guidelines for the industry partners and encourage consistent use.**

This is an ongoing effort by HTA, its Global Marketing Team, and OVB.



G.7

**Develop metrics and collect data to measure marketing effectiveness beyond the economic impacts (e.g., Aloha+ Challenge measures, acceptance of tourism by local residents, visitors participating in voluntourism, buying local, etc.).\***

New dashboard measures (water, waste, energy) are being developed for hotels for inclusion in the Aloha+ Challenge dashboard.

*\* This is a phase 2 sub-action in progress now.*

**Action H. Continue to develop and implement “Buy Local” programs to promote purchase of local products and services to keep funds in our communities and minimize carbon footprint.**

Progress	Sub-Action No.	Sub-Action
	H.1	<b>Continue to encourage the visitor industry to prioritize purchase of Hawai’i based, ‘āina friendly products, services and technology solutions to include literature, crafts, fashion, music, performance art, film, fresh produce, value-added products, and software.</b>
HTA is in discussions with DBEDT and the Department of Agriculture (DOA) to determine how much the visitor industry (hotels and restaurants) is purchasing from local farmers.		
	H.2	<b>Work with hotels, restaurants, and visitor retail to feature or promote local products.</b>
HTA is in discussions with DBEDT and DOA to determine how much the visitor industry (hotels and restaurants) is purchasing from local farmers.		
	H.3	<b>Continue to leverage programs that support buying local. Coordinate with various certification programs for a cohesive promotion program.</b>
HTA’s Global Marketing Team is addressing this action via their respective Brand Management & Marketing Plans. The GMT’s have also promoted the Made in Hawai’i Festival.		

## Fall 2021 Progress Report – O‘ahu DMAP (continued)



H.4

**Promote O‘ahu artisans, including local crafts, fashion, music, performing, and visual arts.**

HTA's Global Marketing Team is addressing this action via their respective Brand Management & Marketing Plans. The GMT's have also promoted the Made in Hawai'i Festival. OVB continues to promote O‘ahu's artisans.

### **Action I. Manage the visitors' use of cars as transportation on O‘ahu.**

Progress	Sub-Action No.	Sub-Action
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I.1

**Work with the O‘ahu Metropolitan Planning Organization to examine the issues stemming from visitor traffic in impacted communities. Determine how to alleviate those issues such as developing infrastructure to reduce stress on residential areas or a penalty structure to discourage visitors or industry from violating restrictions.**

The City's Office of Economic Revitalization coordinated a meeting between various City agencies including Department of Transportation Services, HTA and OVB in early October to review this action item. The next meeting is scheduled for November 19, 2021.



I.2

**Support O‘ahu Metropolitan Planning Organization efforts to provide safe, convenient, reliable and efficient private and public transportation to shift visitors from driving rental cars to more environmentally sustainable modes. Include the development, support of, and advocacy for bike paths and the promotion of bicycle use.**

The City's Office of Economic Revitalization coordinated a meeting between various City agencies including Department of Transportation Services, HTA and OVB in early October to review this action item. The next meeting is scheduled for November 19, 2021.

### **Action J. Work with community partners to develop, market, encourage, and support more collaborative, curated experiences that enrich residents and visitors alike.**

Progress	Sub-Action No.	Sub-Action
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J.1

**Increase the number of suitable places for visitor and resident activities by renovating popular hikes/sites away from residential areas or developing new sites. Improvements would include adding walking paths, developing parking, signage, etc.**

DLNR is in the process of developing the Statewide Comprehensive Outdoor Recreation Plan (SCORP). HTA staff met with DLNR and PBR Hawai'i on November 15, 2021, to provide feedback to the draft SCORP.

## Fall 2021 Progress Report – O‘ahu DMAP (continued)



**J.3**

**Develop new recreational opportunities for residents to ease the burden on sites that are heavily used by visitors and residents.**

DLNR is in the process of developing the Statewide Comprehensive Outdoor Recreation Plan (SCORP). HTA staff met with DLNR and PBR Hawai'i on November 15, 2021, to provide feedback to the draft SCORP.



**J.5**

**Examine creation of “Kama‘āina Days” at identified sites with priority for weekends.**

HTA is looking further into this action with its Attorney General.