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Josh Green, M.D.
 Governor

John De Fries
 Resident and Chief Executive Officer

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

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

Pō'ahā, 26 Ianuali 2023, 9:30 kak.
Thursday, January 26, 2023 at 9:30 a.m.

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

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

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Ma hope o ke kāinoa 'ana, e ho'ouna 'ia ana ka leka uila hō'oiā iā 'oe nona ka 'ikepili komo hālāwai.

After registering, you will receive a confirmation email containing information about joining the webinar.

Hiki i ka lehulehu ke hō'ike mana'o ma o ka palapala a i 'ole ma o ka waha.
 Members of the public may provide written or oral testimony on agenda items.

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

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

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

Written testimony received ahead of the preparation of the board packet will be included in the board packet. Written testimony received after the issuance of the board packet (48 hours ahead of the meeting) will be distributed to the board and available for public inspection at the meeting. Email written testimony to **Carole Hagihara-Loo** at carole@gohta.net or hand-delivered to the HTA office.

Papa Kumumana‘o
AGENDA

1. *Ho‘omaka*
Call to Order
2. *E Mālama ‘Ia Ana Ke Kikolā E Kāhea Ai I Nā Lālā Papa Alaka‘i Komo A E Hō‘oia Ai I Nā Kānaka ‘Ē A‘e E Komo Pū Ana Me Ka Lālā Papa Alaka‘i Inā Aia Ma Kahi Ka‘awale*
Roll Call to Announce Name of Participating Board Members and to Identify Who Else is Present with Board Member if Location is Nonpublic
3. *Wehena*
Opening Cultural Protocol
4. *Āpono I Ka Mo‘olelo Hālāwai O Ka Hālāwai Papa Alaka‘i I Ka 22 Kēkēmapa 2022*
Approval of Minutes of the December 22, 2022 Regular Board Meeting
5. *Hō‘ike O Nā Alu Like ‘Ae ‘Ia Ma Ka Hālāwai ‘Ikepili A I ‘Ole He Hō‘ike I Ho‘onohonoho ‘Ole ‘Ia E Ka Papa Alaka‘i Ma Lalo O Ka HRS Māhele 92-2.5(C)*
Report of **Permitted Interactions** at an Informational Meeting or Presentation Not Organized by the Board Under HRS section 92-2.5(c)
6. *Hō‘ike A Ka Luna Ho‘okele Ho‘okō/Ka Luna Kāko‘o Ke‘ena/Ka Luna Alowelo*
Reports of the Chief Executive Officer/Chief Administrative Officer/Chief Brand Officer
 - a. *No Ka ‘Ikepili Hou O Ko HTA Mau Papa Hana Ma Kēkēmapa 2022*
Relating to **Update on HTA’s Programs During December 2022**
 - b. *No Ka ‘Ikepili Hou O Kā HTA Ho‘oholomua ‘Ana I Ka Papa Hana Ho‘okele Loli*
Relating to **Update on HTA’s Implementation of Change Management Plan**
7. *Hō‘ike Na Ka OmniTrak Group No Ka Hopena Anamana‘o Mana‘o Mea Noho*
Presentation by the **OmniTrak Group on the Resident Sentiment Survey Results**
8. *Hō‘ike‘ike A Kūkā No Nā ‘Ike A Kūlana Mākeke O Kēia Wā I Hawai‘i A Me Nā Mākeke Ho‘okipa Nui I Hawai‘i*
Presentation and Discussion of **Current Market Insights and Conditions in Hawai‘i and Key Major Hawai‘i Tourism Markets**
9. *Mo‘olelo A Nūhou Na Ke Kōmike Ho‘okahua Hawai‘i No Ka Hālāwai I Mālama ‘Ia Ma Ka Lā 17 Ianuali 2023*
Report and Update by the **Ho‘okahua Hawai‘i Standing Committee of their Meeting held on January 17, 2023**
 - a. *Hō‘ike‘ike, Kūkā A Ki‘ina Hana No Ka Noniakahi Ai Nā Kahua Hana ‘Āina Aloha Economic Futures A Me Ka Hana A Ka HTA.*
Presentation, Discussion and Action on the Recommendation by the Hookahua Hawaii Standing Committee Regarding **Implementation of Aina Aloha Economic Futures Principles in the Work of the HTA**
10. *Hō‘ike, Kūkā A Ki‘ina Hana No Ka Hana Like Me LA Clippers 2023*
Presentation, Discussion and Action on **2023 Los Angeles Clippers Partnership**

11. *Mo'olelo A Nūhou Na Ke Kōmike Mo'ohelu Kālā, 'Oihana Kālā, A Me Ke Kikowaena Hālāwai O Hawai'i (BFCC) No Ka Hālāwai I Mālama 'Ia Ma Ka 15 Nowemapa 2022*
Report and Update by the **Budget, Finance and Convention Center Standing Committee of their Meeting held on January 25, 2023**

- a. *Kūkā, A Ki'ina Hana No Ko HTA Mo'olelo Kālā O Kēkēmapa 2022*
Discussion and Action on the Recommendation by the Budget, Finance, and Convention Center Standing Committee on the **HTA's Financial Report for December 2022**
- b. *Nūhou Ko Ke Ke'ena Kuleana Ho'okipa O Hawai'i Noi Mo'ohelu Kūhelu O Ka Makahiki Kālā 2024 A 2025 I Ka 'Aha'ōlelo 2023*
Update by the Budget, Finance, and Convention Center Standing Committee on the **HTA's FY 2024 and FY 2025 Executive Budget Request to the 2023 Legislature**
- c. *Kūkākūkā A Ki'ina Hana No Ka Ho'oku'u 'Ia Ai Ke Kālā No Ka Ho'okūkū Noi Kālā Mākeke Nui 'Amelika Hui Pū 'Ia No Ka Hokona Alowelo A Ho'okele Wahi Huaka'i*
Discussion and Action on the Recommendation by the Budget, Finance, and Convention Center Standing Committee to **Release Funds for the United States Major Market Area Brand Marketing and Destination Management Support Services Requests for Proposals*****
- d. *Kūkākūkā A Ki'ina Hana No Ka Palapala Hō'ike Kālā No Kēkēmapa 2022 A Me Ka 'Ikepili Hou Ma Ko Ke Kikowaena Hālāwai O Hawai'i Papa Hana CIP 6 Makahiki*
Discussion and Action on the Recommendation by the Budget, Finance, and Convention Center Standing Committee on **Hawai'i Convention Center's December 2022 Financial Reports and Update on the Hawai'i Convention Center's 6-Year CIP Plan**

12. *Hō'ike'ike A Kūkā No Ka Nūhou No Nā Hana Hālāwai, Kikowaena, Papa Hana Mākeke, Ka Pace Report, A Me Nā Hana O Ke Kikowaena Hālāwai O Hawai'i A Me Nā Loa'a Kūloko*
Presentation and Discussion Regarding an **Update on the Meetings, Conventions and Incentives Market Activity and Pace Report, and Hawai'i Convention Center Activity and Local Sales**

13. *Kūkākūkā A Ki'ina Hana No Ka Ho'opihapiha I Ka Hui Noi'i Launa Aupuni A 'Aha'ōlelo*
Discussion and Action on **Selection of Legislative and Governmental Affairs Investigative Committee Members**

14. *Ho'oku'u*
Adjournment

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

*** **Executive Session:** The Board may conduct an executive session closed to the public pursuant to Hawai'i Revised Statutes (HRS) § 92-4. The executive session will be conducted pursuant to HRS § 92-5 (a) (2), § 92-5 (a)(4), § 92-5 (a)(8) and §201B-4(a)(2) for the purpose of consulting with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities; to consider hiring and evaluation of officers or employees, where

consideration of matters affecting privacy will be involved; and to discuss information that must be kept confidential to protect Hawai'i's competitive advantage as a visitor destination.

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

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

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

If you need an auxiliary aid/service or other accommodation due to a disability, contact Carole Hagihara-Loo at (808) 973-2289 or carole@gohta.net as soon as possible, preferably no later than 3 days prior to the meeting. If a response is received the day before the meeting, we will try to obtain the auxiliary aid/service or accommodation, but we cannot guarantee that the request will be fulfilled. Upon request, this notice is available in alternative formats such as large print, Braille, or electronic copy.

E like nō me ka 'ōlelo o ke Kānāwai 220, 'a'ole e mālama ana ke Ke'ena Kuleana Ho'okipa o Hawai'i i kekahi wahi ka'awale no ka lehulehu a lālā papa alaka'i e nānā a e komo ai i ka hālāwai ma ka ho'ohana i ka 'enehana komo hālāwai (ICT), no ka mea, hiki nō i ka po'e o ka lehulehu a lālā papa alaka'i ke nānā a komo pū ma ka hālāwai hō'ea kino.

In accordance with Act 220, the Hawai'i Tourism Authority will not establish a remote viewing area for members of the public and board members to view and participate in meetings held using interactive conference technology (ICT) because there will be an in-person option for members of the public and board member to view and participate in the meeting.

4

Approval of Minutes of the December 22, 2022 Regular Board Meeting



**REGULAR BOARD MEETING
HAWAII TOURISM AUTHORITY
Thursday, December 22, 2022, 9:30 a.m.**

Hybrid In-Person & Virtual Meeting

MINUTES OF THE REGULAR BOARD MEETING

MEMBERS PRESENT:

George Kam (Chair), Mike White (Vice Chair), Kimberly Agas, David Arakawa (Zoom), Dylan Ching, Keone Downing, Mahina Duarte, Stephanie Iona (Zoom), James McCully, Sherry Menor-McNamara, Ben Rafter, Sig Zane

HTA STAFF PRESENT:

John De Fries, Kalani Ka'anā'anā, Marc Togashi (Zoom), Caroline Anderson, Ilihia Gionson, Carole Hagihara, Yvonne Lam

GUESTS:

Representative Richard Onishi,
Representative Sean Quinlan, Jennifer Chun, Lawrence Liu, Erin Khan, John Monahan, Catherine Orlans, Kainoa Daines, Nathan Kam, Lei-Ann Field, Kara Imai, Bobbie Okimoto, Rebecca Crall, Alison Schaefer, Kūhiō Lewis, Sterling Wong, Andrew Recktenwald, Nick Carroll, Hinaleimoana Wong-Kalu, Rebecca Soon, Dawn Hirai

LEGAL COUNSEL:

Gregg Kinkley, John Cole

1. Call to Order

Chair Kam called the meeting to order at 9:30 a.m.

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

Mr. Gionson did the roll call, and all members were confirmed in attendance. Members who attended via Zoom were by themselves.

3. Opening Cultural Protocol

Chair Kam shared a few words from his mentor George Downing, one of the Board members, Keone Downing's father. Mr. Casson-Fisher did the opening protocol.

4. Approval of Minutes of the November 17, 2022 Regular Board Meeting and December 7, 2022 Special Board Meeting

Chair Kam asked for a motion to approve the minutes. Ms. Menor-McNamara wanted to correct her attendance as present in the December 7, 2022 Special Board meeting. Mr. McCully made a motion to approve the minutes with the correction. Mr. Downing seconded. Mr. Gionson did the roll call, and the motion passed unanimously.

Chair Kam recognized Mr. Kinkley for his service as this was his last HTA Board meeting.

5. 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.

6. Discussion and Follow-Up on Questions from the December 7, 2022 HTA Special Board Meeting ***

Mr. Kinkley said he had answered questions in a public session before but said they were reasonable and important questions. He is open for more questions in an executive session. Previously the HTA was criticized for having too many executive sessions. He mentioned the first question. Was chapter 103D followed? He read his written response, said it had always been followed, and elaborated on the topic. The next question was whether there were any violations in 103D. His answer was no. The third question was if 103D was followed and there were no procurement violations, why not proceed with the current awardee, CNHA. He read his answer, saying there was no current awardee, and it was impossible to proceed with the current awardee. He elaborated on his answer. The fourth question asked which alternatives were available to the Board. He said that was the most important question but the least legal. He read his answer and said it could be awarded to more than one party.

Mr. McCully asked about Mr. Kinkley's research and if there was a similar circumstance. Mr. Kinkley said all the sub-issues were vigorously researched. Mr. Arakawa thanked Mr. Kinkley for his service over the years. He asked if 103D was followed. He asked if it pertained to the U.S. MMA procurement and not to other matters. Mr. Kinkley said that was correct. Mr. Arakawa

said there were issues relating to non-evaluation committee members in the meetings and discussions for the first RFP. He asked if they could participate in the evaluation if it was not in violation. Mr. Kinkley said it was a compound question. He answered the first question and said anything more would be legal opinions. Mr. Kinkley pointed out that his answer to the particular incident was no violations. Mr. Arakawa asked if, in future RFPs and evaluation committees, they could ask outsiders to participate in the evaluation. Mr. Kinkley said he could not give a legal opinion at that time, but he repeated something said in public by the acting administrator for the SPO who answered that question at that time and noted that for certain outsiders and staff members, it was not the best practice. According to the acting administrator, Mr. Arakawa asked that if it affected the evaluation committee discussion and outcome, it could be a violation. Mr. Kinkley confirmed that as correct. Mr. Arakawa suggested they discuss that later down the line. Mr. Arakawa said the issue is that the applicants that apply for the RFP do not know there will be other people in the room other than the evaluation committee who might be saying things about them that might affect the outcome. Mr. Kinkley said that without elaborating on the specific details, he agreed that it needs to be considered with the AG before other actions are taken. Everyone will benefit from fully vetting all possible scenarios cleaving as close to the law as possible.

Mr. Arakawa said the second RFP went out for one vendor. Mr. Kinkley had said it complies with 103D for a mediation to take place and to split the \$34 million contract into two separate contracts for \$45 million for one year. He asked if Mr. Kinkley said that procurement law was followed. Mr. Kinkley said he had not said that. He clarified his answer. Mr. Kinkley said section 103D-308 Hawai'i Revised Statutes expressly gives, in this instance HOPA, the authority to "settle and resolve" procurement issues. The HOPA at that time was the seemingly irresolvable RFP2 with a pending HVCB protest. Under that authority and without violating the substance or intent of any of the administrative rules, the HOPA had a free hand to explore many different opportunities in the private session. They must know that processes are not always the same as actions. It was clear that both parties seemed to be more willing to make concessions and understand each other better to figure out ways they might work together. They knew it was a safe place to talk as no legal action could be actuated directly from the actions. Historically, HOPA did that after conclusions were reached that might support some inclusion to have more than one contract, it was better with the SPO. It was discovered that some resolutions were either impractical or not consistent with procurement rules and were dated back. The legal question is whether the actions and mediations were reduced to a form of a binding agreement and acted upon. He said they were not. He said the entire process was insistent with 103D and did not violate any of its positive law requirements.

Mr. Arakawa asked if going into mediation and splitting the contract, instead of one contract and changing the year, is legal under 103D under the powers of the DBEDT directors. Mr. Kinkley said it was impossible to answer that with a simple yes. Mr. Arakawa asked about the powers of the DBEDT directors. He asked if a reconsideration request was submitted by either one of the candidates, CNHA or HVCB, and would the new DBEDT director be able to entertain a reconsideration of the action terminating the RFP and either award the contract, or reconsider the prior action of the DBEDT director, given all the powers. He asked if they could deny the protest and award the contract, or could he graft the protest or take other actions. He asked what the scope is of the new DBEDT directors and if there was a motion to reconsider. Mr. Kinkley said he was unsure as there was a lot of legal jargon in his questions. Mr. Arakawa clarified his question. He asked if the DBEDT director could reconsider on his own, or could he reconsider upon a request by one of the parties or public. Mr. Kinkley said it is impossible for him to answer the question as he is the DBEDT and the HTA attorney.

Mr. Arakawa asked about those on the evaluation committees. He said they signed an attestation with the state and are not supposed to talk about anything from the evaluation process. He had emailed Mr. Kinkley to ask if the gag order would be lifted and when it would be lifted. Mr. Kinkley said he is not sure if the characterization is a gag order. He said it is controlled by those involved in the agreement signed. Mr. Kinkley said any conversation that he has with Board members are not subject to a gag order or NDA. Mr. Arakawa said the NDA did not have a closure date, but they could look further into that. He thanked Mr. Kinkley for all his help.

Ms. Duarte asked about Mr. McCartney's decision to rescind the CNHA reward and cancel the second RFP. She asked if it was ethical. Mr. Kinkley said that question is beyond his purview. He said personally it seemed the actions of the HOPA at that time were informed by positive motivations.

There were no further comments from the Board members or the public.

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

a. Relating to Update on HTA's Programs During November 2022

b. Relating to Update on HTA's Implementation of Change Management Plan

Mr. De Fries spoke about the CEO report. He said the HTA is proud to support Aloha 'Āina and Kūkulu Ola programs that help to further their mission of Mālama Hawai'i. The RFP for these and other HTA Community Programs will be issued soon for projects in the calendar year 2023. In the Community pillar, the HTA's partnership with the Hawai'i Visitors and Convention Bureau

(HVCB) continues with CEP. During November, eight CEP projects and events were attended and evaluated by the Island Chapter/Destination Manager teams throughout the state and were well received by residents and visitors. The Brand team is moving forward with contract execution for the Japan MMA. The RFPs for the U.S., Canada, and China MMAs, and Sports Program are still on hold. The team is finalizing takeaways from the Hawai'i Tourism Conference 2022 Presented by Hawaiian Airlines and activities around it, including the internal brand partners meeting, volunteer activity leadership meeting, the Cruise stakeholders meeting, and the FAM tour on Hawai'i Island.

In the planning area, efforts continued working with the island destination managers, counties and other state agencies to move DMAPs actions forward. Activities included developing needs assessments targeted at businesses and non-profits on Moloka'i, convening the first Waikiki Historic Trail Advisory Committee meeting, and meeting with the Hawai'i Food Hub Hui, the East Maui Advisory Group, the Waipi'o Valley Steering Committee, and Kamehameha Schools regarding DMAP hotspots.

In addition, Ms. Anderson worked on finalizing the panel sessions for the destination management track at the Hawai'i Tourism Conference. Mr. De Fries pointed out in the Change Management Plan area that the HTA is continuing to recruit a Procurement Manager, Senior Brand Manager, and Brand Manager. He estimated that they would announce the Chief Administrative Officer who will permanently replace Mr. Regan in the first week of January. The confidentiality of the two final candidates is being respected. He acknowledged and extended gratitude to the entire HTA team to Mr. Togashi, who had temporarily served in that acting position, including being VP of Finance. He asked Mr. Togashi for his update.

Mr. Togashi said they continued with their busy trend. For procurement, his team continues to work on various procurement-related matters with the program teams. They successfully completed the award for the Japan RFP by passing the test period earlier in December. They continue to maintain awareness of the upcoming legislative session and have been involved in preparation for that and other matters, including WAM. For the 2018 audit report update, they are developing an audit action plan. His finance team continues preparing for the annual financial audit conducted by Acuity LLP, which includes the analysis and preparation of numerous reporting schedules.

Concerning funding, they continue to work with then-Gov. Ige's administration on the HTA's funding for the FY2023. That matter had been resolved with former Gov. Ige, approving \$35 million in the FY2023 ARPA funds to the HTA, consistent with the previous advisory. Top of mind to the members, staff collaboratively worked and submitted extension requests that week to the SPO for the island chapter staffing and administrative contract, China MMA contract, and

Canada MMA contract. It was an action item from the December 7 special Board meeting. They continue to work closely with program staff to support each other.

Mr. Ka'anā'anā spoke about the conference. Monday they started with the international partner meeting with the global marketing team. There were 60 attendees at the meeting. They also hosted the activity on Tuesday. He said there were over 30 attendees that were split into two groups, and they all worked together in the mud. On Thursday and Friday, they had public sessions. He said there was a lot of great knowledge sharing, and they had over 520 attendees, which increased since pre-pandemic. He thanked the team for all their work. There was a FAM trip to Hawai'i Island, and The Tourism Legacy Awards Luncheon where they honored the theme of Mālama and recognized Sen. Kenneth Brown, posthumously as the co-founder of the Native Hawaiian Hospitality; Association Native Hawaiian Hospitality Association and author of The Mālama Ethic in Planning for Hawai'i's Future; Ernie Lau, Manager and Chief Engineer of the Board of Water Supply; and Kua'āina Ulu Auamo (KUA), a non-profit community-based organization who led the 2022 initiative of Year of the Limu.

He spoke about the FAM trip and how to ensure the global promotion team for Hawai'i understands the destination and culture. Immersing the team once a year helps with this. There were lots of site visits. He spoke about the CSG (Council for State Governments), and they provided support with swag bags, and partnerships. There were over 1,200 attendees. He spoke about the Korea Mission from November 1 to November 22. Over 62 Korean buyers, media and travel trade partners attended the destination seminar. They welcomed 55 VIPs. There was a lot of support from the partners. There were a lot of good meetings with partners in-market, including airlines. There is daily service from the two main carriers, with a five-time weekly service from Hawaiian airlines. The South Korean market is going into an anniversary year as well. They also hosted an MCI event which was successful. Two groups were booked during the Korea FAM: Lena Life Insurance Company and MetLife Korea.

Mr. De Fries recognized Sen. Wakai and Rep. Samaya who joined online, as well as deputy director of DBEDT Dane Wicker, and acting director Chris Sadayasu sent regrets as he was attending a Ohana memorial service. He recognized Ms. Rebecca Crall representing Sen. Lynn DeCoite, Rep. Onishi, and Rep. Sean Quinlan, the new Tourism Chair of the House.

Mr. De Fries spoke about the activities for the HOPA decision to rescind and cancel the December 5 RFP. Agenda item 19, which is related to the extension of the current marketing contract with the HVCB, will be important. CNHA had been definitive in its position. HVCB provided impact and implications related to that extension. Two days ago, he spoke to the SPO about that.

Mr. De Fries spoke about the inauguration of the new governor built around the Huliau theme selected by Gov. Green's wife, referring to a new beginning. He spoke about the various delegates and nations involved. He said they spent the afternoon with the group planning the agenda for the November 2023 APEC conference in San Francisco. They were asked to help with the agenda.

Chair Kam asked Mr. White to share about Mr. Brown. Mr. White said it was nice to see the recognition given to Mr. Brown. It was also a reminder of a level of class, vision, and integrity. He said he was thankful for the time he spent with Mr. Brown. He said they are in a situation where they need their elected officials to be more mindful of treating everyone with respect and have visions of the positivity they can build on over decades.

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

Ms. Chun said she would not be presenting visitor statistics, as those will be presented Thursday. Hotel reports for the state were published, and hotel occupancy was 70.5% for November. This was up 10.8%. ADR was \$345 statewide, up 3.6%, and RevPAR was \$243, up 22.4%. The vacation rental information will be published the following week.

Ms. Chun was asked to present the October 2022 TAT collections as they had not published November yet. In October, TAT collection was at \$64.4 million. The preliminary TAT collections for the FY2023 were \$31.1 million, compared to \$240.3 million. For the airline reports, it was slightly higher toward the middle of November. Because of the lack of international travel, Daniel K. Inouye continued to be down compared to 2019, but Kahului, Lihue, and Hilo are up.

Ms. Chun spoke about the unemployment rates for November. Statewide, unemployment was at 4.0%, with the highest unemployment in Kaua'i. For industry, there was a continued increase in jobs for accommodation and food service sectors.

She spoke about air seats with many changes. For December, domestic seats and international flights increased, which was lower compared to 2019. There was a slight increase in international air seats in January compared to December but a decrease for domestic air seats. February was significantly low. She spoke about the Skift Travel Health Index. The current score is 81%. This was trending down in the past couple of months. COVID-19 is increasing in certain countries, which is affecting this. The U.S. has a downward trend but is still at 98.7%. This is still the highest out of all other countries, but it is still going downwards. Canada and Australia are also trending down. November is trending down for Japan and China. Ms. Chun spoke about the Pandemic Dashboard. An important note is that many people eligible for the COVID-19 vaccine choose not to get vaccinated. She spoke about the U.S Travel Association. They

continue seeing an increase in visitor spending for the U.S. for October versus 2019, but year to date, overall, is slightly down. There is an increase in auto trips but a decrease in air passengers and overseas arrivals. Hotel demand is also down for October and year to date, an increase in short-term rental demand.

Compared to other states, jobs for labor and hospitality are still lagging behind Hawai'i. There was a slight recent recovery in air travel for Hawai'i, but not as strong as in other places. For the domestic travel forecast, 2019 was 100%, but for 2023 it was at 104% and 98% for 2022. Domestic leisure spending would be going up through 2026. For business spending, through 2026 they are indexing at 92% of 2019. For leisure and business travel, they anticipate domestic business to recover by 2024 for volume. The volume of people travelling is increasing at a greater rate than the volume of spending. The international forecast was updated in November 2022. This recovery is projected to be in 2025; however, it is not expected to be at 100% for Asia Pacific. Ms. Chun spoke about the U.S. Hotel Forecast information. Supply increases for the U.S. is continuing to increase in 2023. 2023 occupancy is expected to be significantly lower. ADR is indexing higher, and RevPAR is higher. Highest RevPAR growth will be in resorts and small towns. According to STR, they are expected to end the year at a higher occupancy than in 2021, at a \$373 ADR and \$276 RevPAR, both higher than 2021. 2023 is looking at a slightly higher occupancy gain, 3.5% higher and 77.6%. ADR should be higher at \$386, and RevPAR should be at \$299.24 for 2023.

For O'ahu there will be an increase in occupancy in 2023 to 76.1%, 20.5% points for them. ADR is \$269.04, and RevPAR is \$205. For Maui, there will be an increase in occupancy in 2023 to 71.9% with a rate of \$634. RevPAR is \$456 which is up 9.5%. There is an increase in the ADR rate, but it is not as dramatic as RevPAR. For Hawai'i Island, occupancy is 78.7%, which is 3% higher. ADR is \$411, and RevPAR is \$323. For Kaua'i, occupancy is expected at 80%, with \$414 ADR, and \$331 for RevPAR. Not huge changes, but more changes are expected.

Ms. Chun spoke about the ARC Forwardkeys. For December, the U.S. the bookings for arriving in December are slightly higher than the pre-pandemic rates, but for January, it is a little lower. February is also slightly lower. March and April are outpacing pre-pandemic levels, but it is soft again for May. There is an increase in overall traffic from Los Angeles, San Francisco, Seattle, and Portland as top feeder markets. She spoke about trip characteristics, with most being direct, and 20% of the people are booking in the 30-day period.

Japan is still lagging, with not a lot of movement from the Japanese travel wholesalers. She is hoping they will be stronger the following year. Most visitors come from Tokyo, but numbers are still lower than pre-pandemic numbers. Most people are planning trips three months out.

For Canada, December reports are very similar to pre-pandemic reports. The pace for January and February is slower than the pre-pandemic pace. There was some growth in March, but it declined in April. Most people come from Vancouver and Toronto. This is not comparing to pre-pandemic numbers. 68% of air bookings are booked directly, and half are booked three months out. 13% is booking within the 30-day range.

Korea is trailing behind in the months compared to pre-pandemic levels. There is air service and hope for improvement in all areas. Most people are visiting from Seoul, and the rest of the areas are not even on the charts. Retail travel agents are a significant part, although there are not a lot of bookings. 45% of those visitors use retail travel agents. 44% are booking 91 or more days out. 23% are booking within the 30-day period.

Australia is lagging compared to pre-pandemic levels. Most people are coming from Sydney. 47% use the retail travel agency. Half of the people are booking three months or more out. 14% are booking within the 30-day lead time.

9. Discussion on the Economic Forecast for the State of Hawai'i

Ms. Chun introduced Dr. Bonham, who spoke about the visitor arrival forecast and visitor spending forecast from DBEDT.

Dr. Bonham spoke about the global war on inflation that will hinder Hawaii's growth. Driving the forecast is the view of the federal reserve policy and how that will affect the U.S. economy. He spoke about the U.S. outlook. Inflation is dropping. The November 2022 reading was good. Having peaked to over 9%, it is currently down to 7%. The federal reserve is continuing to push up the interest rates it controls, the Fed Funds Rate. This is the fastest increase over a 10-month period that was seen going back to the 1980s. They are not seeing the full impact of this yet. It has been primarily impacting the U.S. and Hawai'i through mortgage rates, housing and foreign currency. This movement of interest rates in the U.S. is the primary driver of why the Yen is so weak. It is also very important to know where those rates will be going in the future. The bond market expects rates to start falling by July. The interest rate was raised to 4.5% the previous week (range is 4 ¼% - 4 ½%). Interest rates will continue to rise until mid-year, with a 5% terminal rate, and then it will start to decline. These are interest rates implied by people buying and selling Fed Funds Futures.

By July, the Feds will start lowering interest rates for two reasons. One, inflation is anticipated to drop quite hard, or the Feds will cause a recession. He said they are likely to experience a recession. They forecast that they will see growth in the fourth quarter of the year of a little less than 2%. The recession is anticipated during the 4th quarter of 2022 in the U.S. He said

they could be wrong with the predictions. He said the U.S. will not grow in 2022. There will be a modest downturn of U.S. visitors expected.

Subsequent to the release of this report, the domestic passenger data revealed the forecast was too optimistic. Both domestic and international passenger accounts look weaker. He said the Japan forecast is also too high. Through October 2022, Japan recorded a 17% to 18% increase in its pre-pandemic level, and their forecast recorded Japan heading to 25% by the 4th quarter. The 2023 forecast for Japan had a recovery of 50% of the pre-pandemic level by the third quarter, which was a downgrade from the previous year. He spoke about currencies. When you combine the fact that state-wide room rates are higher than pre-pandemic, the cost to buy food away from home, and what tourists would pay for food, it is almost 20% higher compared to pre-pandemic levels.

He said the Yen is anticipated to improve. If the U.S. bond market is right, if the Feds stop raising rates mid-summer, and the signal becomes even stronger, and if, at the February Fed Meeting, they are raising interest rates. If Japan can change its policy and start raising rates, the Yen could improve markedly. It could be a 10% -15% appreciation. Since the pandemic, they have been under forecasting the U.S. market. The U.S. market is prized to the upside, particularly in the summer of 2021. He said they reached a point where the U.S. market will no longer be on the upside. It is known that the international market's forecast may be too strong. The tourism forecast relies on an optimistic balancing act.

There is no Japanese recovery in the forecast up to 2027. They do have almost complete recovery in Canada and elsewhere. There is only a small downturn in U.S. visitors. This forecast essentially has declined U.S. visitors being set by the recovery of international visitors. For the spending forecast, the baseline forecast has a \$700 million drop over the next two years and could be substantially worse. Visitor spending declined from \$18.2 billion to \$17.4 billion. He said it is a cautiously optimistic forecast. He turned the floor over to Mr. Eugene.

Mr. Eugene spoke about the December 2022 World Economic Growth Projections. 2022 is slowing down from 2021, especially for European countries. In 2023, there will be a recession. They released the population statistics that morning. 2021 decreased by 0.3%, and 2022 decreased by 0.5%, higher than what was expected. For 2017, 2018, and 2019 there was a population decrease already. They are optimistic about the visitor forecast. By 2025, they will be fully recovered. The nominal terms have been above the 2019 level. They are developing a tourism price index and have monitored the numbers for a few months. They plan to release the monthly tourism price index in February 2023. Wage and salary jobs are not going to be fully recovered by 2025. The GDP growth will be doing better in 2022 and 2023 and will be

normalizing to 2%. By market, the U.S. market will be slowing down, decreasing by 6.3%. This will be lower compared to 2022.

For Japan they are optimistic, with major recovery in 2023 and full recovery in 2025. For the international market, they are optimistic as well. Air seats have increased for the first three months, with 300% increase. Job recovery for tourism and hospitality is at 94% higher than many of the local-based businesses, e.g, wholesale trade, etc. Finance and insurance are at 85%. There are a lot of good signs for the full economy, in terms of tax revenue, with the collection being 18.8%. Commodity inflation is 11.5%. Services inflation is 4.6%. The private building permit is slow, with a decrease of 15% for the first eleven months, but government construction permits increased. Real Estate sales decreased by double digits, but at the meeting price it is an increase for the islands, single-family homes, and condos. Visitor recovery is at 88.6%. November and December are anticipated to be at 90% compared to 2019.

Mr. Rafter said the numbers were wildly optimistic. Mr. Ching asked if the hotels will level the prices out to get to pre-pandemic occupancy levels. Mr. Rafter said he could not see them going back down to where they were pre-pandemic. Ms. Agas said that as the rates continue going up they have invested in the next generation by being competitive and getting better rates for employees across the U.S.

Mr. Arakawa asked about the economy's forecast and the Japan market's recovery. He asked what the HTA should have as economic priorities. Mr. Bonham said that looking at the December passenger counts, and compared to pre-pandemic levels, they are down by 10%. He thinks the forecast from DBEDT and uHERO for 2023 arrivals are almost the same, but most likely too high. From a purely economic perspective, this is to protect the visitor market, offset the expected declines through marketing, and get U.S. visitors to travel. He anticipates seeing hotel discounts. If the U.S. people stop visiting, it will result in job losses and rising unemployment rates. They need to balance international and domestic travel from a policy standpoint.

Mr. Arakawa asked, if, with the uncertainties of the world and economy, consideration must be made for a flexible fund that could be used in an emergency. Mr. Bonham said that it made sense to do that. He said the risks are to the downside, so they need to plan for this. Mr. Eugene concurred. Mr. White asked if the hotel rooms is absolute or relative. Ms. Chun said that the forecast is based on if the pre-pandemic rooms are coming back online. Mr. White said he is more concerned about sourcing the rooms and doing an inventory. Ms. Chun said on a monthly basis she is giving a report on vacation rental live numbers.

10. Presentation, Discussion, and Approval of the HTA's Financial Report for November 2022

Mr. Togashi said the meeting packet had all the details of the HTA's financial position and related transactions covered across multiple documents, including balance sheets, statements of revenue and expenditures, budget statement summary, budget detail, budget reallocations, and the executive summary capturing all the information as of November 2022.

He spoke about the HTA's financial position for all the major funds supported by the various balance sheets included in the meeting packets. He said they have six main funds. As of November 30, the HTA has access to \$31.7 million in the FY2022 TFF (Tourism Federal Fund), which is a \$400,000 decrease from October, due primarily to disbursements for program and operating expenditures. Of the \$31.7 million, \$21.2 million is encumbered, and \$10.5 million is unencumbered. He said they are working with the former Gov. Ige's administration on the release of the FY2023 ARPA funds, which was approved in November 2022. The TSF (Tourism Special Fund) has \$28.6 million in cash, which is a \$300,000 decrease from October 2022 due to the expenditure of the program and operating costs. It includes the \$5 million emergency funds the HTA maintains by statute, which is invested primarily in U.S. treasury notes, and are laddered in three-month intervals. This includes \$18.3 million that is encumbered to contracts, and \$5.4 is unencumbered. For the 2022 CCFF, \$10.2 million is available, most of which all has been encumbered. The CCESF has approximately \$34.9 million in cash, consistent with October 2022. Of that \$34.9 million, \$5.9 million is encumbered towards contracts. The remaining \$29 million of unencumbered funds will be stored as a Repair and Maintenance (R&M) reserve for future deployment in support of their six-year R&M plan when the appropriation expenditure ceiling is restored through the legislative processes in the coming session. They are not able to spend the funds until the appropriation is restored.

The meeting packet includes budget statements for FY2022, and FY2023. The most significant activity in November was former Gov. Ige's approval of \$35 million in FY2023 funds, and the Board approving a revised FY2023 budget in that amount. This is not reflected in the statements.

Mr. Arakawa thinks they would do well going into the uncertain time and legislature session to resume the Finance Committee Meetings, as these meetings can help the Board and the public. Mr. Rafter agreed and said they would resume in January 2023. Rep. Onishi asked Mr. Togashi how the HCC rooftop repair money had been released to the HTA. Mr. Togashi said the funds have not been released and they have recently submitted paperwork requesting release of the funds. Mr. Arakawa said in the last session, there was a budget item of \$500,000 for an HCC study, and asked what the status was. Mr. Togashi said he is correct that the \$500,000 appropriation was not made to the HTA, but was made to DBEDT, so he could not comment with accuracy. He could comment on the discussion with the Board contracting for an update of

the HCC Futures Study. They have done so, and it is underway. That includes assessing the HCC, including a scenario where a hotel is built at the HCC. It also includes looking at the possibility of development in the surrounding neighborhood. At current status the contractor is underway in terms of their work, and they are in the interview process with key stakeholders. Mr. Togashi said at the time Mr. McCartney had appreciated what they were doing and would look into whether they could leverage the work and incorporate it into what DBEDT was intending to do. He has since preliminary had discussion with the DBEDT Acting Director Sadayasu. He was two weeks in, and they have not had a chance to go into great depth.

Mr. Arakawa asked if the HTA Board will have any policy input into the \$500,000 contract. Chair Kam said the DBEDT director will determine that. Ms. Duarte said the last two meetings had been heated and there was a lot to glean from the hearings. She said she is looking forward to looking through corrective measures collaboratively, as it is important to prepare for the next session. Chair Kam nominated Ms. Duarte as another spokesperson with Mr. White, Ms. Agas, and Mr. McCully at the legislative session. Mr. Arakawa asked to be included in the session as well. Chair Kam said he would defer to the committee for that. Chair Kam asked for a motion to approve the HTAs financial report of November 2022. Mr. White made a motion, and Mr. Rafter seconded. Mr. Gionson did the roll call and the motion passed unanimously.

11. Update and Discussion Regarding Attendance by Non-Evaluation Committee Members at HTA Request for Proposal (RFP) Oral Presentations and Clarifications by Offerors

Mr. Togashi said item 11 through 15 were to provide the Board with clarifications on certain matters that were discussed at the WAM information briefing on the U.S. RFPs. Item 11 was relating to the attendance of presentations by the RFP evaluation committee non-members. He said prior to the oral presentations toward the conclusion of the RFP 2201 in 2021, Mr. Ka'anā'anā sought the guidance of procurement officer Mr. Rodriguez on the non-participant attendance of the HTA staff. Mr. Rodriguez had control of the evaluation committee process, and did not exclude the HTA staff which are permitted to access proposals and modifications. Following Mr. Rodriguez raising of concerns they have since confirmed that with the SPO the non-participant attendance of key HTA staff at oral presentations is permissible.

12. Discussion on HTA Policy # 400-50 Operating Budget Policy

13. Discussion on HTA's Approval Process for Contracts and Supplemental Contracts

Mr. Togashi said he would capture item 12 and 13 in one agenda item. He said it is with regard to the HTA Boards role in contract extensions and making a distinction between the \$250,000 threshold for the approval for contract extensions. The HTA Policy 400-50, the operating budget policy requires Board approval for reallocation of funds between the main budget categories of

\$250,000 or more. This amount is not a threshold for Board approval of contracts or/and contract extensions. If a contract over \$250,000.00 is for a program that is unbudgeted for, it would require Board approval, as it would require a reallocation of funds. That \$250,000 relates to the reallocation of funds, or any unbudgeted programs. The Boards approval of an operating budget represents authorization for staff to expend funds consistent with the programs outlined in the approved budget.

HRS section 201B3A3 authorizes the president and CEO to execute contracts on behalf of the agency, which include supplemental contracts and extensions. Extensions beyond the periods specified in the contract also require approval by the SPO. Three extensions were executed by the President and CEO of the current U.S. major market from January to June 2022, July to September 2022, and October 2022 to March 2023. The HTA executed each contract extension following the required approval by the SPO.

Rep. Onishi said the issue of the \$250,000 was brought up a number of years ago because monies were being transferred from one program to another without any policy or approval, so \$250,000 was established by the Board to transfer funds from one program area to another. That is the clarity that Mr. Togashi elaborated on. He said the legislature had an issue with the Board not approving an adjustment to the budget.

14. Update and Discussion on Form SPO-036 Procurement Delegation, Including a Timeline of Delegated Authority

Mr. De Fries said that then Director of DBEDT, Mr. McCartney delegated procurement authority to keep Mr. Regan on as of August 6, 2021. Mr. McCartney also delegated procurement authority to Ronald Rodriguez on August 6, 2021. In anticipation of Mr. Regan's departure from the HTA, Mr. Togashi assumed the role of Acting CAO, delegation of authority, which was granted by Mr. McCartney on August 4, 2022. Mr. Togashi holds that authority until today and in conversations with the new DBEDT Acting Director Mr. Sadayasu intends to maintain that delegation authority with Mr. Togashi at this time.

15. Update and Discussion on Form SPO 021 Standard Qualification Questionnaire for Offerors Participating in HTA Request for Proposals

Mr. Togashi said the SPO provides standard qualifying questions in the SPO-021 form. As a sample for agencies preparing documents for the 2021 RFP, the HTA staff used form SPO-021 unedited. In preparing the 2022 RFP, the HTA staff revised the sample questions from SPO-21 to exclude or revise questions that were not affable to procurement or professional services. HRS 103D 310 directs that the procurement officer determine whether the respective offer has the financial ability, resources, skills, capability, and business integrity necessary to perform the

work, utilizing questions like those found in SPO-021 as a tool, but not the only tool to make that determination.

There were no questions or comments.

16. Discussion, Recommendation, and Approval on Hawai'i Destination Brand Marketing & Management Services for the United States Major Market Area Contract ***

Mr. Gionson said there were people wanting to testify. Mr. Monahan from HVCB gave his testimony. His testimony supports two RFP solutions to the Hawai'i Destination Brand Management and management services for the U.S. MMA contract. The HTA's position has evolved over the course of the two previous attempts to procure the RFP 22-01. The most current preference emerged during mediation - a two-contract solution - one contract for brand marketing specifically for the U.S. and a separate contract for overall destination management, not attached to any particular MMA. Forcing the current vision into a single RFP defies the intent of the mediation and the HTA's stated position in that joint agreement with the three parties. Further, and in light of the two previous failed solicitations, protests and rescissions by the HOPA, it is critical that the HTA approach this third procurement attempt with due care and take the time necessary to get it right. As has been pointed out by the HOPA in his December 5, 2022, rescission letters and at recent WAM hearings, the HTA should utilize the resources and guidance from the AG, SPO, and DBEDT to ensure that the third round of RFPs is executed correctly, from the written RFP thru the evaluation procedures to the award. Governor Green has made this a top priority for his new administration. In terms of the two RFP solutions, the HOPA was clear in his December 5, 2022, rescission letter that the HTA and DBEDT needed to learn from the mistakes of the two failed attempts. He quoted "Given the emerging and erratic market coming out of the COVID-9 pandemic, which is not expected to be in full recovery until 2025, and the evolving needs of the community, it is clear to us that to address the needs of the current market more effectively, it is no longer in the best interest of the State and people of Hawai'i to enter into one single RFP. We must have two contracts one for marketing communications and travel trade and one for destination brand management, communication, education, and community-based economic development. A single contract would put us at a competitive disadvantage in the market and in dealing with the community."

He said he and his team concurred with the statement. He also said that the RFP for destination management must have a clear definition of the scope of services to be provided under the contract. This section of the previous RFPs called for a destination management Support plan (DSMP), not the DMAP. The DSMP outline did not clearly state the HTA's expectations, and the two finalists offered significantly different interpretations of what each thought the HTA was after. Later, during the successful mediation that was undertaken, a good foundation for a

destination management plan emerged. Finally, a separate, boots-on-the-ground and destination management contractor is needed to execute the HTA's desired scope and be the resource for all the GMT contractors who support the central Hawai'i centric program. The recent Hawai'i Tourism Japan RFP reinforces that the HTA wants its GMTs to continue to have a Destination Management Support Plan. It is inconsistent to force the Destination Management Plan into a geographically defined RFP like the HTUSA RFP.

Mr. Gibson, the president of the Hawai'i Hotel Alliance, gave his testimony. He said the Hawai'i Hotel Alliance applauds the Hawai'i Tourism Authority's decision to solicit bids for two distinct contracts to support Destination Marketing and the HTA's efforts to provide additional Destination Management programming for the State of Hawai'i. Further the Hawai'i Hotel Alliance supports the request by the Hawai'i Visitors and Conventions Bureau for a limited extension of their current marketing efforts on behalf of the Hawai'i Tourism Authority. This extension will ensure continuity in the State's coordinated marketing efforts targeting visitors leading through the vital summer season in 2023.

The tourism industry in Hawai'i is currently facing significant headwinds. After two cataclysmic years of COVID, they are staring down the barrel of a looming recession, grappling with inflation that is increasing operating costs in what is already the most expensive operating market in the country, all while losing visitors to competing markets that are investing nine-figure sums into destination marketing such as Florida, the Caribbean, and Mexico. Hotels in Hawai'i typically realize peak REVPAR and occupancy during the time of year, but for the first time in recent memory this is not currently true. In fact, many properties in Hawai'i particularly in Waikiki, are doing worse than the first year out of COVID or when tourism bottomed out at the peak of the Great Recession in 2007. Exacerbating a soft holiday season are the lagging forward-looking bookings and projections for the first quarter of 2023, which are off pace by double digits. In light of these challenges, marketing efforts towards the important U.S. market must continue without interruption. Extending the current marketing contract with the Hawai'i Tourism Authority through the summer of 2023 will allow for a continued focus on marketing towards visitors within the critical booking window, taking us through the crucial summer season and setting us up for Q4. The success of the summer of 2023 will significantly impact the health of the tourism industry, the job security of nearly a quarter million kama'aina across our islands and their families who depend on tourism, and the state's financial bottom line. At the same time, we infuse the tax system with needed revenues for housing and a myriad of important state and county programs.

Mr. Frank Haas said he stands by the testimony which was also provided in the Advertiser two days ago. Mr. Kūhiō Lewis gave his testimony. He said that in the last few HTA meetings,

interesting discussions had been around marketing and occupancy and focused on how to grow an interest in the hotel industry. What is missing is the report on the community and its impacts on the community. Strategic Pillars are repeated - culture, community, natural resources and brand marketing. They have an able and willing organization that has stepped forward in response to the HTA to help find the balance. Somehow in the process, the HTA was put at a disadvantage, for hundreds of thousands of dollars, and it had been a painful 15-month process back and forth. It had been three weeks since the HOPA decided to rescind the award, and they still have not heard what solution has been proposed by the HTA. As an organization who put their reputation, brought the community table, assembled the team and the local organizations to help contribute to the shift, he asked of the Board for answers on what the path forward looks like. He said they disagreed with the decision to rescind the award. He would like to know from the Board if it is one RFP and what that looks like or two RFPs and what that looks like. He said it was a fair question to ask. Nothing is out of the question for them to have spent lots of money and sit back and do. He said the community is also anxious, so he requested clarity.

Mr. Karl reiterated what Mr. Gibson and Mr. Monahan said as they move forward with a two-contract RFP solution, one for brand marketing U.S. and one separate contract for brand destination management. He said they are facing turbulent times and need an extension on the existing contract as they get the RFP proposals set up correctly. Statistics show they are experiencing a downturn in the festival timeframe and the first bookings are much lower. The previous year, April and May, were some of the best months they had since 2019. He said they are concerned going into 2023 with the economy downturn. He stressed to the Board that they go to two RFPs and extend the contracts, so they do not lose momentum. If they do not continue to put themselves on the map, they will lose business, affecting the community.

Ms. Gioson said it concluded the testimony. Chair Kam said they would discuss it in an open session if everyone approves. Mr. Ka'anā'anā turned the floor over to Mr. Togashi.

Mr. Togashi said that subject to discussion with the Board, staff intends to seek the Board's approval to proceed with the development issuance of one or more RFPs. He said the call to action is to define an RFP in which contents would otherwise be made accessible to potential offers prematurely. He does envision that they would look to enter into an executive session, but at this time, he said they welcome any thoughts by the Board on whether they recommend proceeding with one, two, or more RFPs. He said the staff does have a recommendation if they would like to discuss that in an open session. Chair Kam confirmed that they should do that.

Mr. Togashi said the staff recommends that they proceed to seek approval for the development in the issuance of two RFPs. Mr. Ka'anā'anā recommended two separate RFPs as well. During the Board members' discussion, Ms. Duarte asked how the two RFPs would be named and their

hierarchy. Mr. Ka'anā'anā said he does not recall who gave the advice or testimony, but it is something they are still assessing, trying to understand what the scope would look like for those separate RFPs. He thinks it is something that needs to be discussed and ironed out with all the Board members present. He did not feel comfortable discussing it at an open meeting session for reasons that may further affect the process.

Mr. Rafter asked how they could vote on something they do not know anything about nor have adequate information on.

Mr. Togashi said staff entertains entering into an Executive Session to discuss information that must be kept confidential to protect Hawaii's competitive advantage as a visitor destination under HRS 201D4A2, and to consult the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities pursuant to HRS-5A4.

Mr. Kinkley said that made sense. He had a few comments as it was very complex. He said there is also a third independent basis for an executive session within the sunshine law, to discuss things that might be considered confidential by other States' Laws, in this case, the procurement law. They are not supposed to discuss procurements before they are finalized. He said other individuals might want to join as a pertinent part, such as the DBEDT director. He said if the Board decides that DBEDT would be an important or informative part in the decision, they could be invited in.

Mr. Downing asked if the decision was whether they want one or two contracts. Mr. Ka'anā'anā said that is Mr. Togashi's recommendation. Ms. Duarte asked if there were any other options, or if they only looked at those two options. Chair Kam said all options are on the table but that is the recommendation and is a viable pathway. He said he hoped they could discuss that in an open session.

Ms. Duarte said Mr. Monahan shared testimony and advocated for two RFPs as the pathway forward. She asked what CNHA's thoughts were. Mr. Kūhiō Lewis said they are looking for a fair, equitable solution in alignment with common ground. The mediation is where they found common ground. Mr. Ching said they need to move forward, but he trusts the mediation to help them work together. He is happy to work together and compromise, but he has reservations. Mr. White said the process, as uncomfortable as it was, resulted in the HVCB and CNHA coming together with courage from both sides. They recognized each other's strengths with a mediated solution that could result in a vision of what could be done. He thanked both parties for coming together and doing what was best for the people of Hawai'i. In addition, he gave kudos to the team for doing what they did to make other peoples' jobs easier.

Mr. Arakawa thanked Chair Kam for having the discussion and vote in public. He said certain discussions should be in an executive session. He added that everyone is talking about the mediated agreement, but on what terms? He needed to understand what they were voting on. He also asked about the executive session and if there was a reconsideration, if the DBEDT director could reconsider, and on what grounds. He also suggested that the staff do a report or a recommendation to the Board. He said it is the biggest contract the HTA has. He suggested a written report, a recommendation with the assistance of SPO and DBEDT, and the AGs to let the Board know what the process going forward would be under the option of one contract or under the option of two contracts. He said OIP could also guide what could be discussed in public. He said they should discuss and vote in public.

Mr. White said it was the October meeting in which the responsibilities and division that was the outcome of the mediation were shared with the Board in executive session. Mr. Arakawa said he was there for the meeting but said it would be good to share it with the public. Mr. White asked for clarity of the Board's policy on the future approach to the contract. Mr. Kinkley said his response would be no if he understood what policy means. It means that policy belongs to the people, and they need to hear them talk about it. He said if they go into executive session it would be because policy decisions made in the public need to be informed by specific narrow "yes," "no," or "technical legal" questions that cannot be discussed. The mediation is particularly sensitive, and he could not go into that further. He is more comfortable discussing that in public session, which is what is expected of the Board members.

Mr. Togashi confirmed that with respect to Mr. Arakawa's earlier point, he had a conversation with Sheryl of OIP, and Bonnie from SPO, and confirmed that should they choose to go into executive session to discuss a scope of work for the RFP/RFPs, they can do so.

Ms. Duarte asked the staff why they recommended two RFPs as they have several options. Mr. De Fries said they are looking at two options. One RFP with multiple contract awards verified by SPO that if they went that route and somebody protested contract A, and not contract B, they could proceed with contract B, and contract A would be under protest. The second option they looked at were two contracts that came initially as recommendations from HOPA, but they felt that would more clearly relay the respective roles. One thing he cautioned is if he is offered number three, and he has some sense that the RFPs have been constructed around a previous RFP that was rescinded, and build around what the other two offers are competing against, they have to caution what they do as that would be grounds that would be concerning for the Board.

Mr. Kinkley said that was one of the points he wanted to defer for the executive session. He said he understood the logic of Mr. De Fries' point. Mr. Rafter asked what happens if they

choose either and there is a lawsuit with someone who disagrees with the route. He mentioned that his major concern is that DMAP and marketing, because this process has taken a substantial amount of time, are not being addressed. He said the worst thing for the Board is still to be talking about the same thing six months from now. Mr. Kinkley said that they can take questions about the standing appropriateness for different actions and should be kept within the executive session. He said if they do go into the executive session he will answer and quote. Alison said from procurement law itself when formulating a new procurement, there should be no confidentiality in the formation. She asked if they go into executive session to keep it narrow. Mr. Kinkley said that is what he is there for.

Mr. Arakawa said he was glad that Mr. De Fries brought up the mediation. He states that the options being talked about are one or two contracts. It was discussed in mediation, one contract with multiple awards, which seemed very complicated. He said another option, in addition to reconsideration, would be, be one contract, and that contractor contracts out on its own on areas they feel would be better covered by others, as per what the HOPA recommended at the beginning of the mediation.

Mr. Rafter said his concern is that there is a lot of overlap and a grey area, and how to define who does what. Mr. White said his concern going forward is that they are going into a market, not a specific destination with whom to work with. Mr. White said they must develop the best solution so that the best contractors can serve the best. Chair Kam asked if Mr. Ka'anā'anā wanted to share the procurement process. He said he was hoping they were voting on how they move forward, whether it is one contract, two contracts, or multiple contracts, but that decision and scope, he is unsure of from a procurement side. He asked Mr. Togashi to clarify what can be shared publicly, compared to how much is shared from the formation of the selection committee that changes the scope for the RFPs.

Mr. Ka'anā'anā said the specific recommendation is that they would use competitive sealed proposals as the procurement method. It would be two separate requests for competitive sealed proposals, which would then go over to the procurement officer. Mr. Togashi said the process would be something they lay out in the RFP through a timeline. Essentially they would like to work with the Board to gain a sense of what that RFP would entail and have some direction on potentially what scope they would be looking toward. They would also establish evaluation committees that could help develop the scope of the RFPs and review the RFPs that staff drafts and recommends for issuance. They would then go about issuing the RFP, and provide ample notification and time for the submittal of proposals. He said they are required by statute to provide at least 30 days' notice. It would also include events such as a preproposal conference. At that point in time, they would afford the opportunity for offers to understand

the RFP process and ask questions they may have. They would then provide written responses to answers to those questions and oral responses in that pre-proposal conference. This would ultimately result in written responses that they would attach as an addendum to issue the RFP, which would help the offerors to better understand and shape their responses. It would then proceed through the RFP process, which is to be determined in terms of specifics that historically have included consideration for multiple rounds within the RFP process. The staff vet through the proposals to ensure that they meet the minimum requirements, and those that do, they recommend the committee to consider the process for the award for further consideration.

Mr. De Fries asked about the way the Japan MMA RFP was executed. Mr. Togashi said it was the same process they followed for the Japan RFP. Mr. De Fries asked for an elaboration of the Japan MMA RFP. Mr. McCully asked how long it takes to go through the Japan MMA RFP process from start to finish. Mr. Togashi said they issued the RFP on September 26, and the protest period was completed in the first week of December.

Chair Kam said Mr. Zane and Mr. McCully departed from the meeting. He said the motion is whether they will be going to the executive session. He asked Mr. Kinkley to describe the scope they were focusing on. Mr. Kinkley said it would be good to go to the executive session to ask specific questions about what might be in any one of the RFPs, because to leak that now would ruin the procurement process. Legally speaking, the answer is relevant to whether the Board wants one, two, or multiple RFPs. He said there are few such questions, but he can dispatch them quickly. Chair Kam asked that after the session, could come out publicly to make the vote or is that done in the executive session. Mr. Kinkley said it would be done publicly.

Chair Kam asked for a motion. Mr. White made a motion, and Ms Stephanie seconded. Mr. Gionson did the roll call, and the motion passed unanimously. Chair Kam excused some of the attendees. Mr. Gionson asked that the attendees check their emails for a different Zoom link and that members of the public could stay on Zoom or return later.

Chair Kam said they were in the executive session, and they will be discussing several legal issues with Mr. Kinkley with respect to the choice between a number of RFPs. After such discussion, they will resume any discussions, further questions, or proceed with the motion. There was no further discussion. Mr. Ching made a motion for two RFPs. Mr. Arakawa made a motion, and Ms. Stephanie seconded. Mr. Gionson did the roll call, and the motion passed unanimously.

17. Discussion, Recommendation and Approval to Extend HTA Contract 21030 Island Chapter Support Services Contract Beyond December 31, 2022, Subject to the Approval from the State Procurement Office

Mr. Togashi said the island support services contract 21030 expired at the end of the month. Staff was seeking approval to extend the contract for six months through June 30, 2023, subject to approval from the SPO. Staff submitted extension paperwork through the SPO, and funds will be available from the FY2023 budget. Ms. Duarte asked Mr. Togashi to outline the implications if they did not extend the contract. Mr. Togashi said that Mr. Ka'anā'anā would be able to clarify more, but said that, essentially, the contract would end. Mr. Ka'anā'anā said the services rendered by the island chapters, which included on-island representation for the local island brand and the Hawaiian island's brand, would be lost. Mr. Ka'anā'anā said the island chapters are integral in managing tourism's marketing and branding on their island, and the service is critical to them. He said he strongly recommended extending the contract from his perspective as staff. Mr. Downing asked why it was in June and not March. Mr. Ka'anā'anā said his perspective is that moving forward, stability is important for them to be able to do the work that they are doing. The three-month extensions make it difficult to get something off the ground, implement it, and wrap it up in that time period. He thinks one of the consequences of what is happening is the uncertainty of whether or not people will have a job, and this is weighing on all of the staff.

Mr. Gionson said there were testimonies. Mr. Monahan said his testimony was in support of all three agenda items 17, 18, and 19. The reason is that all 3 entities work together. Agenda item 19 is the main leisure contract, the most important element of the Malama education program. He said all go hand in hand in delivering the Malama message. He said his comments are offered without regard to who may win the new HTA U.S. contract. He said those are just facts of brand marketing, the brand marketing timetable, and current competitive market pressures Hawai'i faces now, or will soon. He said they must have continuity in the U.S. market. He said they could not continue to carry that load given competitive pressures with only intermittent marketing. By that, every time they've had an extension, it seemed to come so late that they had not been marketing because they were running toward the end of the period. He said it is hampered by the uncertainty and the drawn-out RFP process, prompting the HTA to extend this. He said the last-minute approvals of the three previous HTA USA contract extensions brought paid media and travel commitments to a complete halt, due to the timing, prior to resuming once again. Mr. Monahan said there is a lead time for this, about a 3-month window that is needed. There is a processing time once they extend the contract. There's the time it takes to do research and wrap up the various marketing products, and there is the time it takes to place it. That could be anywhere from two to three months. He said the six months the last

time had allowed them to start marketing and put marketing plans in place. He said they need to start marketing for April, and without the extension, they cannot spend any money past March 31. He said that was the timing issue. He said they just came through a discussion with an RFP about 75 days needed to handle the process. He said that takes them to the end of March so they will be out of the market essentially. He said 75 days is ambitious.

He mentioned loss of staff was also a factor. They have lost a considerable amount of staff over the past year. Additionally, if the HTA loses the contract, there will be a transition time, but at the end of the contract there will be no transition time because there won't be anyone around. He said they need the transition time to ensure that marketing continues. During the pandemic shutdown, the HTA was defunded, and they stopped all marketing. Once visitors were allowed to return, there was about six to nine months of no form of visitor messaging. He said that is the reason for continuity. He said they heard from Mr. Monahan and Mr. Gioson that they cannot afford a gap now. He said the U.S. has been clearing the water due to international issues. Japan also had issues. Inflation is a problem. He said they also saw in the data they are getting from the hotels that bookings were not great. He said there were also issues with continuing their education programs and maintaining healthy economic drivers to get visitors. The human element is also an issue.

Ms. Lisa Paulson from Maui Hotel and Lodging Association testified. She said they are the legislative arm of the visitor industry for Maui County. She is in support of the extension of the Contract for Island Chapter Support and the Contract for the USA Leisure Marketing Contract. She stands by her written testimony that was submitted on Tuesday. She supports Mr. Ka'anā'anā in his statement that their island chapters provide invaluable services in ensuring that needed communications are upheld to their visitors, and they provide services to travelers during episodic weather events, travel delays and untimely casualties. She said they have well-established relationships with their respective country governments and stakeholders, so they are invaluable to boots-on-the-ground in each of the countries.

Mr. Paul Tonr testified on agenda item 17, 18, and 19. He applauded the team on their decision to move forward and headway. He reiterated everybody's comments about boots-on-the-ground for the individual visitor bureau on each island which has been truly needed. He said not extending it to the June timeframe would put the HTA at a big disadvantage. He said the human resource element will be picked up quite rapidly by the hotel industry as they go forward. He thinks they are doing a great job where they are, and they do better for the common good of the community as well as the industry as they move forward. As far as the leisure contracts go, they will be facing difficult times ahead. Suppose they do not have the continuity of what they are doing now before they have the RFPs put out and contracted and

moving forward. In that case, it will adversely affect the industry as well as the employment of their community. So, he supports both and stands with the staff of the HTA.

Mr. Gionson said someone from the audience wanted to testify. Ms. Rebecca Soon testified on agenda items 17, 18 and 19. She is a member of the Kilohana Collective. She said they fully appreciate the important role that the island chapter played with no concern about continuing with the trajectory of the current contract should emergency extension be needed. They would not stand in opposition to that, but they do generally have concerns, as was articulated in the past, about emergency extensions continuing to be utilized, especially given the timeline. She said they appreciate and understand that what they do in the community is important, and that has to continue.

With regard to agenda items 18 and 19, the timelines are different, and for both of those items, the scope of work is included in the existing U.S. MMA RFP. Both items do not come up until March 2023, so it seems to be a little further out. She appreciates Mr. Monahan's testimony. She offered that although there may be a difference of opinion among some of the folks sitting at the table, the CNHA continues to believe they have an active protest, continue to have everything concerned with their decision, and continue to believe that the rescinding can legally be revisited. She wants to understand what happens next. They would have concerns with continuing to extend under emergency authority, a contract that directly goes to the heart of the scope of work of an RFP they believe is continuing to be under an active protest. She hopes there will be a further resolution on existing issues, on the existing RFP, and that perhaps it would be more appropriate for the Board to take up an extension in January or February.

Mr. Downing asked if someone had the contract to the end of March, and if someone wanted to extend it to June, would she say no, or would she like to extend to June 31 if she had the option. Hypothetically speaking, Rebecca said she cannot speak for other entities, but she does not think any of the entities in the room want to be in the place that they are in right now. She thinks the purpose of emergency procurement is to stem the tight time periods where it is an emergency. She said if they were an existing entity they would want the state to be following the law so that it is in the best interest of the state.

Chair Kam said they are seeking approval to extend the HTA contract to 21030 island chapter support services contract beyond December 31, 2022. Mr. White made a motion, and Ms. Duarte seconded. Mr. Downing said he understands the need for contracts but also does not want to be in a position of extending contracts. He said his vote is for an extension on the premise that it ends on June 30 and will not continue forever. Chair Kam said the point well-taken, and from their perspective the extension is no fault of their own, but it is the kuleana that the HTA has and with the procurement 103D they are following, it became necessary, but

that is a judgement the Board can vote on. Mr. Ka'anā'anā said that it is important to note that the island chapters support the international GMTs work on island, so they are a link and a bridge between the rest of the global marketing teams and hosting international FAMs that come to their island, so there is responsibility that they have, that would also impact the work of the international GMTs as well.

Ms. Iona concurred with Mr. Downing's comment on all three agenda items 17, 18 and 19.

Chair Kam asked for a motion to approve agenda item 17. Mr. Gionson did the roll call, and the motion passed unanimously.

18. Discussion, Recommendation, and Approval to Extend HTA Contract 21016 S4 Global Support Services Contract Beyond March 28, 2023, Subject to the Approval from the State Procurement Office

Ms. Duarte said she is not in favor of extending the contract for various reasons. She asked if they could hold off on the decision to extend. Mr. Rafter concurred with Ms. Duarte and Mr. Downing, but said they could not turn marketing on and off. He is also concerned about extending the contract, but the channels start to be turned off before the next BOD, which creates more problems for the Board to deal with. He said he wants to vote with reservation, but he is also sensitive to the fact that a significant number of people are employed in the industries that use the HTAs support, and more importantly if they turned the channels back on after being turned off, it would take months, so he supports extending, with reservations while they get through that procurement process.

Mr. Kinkley said he accepted Mr. Rafters statement with reservation and that it should be enrolled in the minutes.

Ms. Agas said she sees both sides. She said it is important to extend at this time, but she said they do not want to keep extending contracts, but it is imperative not to lose any more momentum. Mr. White agrees with Mr. Rafter and Ms. Agas, and said they could not afford to make a misstep from a marketing standpoint. He also agrees that they cannot keep extending contracts, but they do not have a choice at this point. Mr. Downing asked how long the contract was to be extended for. Chair Kam said SPO would determine that, but they are looking at June 30. The most they could do is six months.

Mr. Downing asked if the SPO recommends and approves it. Chair Kam said the HTA recommends it based on the SPOs approval. Mr. Ka'anā'anā said they would recommend a three-month extension to take it through June 30, 2023. And then, the SPO would rule on whether or not they wanted to approve that or not.

Chair Kam asked for a motion. Ms. Iona made a motion, and Mr. White seconded. Mr. Gionson did the roll call, and the motion passed with reservations from Mr. Arakawa and Mr. Rafter. Ms. Duarte did not approve the motion.

19. Discussion, Recommendation, and Approval to Extend HTA Contract 17029 S21 USA Leisure Marketing Contract Beyond March 31, 2023, Subject to the Approval from the State Procurement Office

Ms. Duarte said they are looking at the economic forecast beyond their control. She said they need to consider the conversations throughout today and the legislature's opinion of the HTA at the time. She heard many discussions about extensions and their displeasure with the HTA extending contracts. She is not in favor of extending item 19. Mr. Downing asked if it was three months, and Mr. Ka'anā'anā confirmed that as correct. Mr. Ching said, for the record, the HTA is doing what they have to do. He said three months is not much, and he appreciates everyone's concerns, and they need to be ready in whichever direction they go.

Chair Kam asked for a motion. Mr. Ching made a motion, and Ms. Agas seconded. Mr. Gionson did the roll call, and the motion passed unanimously, but Mr. Arakawa had reservations, and Mr. Duarte voted nay. Mr. Rafter voted with reservations.

20. Discussion, Recommendation, and Approval of Calendar 2023 Cycle of Kūkulu Ola, Aloha 'Āina, Community Enrichment Program, Signature Festival & Events, Native Hawaiian Festival & Events, and Ho'okipa Malihini Initiative Programs

Mr. Ka'anā'anā said he is not proud of the delays to the community programs. He recommends that the HTA exercises existing options in contracts with the HCF (Hawai'i Community Foundation), which is the HTA contract 21033. They have an option available in it, and ask that they continue to administer the calendar 2023 cycle for Kūkulu Ola and Aloha 'Āina. He also recommends extending contract 21038 with the HVCB in administering the CEP, the Signature Festival & Event programs. This would allow the HTA to get funding for community-based organizations quickly.

Chair Kam asked for a motion. Ms. Duarte asked how the contractual relationship is going with the HTA. Mr. Ka'anā'anā said the HCF has been amazing to work with. Mr. Arakawa said his research foundation is connected with Hawai'i Community Foundation, the chairman of the Board, and an employee of HCF, so he does not think it disqualifies him from voting, but he wanted to disclose that. Ms. Duarte made a motion, and Mr. Ching seconded. Mr. Gionson did the roll call, and the motion passed unanimously.

21. Discussion and Review of Response to Senate Committee on Ways and Means Request for HTA's FY 2024 and FY 2025 Biennium Budget

Mr. Togashi said the HTA Board Resolution 22-01 resolves that positions will be taken for annual funding of no less than \$80 million. The HTA's request to then-Gov. Ige's administration for FY2024 and FY2025 funding of \$95 million and \$80 million resulted in the submittal of an Executive Budget by Gov. Ige to the legislature that included the HTA \$75 million and \$60 million for FY2024 and FY2025. Sen. Wam had asked the HTA to provide further detail on the \$75 million and \$60 million for FY2024 and FY2025 request. A draft document was submitted to DBEDT for further distribution, including to WAM, providing a further breakdown of \$75 million and \$60 million, all subject to the HTA Board review. No questions were raised.

22. Discussion, Recommendation, and Approval to Fully Restore Brand Management Activity Levels for the China Major Market Area, as may be Subject to Approval by the State Procurement Office of the Contract Extension for HTA Contract 21031 S1 China Leisure Marketing Contract Beyond December 31, 2022

Mr. Ka'anā'anā said in the previous meeting they asked them to move forward with the China and Canada extension request. This agenda item would specifically allow them to lift the restriction on spending so that unspent funds could be used to fund the extension. It is still only the staff's intention to give \$87,000 in the first six months of the calendar year 2023, which is the period of extension. What is being asked is to lift the restrictions, and the funds can be used to fund the extension. Mr. Rafter said the headline was misleading. He asked if a minimal amount would be spent and to keep the balance in reserve. Mr. Ka'anā'anā confirmed that as correct. Mr. Rafter pointed out that there is no indication that China is returning soon. He said spending anything on marketing for China is not a good idea. Mr. Ka'anā'anā concurred and said they only intend to spend \$87,000 in the first six months of that extension. There is \$1,113,121 unspent, which is not intended to be lost. He wants to lift the restrictions to carry it over in the extension. Mr. Downing concurred with Mr. Rafter and asked what the \$87,000 was being spent on. Mr. Ka'anā'anā said there is a base of \$60,000, which is a base level that was previously approved, as well as \$27,000.

Chair Kam asked for a motion. Mr. White made a motion, and Mr. Agas seconded. Mr. Gionson did the roll call, and the motion passed unanimously.

23. Presentation, Discussion, and Action on the Hawai'i Convention Center's October 2022 and November 2022 Financial Reports and Update on the Hawai'i Convention Center's 6-Year CIP Plan

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

Ms. Orton reported on the financials. For November 2022, there were two city-wide events hosted in the last two months at the HCC, Applied Super Conductivity with approximately 1,400 attendees in October 2022, and The American Medical Association, with approximately 2,500 attendees in November 2022. That, along with forty-nine other local events during October 2022 and November 2022, pushed the revenue into a good place compared to previous months. The city-wide events collectively brought in about \$35.7 million and helped the HCC generate revenue two months in a row with gross levels exceeding \$1 million. The last financial report noted that the HCC suffered a \$5.8 million loss and was roughly half a million dollars over budget in expenses. This was primarily due to the two city-wides in the budget that did not materialize, two short-term corporate events were cancelled. They are currently down to roughly \$900,000 in revenue to the budget, but the HCCs net loss is in line with its expenses. There are still six months left in the fiscal year budget, and they are working eagerly to close the margin in their revenue of approximately \$1 million before they close the fiscal year.

For every dollar spent, \$6.68 is returned to the State. They are in a good place with the ROI. There are two more city-wide events for the fiscal year in April and May 2023. Local business has picked up significantly and has helped with the short-term needs of the HCC.

Mr. Rafter asked about the gap city-wide and if the gap has narrowed for success in future years. Ms. Orton said that Mr. Reyes would present on that. She said they are coming up with strategies to fill the pace report. She said they have fifteen or sixteen city-wides in their budget for the FY. She anticipates moving to single digits after FY2024. There is no definite business signed up, but they have a future business to put on the books, outside of FY2024. Mr. Reyes said there are two new city-wide bookings with a running total of about five since the last report. Currently, they have seven for future city-wide events, a running total of ten. Thirteen events are booked for 2023. Over the next five years 2023 to 2027, they have an aggressive goal to book 77 events. For December, they have a total of seven city-wides.

Mr. Arakawa asked if there could a monthly pace report of this. He spoke about Mr. Rafter's issue raised, and although some elected officials in the industry did not recommend doing local events, they need to do these because of the shortage of city-wides. He asked about the HCC. With the heavy rains the HCC is still in desperate need of repairs. He heard that some flash flooding damaged some of the rooms and asked Ms. Orton to elaborate. Ms. Orton said the flash flooding took out five rooms causing the ceiling tiles to collapse. The problem has occurred every year for the past nine years and is getting progressively worse. Flooded water is

encroaching into meeting spaces rented to clients. As they head into the rainy season, the question lies on how this will affect business if there is no place to move customers. Mr. Reyes spoke to Mr. Arakawa's comment and said Ms. Orton does a good job on local events. He said they are in the process of recruiting a new city-wide person. During the recruitment process, the stability of a contract will come up, and the roof is also in the sellers' market. The people they interviewed wanted to know what the commitment was to fixing the HCC roof. What they will do with the director of Client Services, commencing in 2024 and beyond, will be to evaluate persons who use the roof tops. They need to verify areas needed for improvement, which takes months or years to prepare for. Competition is noted and will become a problem. A few of the customers had concerns about the conditions of the building. People want to go to Hawai'i, but they need to ensure they have a product that meets and exceeds their need. Damaged areas are to be fixed, and the areas need to be dried to prevent molding.

Mr. Arakawa asked how much would be needed and what needed to be fixed. Ms. Orton said they have to bring in expert consultants to do moisture testing before starting the repair. Pictures revealed the onset of mold. Housekeeping placed multiple bins in the lobby, and there was leak damage in the kitchen. The loading dock redirected water. The facility storage has big leaks preventing the storage of equipment. Leaks are coming from everywhere, including from the ground staircase. Puddles occurred in the food and beverage areas. They spend \$250,000 to \$300,000.00 every time for the repairs. Glass area leaks and dry walls are falling from the 4th floor ballroom area to the 3rd floor. Leaks are on the escalators too. Damage occurred in the meeting room as well. Flooding also occurred in January 2022. The International Dairy Queen wants to return to Hawai'i and they want to ensure they keep returning.

They are looking at getting back the local/city-wide events back to 60%/40%. Historically they did 23 city-wides a year and now want to do 27 in a calendar year. They are committed to having 27 events by the year 2027. Future wins are starting to gain traction. Looking at the positive side, momentum is there. Tough business decisions need to be made. Mr. Arakawa said he believes they have \$15 million for repairs and asked Mr. Togashi if they have those funds and when it expires. Mr. Togashi said the funds within the AEG contract are dedicated and earmarked toward specific contracts for about \$34 million. In addition, he said they are seeking to restore the HTAs CCESF appropriation expenditure ceiling. Doing that will help address the issue, as it will allow them to expend funds out of their HCCESF, which they are currently projecting June 30 to have a balance earmarked for R&M of a little over \$26 million.

Mr. Arakawa asked about the \$15 million. Mr. Togashi said that the CIP funding was appropriated through the legislature in the 2022 session. He would check the expiration date,

but said they just submitted paperwork to be able to access the funds. Ms. Orton said that is a bond they are applying for, not ARPA funds with an expiration date.

Mr. Arakawa asked if that is slated for repairs for the roof. Mr. Togashi said that was for the temporary fix for the rooftop terrace deck repair. Ms. Orton asked Mr. Togashi if the HTA plans to ask for \$65 million to do the permanent repair in the legislative session. She said that as it stands, if the temporary repair is done, it will return the rooftop to a non-usable status which is a huge concern for city-wides, as almost every city-wide uses the rooftop for some portion of their function. She asked if the HTA would take any action to seek permanent repair in the current session. Mr. Togashi said they have spoken about it before and appreciated the legislature's funding of the \$15 million. They understood that last year, they had advisors to pursue a path of temporary fixing using that money, which was a decrease from the \$64 million initial appropriation request they submitted in the 2022 session. They have not submitted the same request for the 2023 session but are still executing on the 2022 appropriation, which was \$15 million. Mr. Reyes said it is important to tell customers they are doing something to address the issue. It is important to have planned stages.

Chair Kam asked for a motion to approve the report. Mr. Rafter made a motion, and Mr. White seconded. Mr. Gionson did the roll call, and the motion passed unanimously.

25. Adjournment

Chair Kam adjourned the meeting at 3:37 p.m.

Respectfully submitted,



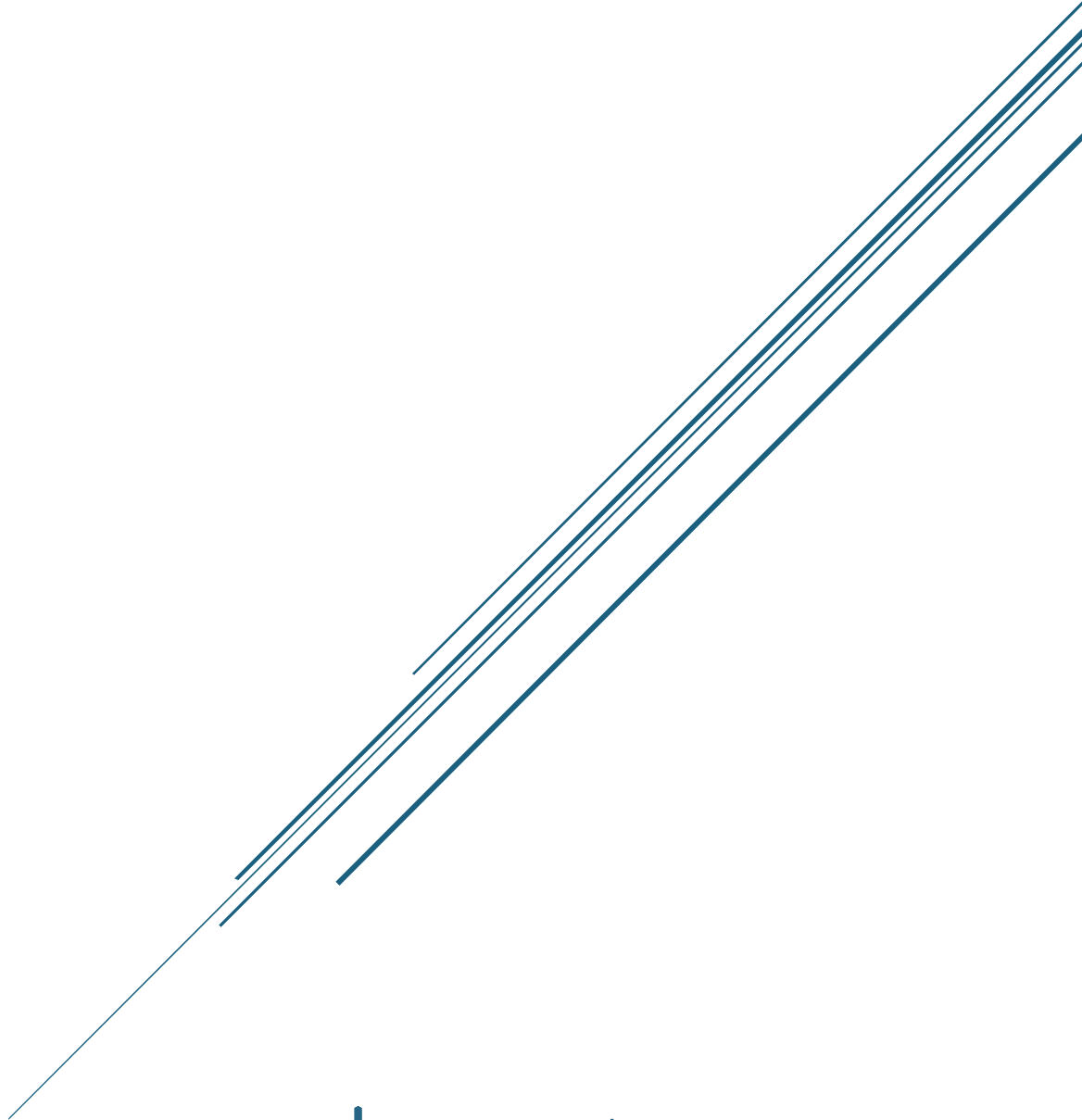
Sheillane Reyes
Recorder

6

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

HTA CEO REPORT

JANUARY 2023



HAWAII TOURISMTM
AUTHORITY

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 December 2022. Overall, this report provides insight into the actions conducted by the staff to implement the HTA budget previously approved by the Board.

Through the continued partnership with Hawai'i Community Foundation, HTA is proud to support Aloha 'Āina and Kūkulu Ola programs that help to further our mission of Mālama Hawai'i by giving back to those who care for the land and build community capacity through their work. The Request for Proposals (RFP) for these and other HTA Community Programs will be issued soon for projects taking place in calendar year 2023. An update on programs that took place in calendar year 2022 can be seen in their respective sections below.

In the Community pillar, HTA's partnership with the Hawai'i Visitors and Convention Bureau (HVCB) continues with the Community Enrichment Program (CEP). During the month of December, 5 CEP projects and events were attended and evaluated by our Island Chapter/Destination Manager teams throughout the state and were well received by residents and visitors. More details about these events can be viewed in the Community section below.

The Brand team is prepping for several RFP releases including the U.S. MMA, Canada MMA, China MMA, and sports programs. The team is also planning for the first quarter industry partners meetings and Spring Update that is scheduled for March 2023.

In the planning area, efforts continued with working with the island Destination Managers, counties and other state agencies to move DMAPs' actions forward. Major activities included finalizing the needs assessments targeted at businesses and nonprofits on Moloka'i, meeting with the island chapters' to review 2022 DMAP efforts and plan for 2023, and finalizing the performance program measures. In addition, Caroline spoke on efforts on the destination management action plans at Hawai'i Tourism Conference Special Session on Regenerative Tourism and facilitated discussions during destination management track at the Hawai'i Tourism Conference.

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 November 2022 Visitor Statistics press release and monthly reports, an updated air seat outlook for January 2023 – March 2023, the November 2022 Hawai'i Hotel Report, the November 2022 Vacation Rental Performance Report, and the Q3 2022 Visitor Satisfaction & Activity Survey Quarterly Report. In addition, TRB published weekly Travel Agency Booking Trend reports.

I. CHANGE MANAGEMENT PLAN

During the month of December, we selected a candidate to fill the previously vacant Chief Administrative Officer position with a start date of mid-January 2023. As mentioned in our previous reports, we continued to recruit for the Procurement Manager, Senior Brand Manager, and Brand Manager positions. Additionally, the Contracts and Administrative Manager position was vacated during September, and we plan to begin recruitment to fill the position shortly.

In November 2022, HTA was granted an ARPA subaward of \$35M for FY 2023. This funding is necessary given the Governor's veto of HB1147 that would have provided HTA's FY 2023 general fund appropriation of \$60M. Accordingly, HTA's Board approved a revised FY 2023 budget of \$35M at its November 2023 meeting. This is separate from HTA's allotment of FY 2022 ARPA funds.

We continue to maintain an open-door policy and make ourselves available to answer questions, and participate in town halls, and other meetings. Responses continue to be positive. We continue to support and facilitate hospitality industry updates with the mayors of all four counties to further connect the government with the industry.

Staff is currently working on a summary document to track our activity and progress under the change management plan.

II. NATURAL RESOURCES PILLAR

Aloha 'Āina (Natural Resources) Program (DMAP Action Item)

For Calendar Year 2022 the Hawai'i Community Foundation (HCF) was contracted by HTA to administer the 2022 Aloha 'Āina program through CON 21033: HTAxHCF – Implementation of Kūkulu Ola & Aloha 'Āina Programs. Through this contract, HTA was able to support 31 community-based natural resource programs in 2022 with \$1,575,000 in funding. One awarded project is with the Hawai'i Forest Institute (HFI). Its mission is to promote the health and productivity of Hawai'i's forests through forest restoration, educational programs, information dissemination, and support for scientific research. The project will benefit 3 Discovery Forest sites: Keauhou Bird Conservation Center Discovery Forest (KBCC DF), Pana'ewa Zoo Discovery Forest (PZDF), and Honolulu Zoo Children's Discovery Forest (HZCDF). The sites serve as outdoor classrooms for residents and visitors to learn about protecting and perpetuating Hawai'i's forest ecosystems. The cultural, natural, and historical attributes of Hawai'i's forests are shared. HFI is working towards their goal of engaging 500 volunteers in enhancing and maintaining the Discovery Forests; Produce *Symphony of the Hawai'i Forests* educational materials; Restore 3 acres of native forest habitat; Produce and install 10 plant ID signs; Outplant 2,000 seedlings; and Promote the project via webpages, press release, community calendars, social media, emails, and e-news articles. At the end of the CY22 program cycle HCF will submit to HTA staff, for review and approval, a finalized report to include individual project budgets & key performance measures.

The HCF will continue to administer the HTA Aloha 'Āina program for calendar year 2023 through CON 21033: HTAxHCF – Implementation of Kūkulu Ola & Aloha 'Āina Programs. The Request for Proposals (RFP) for projects seeking support through the Aloha 'Āina programs will be issued soon. Sign up to receive email updates and announcements of their availability from HTA at hawaii tourism authority.org/news/news-releases. More information about the Aloha 'Āina program can be found at hawaii tourism authority.org/what-we-do/hta-programs/natural-resources.

Sustainable Tourism Management in Hawai'i Through Certifications, Trainings & Partnerships (DMAP Action Item)

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's focus is 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 July 1, 2022.

There is currently 40 businesses/organizations enrolled in the program who will be certified in 2023. STAHL will continue to recruit and certify more businesses in 2023.

III. HAWAIIAN CULTURE PILLAR

Kūkulu Ola Program (DMAP Action Item)

For Calendar Year 2022 Hawai'i Community Foundation (HCF) was contracted by HTA to administer the 2022 Kūkulu Ola Program through CON 21033: HTAxHCF – Implementation of Kūkulu Ola & Aloha 'Āina Programs. Through this agreement, HTA was able to support 32 community-based Hawaiian cultural programs in CY2022 with \$1,475,000 in funding. Kūkulu Ola awardee, Kāhuli Leo Le'a, aimed at catalyzing aloha 'āina through the education, composition, and presentation of mele and other cultural practices presents *Kani Kuaola: Amplifying Livelihoods in Mele*. The Project supports the cultural practice of mele by supporting its practitioners. Mele is perhaps the longest standing Hawaiian cultural practice - a practice that has encapsulated everything from daily activities to the creation of the cosmos. From time immemorial, mele practitioners continue to maintain this important cultural practice, even amid more contemporary, socio-economic challenges. Economic considerations have become intergral in the sustainability of this cultural heritage. Mele practitioners are not realizing their fullest earning potential in the music industry. Most mele practitioners do not earn enough through their mele practice to financially sustain themselves. In a survey of mele practitioners, two thirds of respondents earn less than 35% of their annual income from their mele practice, which less than 10% of respondents make 75-100% from their mele practice. However, nearly all respondents want their income earned from their practice of mele to increase as a share of their total annual income. Overall, most of these practitioners are not connected with the majority of royalty streams available to them, but they would like to be connected.

Thus, the goal of Kāhuli Leo Le'a and this Project is to enable mele practitioners to increase their earning potential through accessing royalty streams through their existing catalog of recordings. Participants will evidence their success in the program through the completion of a Master Music Catalog, which shall encapsulate the participant's improved capacity to access royalty revenues and, therefore, their earning potential and income. At the end of the CY22 program cycle HCF will submit to HTA staff, for review and approval, a finalized report to include individual project budgets & key performance measures.

For CY2023, the Hawai'i Community Foundation (HCF) will continue to administer the 2023 Kūkulu Ola Program through CON 21033: HTAxHCF – Implementation of Kūkulu Ola & Aloha 'Āina Programs. The Request for Proposals (RFP) for projects seeking support through the Kūkulu Ola Program will be issued soon. Sign up to receive email updates and announcements of their availability from HTA at hawaii tourism authority.org/news/news-releases. More information about the Kūkulu Ola program can be found at hawaii tourism authority.org/what-we-do/hta-programs/hawaiian-culture.

Native Hawaiian Hospitality Association (DMAP Action Item)

A Notice To Proceed for the Native Hawaiian Hospitality Association's FY22-23 workplan is pending. HTA staff continues to collaborate with NaHHA on existing projects including a Hawaiian music showcase series and the Waikīkī Historic Trail Markers Refurbishment Project. HTA staff recently received the final draft of this year's Ma'ema'e Toolkit update. It will be released soon.

Native Hawaiian Festivals and Events

The 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. FestPAC Commission meeting agendas and meeting materials are available online at invest.hawaii.gov/international/festival-of-pacific-arts-culture-festpac.

'Ōlelo Hawai'i – He Aupuni Palapala: Preserving and Digitizing the Hawaiian Language Newspapers

Bishop Museum staff continues to work on Phase II of CON 20195: He Aupuni Palapala: Preserving and Digitizing the Hawaiian Language Newspapers, which started on April 1, 2022 and will go through March 31, 2023. Phase II will create an entirely new searchable image repository of Hawaiian language newspapers, increasing clarity, readability, and eventual knowledge building capacity—leading to a greater understanding of Hawai'i. During this phase the project staff has increased with two new Nūpepa Technicians and a paper conservator. The technicians have been trained on collection's best practices, indexing/condition reporting specifications, and digitizing with the Digital Transitions Titan hardware and software. The paper conservator works with the project team and Bishop Museum's collections staff on Saturdays to assess and treat newspapers in poor condition, as well as unbind tightly bound newspapers where the text is obscured in the volume's gutter.

During the period of November 26 to December 25, 2022, *He Aupuni Palapala* project team indexed and condition reported 4,546 pages of nūpepa. Additionally, 1,648 pages were digitized. During the course of cataloging duplicates of the newspaper *Ka Nupepa Kuokoa* a few things caught the eye:

- The pro-annexation *Ka Nupepa Kuokoa*, following the overthrow, includes many illustrations. Some of the woodcuts were imported, others were either custom ordered or more likely designed locally.
- The *Kuokoa* would use foreign and Hawaiian mo'olelo to encourage readership. The illustrations accompanying mo'olelo must have been fascinatingly compelling at the time of their publication—akin to Instagram or Twitter today.
- Where *Kuokoa* had the means to include many illustrations, smaller papers like *Ka Lei Momi* were unable to provide their readership with similar offerings. As an example, *Ka Lei Momi* reused a generic depiction of a rooster. The rooster was first printed to illustrate a series on birds of Hawai'i and was later utilized to illustrate a new article entitled "Ua Ao Hawaii Ua Kani e ka Moa" [Dawn has Come to Hawai'i, the Rooster has Crowed].

Kāhea Greetings (DMAP Action Item)

Airports

The Kāhea Greetings program continues to provide a combination of Hawaiian music and hula 'auana, lei greetings, refreshments, and other services at our Honolulu (HNL), Kahului (OGG), Hilo (ITO), Kona (KOA), and Līhu'e (LIH) airports. The purpose of this program is to create an authentic Hawaiian experience for visitors and kama'āina upon arrival. The program provides hula and music during "peak" times for the arrivals and departures of passengers. In 2022, HNL had 10 performances per week, ITO had daily performances, LIH had two performances per week, and OGG had five per week. Additionally, the program held six special events/performances for inaugural events in 2022. HTA is continuing this partnership with DOT Airports Division for October 1, 2022-June 30, 2023, with the execution of Supplemental Contract 21039.

Harbors

The Kahea Greeting program Harbors provided a combination of Hawaiian music, hula, and visitor services in three harbors: Nāwiliwili, Kona, and Hilo. In 2022, the harbors program greeted over 100 ships and over 50,000 passengers across all harbors. Hilo

harbor was not able to provide performances for the majority of 2022 due to COVID restrictions. Still, it was able to provide visitor services to passengers with its Aloha Information Center which is located at the Pier 1 Terminal Building. HTA is continuing its partnership with the County of Kaua'i, Office of Economic Development from January 1, 2023, to March 31, 2023, with the execution of a no-cost extension for the completion of the proposed improvements to Nāwiliwili harbor. Improvements include a sound system replacement, a mural, and more. The Request for Proposals (RFP) seeking a contractor(s) to support the other harbors (Lahaina, Kona, Hilo, and Honolulu) will be issued soon for FY23.

Ho'okipa Malihini Initiative (HMI) formerly Resort Area Hawaiian Culture Initiative (RAHCI)

Moving forward into 2023, Resort Area Hawaiian Culture Initiative (RAHCI) will be a part of the Ho'okipa Malihini Initiative, along with the Kāhea Greetings Program – Harbors. This initiative groups together programs that provide a Hawaiian sense of place to our visitors in visitor locations/areas across the islands. RAHCI was paused in 2020 due to the COVID-19 pandemic. Previous programs included: Kūhiō Beach hula, Waikīkī Torch Lighting, Sunset on the Beach in Waikīkī, Hilo Hula Tuesdays, Hawaiian Sunset Saturdays in Kona, and Hawaiian Music Series in Lahaina. The Request for Proposals (RFP) for Ho'okipa Malihini Initiative will be issued soon.

IV. COMMUNITY PILLAR

Community Enrichment Program (CEP) (DMAP Action Item)

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 December to finalize selections and awards. All CEP awardees for CY22 were notified by the end of January 2022 and a press release was issued on February 2, 2022 announcing the 86 total awardees. At year end, 82 CEP projects were successfully executed across the state between January 2022 and December 2022.

The Request for Proposals (RFP) for Calendar Year 2023 projects seeking support through the Community Enrichment Program will be issued soon. The December 2022

HTA Board of Directors meeting voted to renew HVCB's contract to administer CEP for the 2023 calendar year. HTA staff is currently preparing the procurement paperwork for this contract renewal.

The following CEP projects and events took place in December 2022:

Kaua'i:

- 12/31/22: New Year's Eve Celebration at Po'ipū Beach Park by the Po'ipū Beach Foundation

O'ahu:

- No projects took place in the month of December

Maui Nui:

- 10/20/22: Hana Arts Presents! A Workshop and Events Program for East Maui: Talent Show
- 12/4/22: Holiday Pops by Maui Pops Orchestra at the Maui Arts & Cultural Center in Wailuku
- 12/23/22: Captivate the Artist in You: Holiday Christmas Wreath Workshop by Hui No'eau at the Hui No'eau Visual Arts Center in Makawao

Hawai'i Island:

- 12/20/22: Ka'ū Coffee Festival virtual event.

Statewide:

- No projects took place in the month of December

Government Affairs

Legislative Affairs

As part of the opening session of the Hawai'i Tourism Conference on December 8, opening remarks were shared by the outgoing House Tourism Chair Richard Onishi and the newly appointed Chair of the Senate Committee on Energy, Economic Development and Tourism Lynn DeCoite. Other elected officials in attendance at the conference included Reps. Andrew Garrett, Kirstin Kahaloe, Darius Kila, and Rachelle Lamosao. More detail on the Hawai'i Tourism Conference can be found in the Brand Marketing section of this report.

In a continuation of the November 28 informational briefing called by the Senate Committee on Ways & Means related to RFP 22-01, the committee called a second informational briefing on the topic Monday, December 12. Similar to the November 28 informational briefing, which lasted over three hours, the December 12 briefing lasted three and a half hours. Presenters included HTA, DBEDT, the Department of the Attorney General, the State Procurement Office, and the two finalist offerors for RFP 22-01 (2022), the Council for Native Hawaiian Advancement and the Hawai'i Visitors & Convention Bureau, all of which answered questions from the committee.

On December 21, new House Tourism Chair Sean Quinlan joined the HTA staff meeting and holiday gathering to meet staff, share his thoughts on the upcoming session, and hear from the team.

Hospitality Industry Updates (County)

HTA recognizes 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. As such, HTA staff coordinates with each county to host a quarterly meeting with each county mayor, government officials, association leaders, contract partners and the visitor industry.

Hospitality industry update meetings were scheduled for Hawai'i Island with Mayor Mitch Roth on January 11, Kaua'i with Mayor Derek Kawakami on February 9, and Maui Nui with Mayor Rick Bissen to be scheduled.

Communication and Outreach

News Releases/Reports/Announcements

- News Release: HTA Statement on RFP 22-01 (December 6)
- Report: Hawai'i Hotel Performance Report for November 2022 (December 21)
- News Release: Visitor Satisfaction and Activity Survey Includes Data from Six Major Market Areas for the First Time in Two Years (December 22)
- Report: Hawai'i Vacation Rental Performance Report for November 2022 (December 27)
- HTA Message: Visitor Spending Continues Recovery in November 2022
 - Drafted and distributed John De Fries message highlighting HTA's KPI of visitor spending. (December 29)

News Bureau

- Coordinated and assisted with the following interviews and statements, including:

- Associated Press, Audrey McAvoy: Ilihia Gionson (IG) interview on Maunaloa eruption (December 1)
- Honolulu Star-Advertiser, Allison Schaefer: IG response regarding update on U.S. MMA procurement (December 2)
- Hawai'i News Now, Colleen Ching: Kalani Ka'anā'anā interview on the Honolulu Marathon. Drafted talking points. (December 2)
- CNN, Lori Daniel: IG interview on Maunaloa eruption (December 4)
- CNBC, Jane Wells: Jennifer Chun (JC) advised reporter that there have been no travel agency booking cancellations resulting from the Maunaloa eruption (December 9)
- Moloka'i Dispatch, Sage-Marie Yamashita: Drafted Caroline Anderson quote on the Moloka'i Destination Management Action Plan and work being implemented (December 14)
- Wall Street Journal, Christine Mai-Duc: Eric Takahata, Hawai'i Tourism Japan interview on recovery of tourism from Japan (December 19)
- Honolulu Civil Beat, Paula Dobbyn: IG interview on proposed Hawai'i County legislation pertaining to transient accommodation rentals (December 22)
- Honolulu Star-Advertiser, Allison Schaefer: John De Fries quote and follow-up information on Hawai'i Convention Center leak report. (December 23)
- Assisted with the following media relations:
 - Markettiers, Dan Fraser (United Kingdom): Reviewed and declined partnership opportunity. (December 1)
 - Waterfront Magazines, Jane Harris (United Kingdom): Reviewed request for travel assistance for January trip and requested additional information. (December 2)
 - InsideOurSuitcase.com, Cora Harrison (United Kingdom): Reviewed and declined partnership request. (December 14)
 - Honolulu Civil Beat, Cassie Ordonio: JC provided October 2022 Economic Impact Fact Sheet. (December 16)

Community Initiatives And Public Outreach

- HTA E-Bulletin: Drafted copy, edited, created layout and distributed December 2022 HTA e-Bulletin in English and 'Ōlelo Hawai'i.
- Hawai'i Tourism Conference
 - Drafted and distributed Hawai'i Tourism Conference registration reminder e-blast. (December 1)

- o Drafted talking points to be shared with those participating in the conference.
- o Provided on-site support at the Hawai'i Convention Center throughout the two-day event. Also participated in internal partners meeting on December 5.
- o Moderated a panel discussion focused on media trends during the concurrent sessions on December 8. Confirmed the following panelists and held pre-event briefing meeting.
 - Kathleen Wong, USA Today
 - A. Kam Napier, Pacific Business News
 - Joe Bock, NMG Network
- o Conducted site visit on December 5 and managed videographer and photographer during conference for guidance throughout the event.
- o Drafted post-event e-blast for the conference to recap the event and share the Global Marketing Team presentations available on the website.
- o Provided edits to mahalo letter for event sponsors.
- Destination Management Action Plans
 - o Updated HTA website with revised Tips to Alleviate Traffic Congestion on Road to Hāna.
- President & CEO and PAO participated in the Hawai'i Sustainability Summit at the invitation of Hawai'i County Mayor Mitch Roth, November 30 – December 3 at Mauna Lani.
- President & CEO provided opening remarks at the Council of State Governments annual conference at the Hilton Hawaiian Village in Waikīkī on December 7.
- President & CEO participated on a panel related to transformational leadership at Hawai'i Business Magazine's CEO of the Year celebration on December 8 at the Japanese Cultural Center in Mō'ili'ili.
- President & CEO and PAO met with industry representatives and policy makers at the Kohala Coast Resort Association's annual reception at Mauna Kea Beach Hotel on December 13.

Crisis/Issues Management

- Maunaloa Eruption
 - o Drafted and distributed e-blast updates (#4-5) on the situation to share current status, FAQs, and official resources with the public. (December 1, 12)
 - o Updated the HTA website alert page with information on the eruption status.

- o Shared official Maunaloa updates on HTA's social media platforms from the Hawai'i Emergency Management Agency and County of Hawai'i Civil Defense Agency.
 - o The eruption concluded on December 13.
- Drafted and posted HTA social post regarding injuries sustained aboard Hawaiian Airlines' inbound flight due to severe turbulence. (December 18)
- Updated HTA COVID-19 alert page with information regarding testing policy for passengers traveling to the U.S. from China, Macau, and Hong Kong. Also drafted and distributed social post sharing the CDC announcement. (December 29)

HTA's Social Media

- Managed social media calendar, drafted, and scheduled posts on HTA's Facebook, Instagram and Twitter accounts. Also monitored and responded to direct messages and post comments.
- Featured 2022 Community Enrichment program recipients to help drive awareness and attendance leading up to the events:
 - o Our Living History: Lāna'i Digital Archive
 - o Cultural Awareness Events 2022
 - o Kulāiwi Connection
 - o New Year's Eve Celebration at Po'ipū Beach Park
 - o Hāna Arts Presents! – A Workshops and Events Program for East Maui
 - o "Celebrate the Visual Arts of Hawai'i"
 - o Buy Local Culinary Experience
 - o "Captivate the Artist in You" Art Workshops with Hui No'eau
 - o Localicious Hawai'i – Connecting Visitors to Our Local Food Producers
- Featured 2022 Kūkulu Ola program recipients to help drive awareness of their organization and efforts to perpetuate Hawaiian culture:
 - o Cultural-Based Programs for Residents and Visitors
 - o Kūlia I Ka Nu'u
 - o Ke Ala Kūpuna 2022
 - o Kū Pa'a Mau - Living the Legacy
 - o 'Imi Ā Loa'a: Search and Find
 - o Ka Lau O Ke Kahuli
 - o Kani Kuaola: Amplifying Livelihoods in Mele
 - o Kupuohi Education and Kūpuna Program
 - o Puana lauhala a pa'ahia: Sharing the process of hana lauhala until it becomes sustainable

- o Ho‘olālā
- Featured 2022 Aloha ‘Āina program recipients to help drive awareness of their organization and efforts to protect and preserve Hawai‘i’s natural resources:
 - o Mālama Ka ‘Āina No Nā Hanauna Mua
 - o Improving the Health of Natural and Cultural Resources at Pūpūkea Through Community Stewardship
 - o O‘ahu Offshore Islets
 - o OISC Miconia Control in Ka‘alaea Watershed
 - o Community-Led Coral Reef Restoration
 - o Hawai‘i Marine Mammal Alliance
 - o Hawaiian Green Sea Turtle Education Program
 - o Lāna‘i Biocultural Landscape Program
 - o Hawai‘i Youth Conservation Corps
 - o Community Empowered Stewardship Program
 - o Critical Habitat Improvements within the Anapuka Predator Proof Fence Project
 - o West O‘ahu Community Coral Restoration
 - o Aloha ‘Āina Kahalu‘u: Caring for a cherished place

Paid Posts on Facebook and Instagram

- Post on Hawai‘i Tourism Conference. Flight dates from November 29 – December 7.
 - o Total Impressions: 49,712
 - o Total Reach: 26,763
 - o Total Engagements: 134

Facebook

- Number of followers: 20,260 (+12.3%)
- Engagement rate: 2.8%
- Number of engagements: 1,770 (+8.6%)
- Posts: 46

Instagram

- Number of followers: 7,916 (+31.6%)
- Engagement rate: 1.9%
- Number of engagements: 803 (+117%)
- Posts: 43

Twitter

- Number of followers: 41,874 (+7.4%)
- Engagement rate: 1.4%
- Number of engagements: 582 (+15.5%)
- Posts: 47

Linktree

- Views: 75
- Clicks: 52
- Clickthrough rate (CTR): 69.33%

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. During the month of December:

- In 2022, Maui County's program handled 139 cases and helped 251 visitors. This included visitors primarily from the U.S. West markets and Canada. The industry assisted with \$76,312 of in-kind contributions.
- In 2022, Hawai'i County's program handled 258 cases and provided assistance to 657 visitors. This included visitors primarily from the U.S. West, Oceania and Europe markets. The industry assisted with \$72,823 of in-kind contributions.
- In 2022, Kaua'i County's program handled 100 cases and provided assistance to 260 visitors. This included visitors from U.S. West/East market. The industry assisted with \$46,000 of in-kind contributions.
- In 2022, City and County of Honolulu's program handled 548 cases and helped 1,456 visitors. This included visitors primarily from the U.S. West market. The industry assisted with \$158,330 of in-kind contributions.

Future Workforce

LEI Program

In 2022, the 10th annual LEI Program was hosted on four islands and reached 600 high school student participants. Students attended from 32 high schools across the islands: O'ahu, Maui, Kaua'i, Hawai'i Island, Lāna'i, and Ni'i'hau (Moloka'i was set to attend, but due to a COVID case the class was not able to). Over 100 different businesses participated in the career fair and activity portion of the day. Activities throughout the event included discussions on topics such as resident sentiment, the importance of the

hospitality industry, and Hawai'i's cultural values. All of the events ended the day with an afternoon career fair where students networked with local business professionals. The program held a pre and post survey that 420 students participated in. Pre-event on average students ranked Tourism 7.2/10 (10 extremely favorable). Then, post-event the average ranking was 8.3 this is an increase of 15.5% in the positive sentiment toward the industry. Our contract with CLimbHI ended on December 20, 2022. The Request for Proposals (RFP) seeking a contractor to support Future Workforce programs will be issued soon.

V. BRAND MARKETING PILLAR

Major Market Area (MMA)

International MMA Border/Entry Restrictions

- Presently all major source markets to Hawai'i except China have no testing or quarantine requirements/restrictions for their returning citizens. Effective January 8, China also stopped requiring inbound travelers to go into mandatory quarantine. However, Chinese government still requires all travelers including its citizens to present a negative COVID-19 test taken within 48 hours of their departure.

U.S. Domestic Market Conditions

According to the latest U.S. Travel Association *Monthly Update*, travel remains resilient, despite an overall decrease in consumer sentiment and an expected recession. Travel price inflation is expected to flatten in 2023 before returning to normal levels beyond that.

HTA Airline Seat Capacity Outlook for January – March 2023 was updated on January 4. The forecast for domestic scheduled nonstop air seats to Hawai'i during this period will decrease –0.1 percent compared to the same period in 2022. This projection is based on flights appearing in Diio Mi. There continues to be fluidity of seats and flights as Hawai'i and the rest of the world emerges from the COVID-19 pandemic. A decrease in flights is expected from U.S. West (-3.0%) while the +22.3 percent increase from U.S. East is a result of the additional Delta flights ATL – OGG and DTW-HNL in November and JFK-HNL beginning in December. Total visitor spending for US in November 2022 (YTD) has seen a 35.7% increase at \$14,648.2M. That's a 29% increase for US West at \$9,142.9M and a 48.5% increase for US East at \$5,505.2M.

The biggest consumer trends for 2023 recently reported by GWI are that the number of consumers who use the internet to find information has decreased –14% since Q3 2018; there are more ways for consumers to find products and therefore keeping up with what is culturally relevant to consumers will be important to successful marketing efforts; despite the cost-of-living crisis, consumers are willing to spend more on products and services that they deem high quality; yet on the other side of that, sustainability is becoming harder for consumers to prioritize with the cost-of-living crisis.

MMA RFP / Contract Status

- Japan MMA: 2023 contract has been fully executed as of 1/11/23. HTA will issue the Notice to Proceed.
- Canada & China MMAs: 2023 January to June six month extensions have been fully executed as of 12/28/22. HTA will issue the Notice to Proceed.
- Korea MMA: 2023 January to June six month supplemental contract has been fully executed as of 12/30/22. HTA will issue the Notice to Proceed.
- USA MMA and Global Support Services: HTA has extended the current USA MMA contract and the Global Support Services contract for another six months ending March 2023. US MMA contract will be an active procurement soon for an anticipated contract start date of April 1, 2023.

Other Branding Projects

Pono Travel Education Program (DMAP Action Item)

Beginning April 18 airports across Hawai'i began sharing Pono Travel Education messaging on static banners and digital screens to reach our traveling public passing through. Each location was strategically placed to reach the most people – both malihini and kama'āina - reminding us of our collective kuleana to Hawai'i, the land, culture, and each other while here. Beginning in June there was an increase in messaging placements, including some QR code inclusions on new digital screens at Daniel K. Inouye International Airport, frequency to meet the uptick in travel during the Summer period, and inclusion of Ocean Safety video messages. While our contract with In-Ter-Space Services at the Daniel K. Inouye International Airport ended at the end of October, HTUSA has continued Kuleana Travel messaging through its contract, which began in December 2022 and will run through the end of March 2023.

During HTA's contract term at the Daniel K. Inouye International Airport In-Ter-Space Services displayed HTA's messaging on a mixture of printed and digital banners totaling 103 unites and 1848 hours of messaging. Daneil K. Inouye International Airport averages 60.9 million impressions for its advertisements annually. Based on the

contractor's GEOPATH Market Share data these locations receive the following viewership from each airline carrier: Hawaiian (8.05%); United (16.02%); Southwest (14.55%); American (9.48%); Delta (8.28%); and other (8.05%). HTA's contract with Hawai'i Airport Advertising at neighbor island airports will continue through next year June.

Hawai'i Tourism Conference 2022 Presented by Hawaiian Airlines

The Hawai'i Tourism Conference 2022 Presented by Hawaiian Airlines concluded on December 8 and 9 at the Hawai'i Convention Center with more than 520 attendees consisting of industry leaders, media, dignitaries, and community members from around the Hawaiian Islands.

The following sessions were coordinated for attendees:

- We facilitated 9 concurrent sessions based on Destination Management Action Plans (DMAPs), cultural tourism, regenerative tourism, and research trends
- We partnered with the University of Hawai'i Sea Grant Program for a Regenerative Tourism Pre-Conference Session
- During the general sessions, we received updates from 10 speakers on tourism research, international air, cruise, and updates from our various global marketing teams
- John De Fries hosted a leadership panel consisting of Peter Ingram, President and CEO of Hawaiian Airlines, Meli James, co-founder of Mana Up and Denise Hayashi Yamaguchi, Founder and CEO of Hawai'i Food and Wine Festival

HTA sent out a post-conference survey for the conference asking for feedback ranging from the length of the conference to opportunities on how to improve the conference experience and 88 responses were received.

Notable Survey Highlights include:

- Friday Morning's Opening Remarks by DBEDT Director of Tourism Research Jennifer Chun was the highest rated session for the conference
- Thursday's Opening Lunch was the lowest rated session for the conference
- Most surveyed felt the conference was the right length in time (42) where (14) felt it was too short
- Topics included by survey participants that they were interested in seeing discussed in the future:

- To learn about Mālama Hawai'i new tourism attractions and hotels activities
- Mālama Hawai'i & DMAPs update progress
- Academic research & findings supporting the HTA vision and plan
- HTA team introduction and responsibilities
- HTA's new strategic plan (2025 and beyond)
- Destination Management from other tourism destinations

More detailed information from the survey can be provided upon request.

Spring Tourism Update 2023

The Spring Tourism Update is currently being planned for March 7, 2023 at the Hawai'i Convention Center where we will bring the industry together to discuss important topics that affect the Hospitality industry while providing them with pertinent updates. Planning has begun to draft the schedule for the conference, main topics for discussion, speakers for general sessions, and operational logistics.

Sports Programs

Sports Initiatives

- Staff Fielded inquiry into potential partnership with LA Marathon
- Staff held discussion with San Francisco Giants of MLB regrading partnership ideas
- Staff held call with Crystal Palace FC of the English Premier League regarding partnership designation of Official Tourism Destination Partner
- Staff negotiated PGA Tour events partnership
- Staff Fielded inquiry into potential Sacramento Kings of the NBA partnership

Collaborations and Communications

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. In addition, the team continues to engage and communicate with industry partners to exchange information on markets and business development.

Brand Team Events/Meetings - (December)

Event Date	Event	HTA Attendee(s)	Non-HTA Attendee(s)
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12/1	HLTA 75 th Anniversary Gala	CBO, SBM	NaHHA, HLTA network
12/2	Waikiki Historic Trail Advisory Committee Meeting	CEO, CO	Advisory committee members
12/2	Hawai'i News Now Segment on Honolulu Marathon	CBO	HNN Staff
12/2	Duke x Mana Up Collaboration Launch	CBO	Mana Up network
12/5-9	2022 Hawai'i Tourism Conference	CEO, CBO, All HTA Staff, GMTs	Industry Partners, Community members, Media
12/6	27 th Annual Honolulu Festival Meeting	CEO, CBO	Mr. Tatsuo Watanabe and Mr. Ted Kubo
12/7	Visitor Industry Leaders Meeting	CEO, CBO, BM	HHA, HVCB, WIA, WBID
12/10-11	Hawai'i Island FAM	CBO, BMs, GMTs	
12/14	Alaka'i Maps Meeting	CBO	Triggerxr
12/14	Meeting with Google Team	CBO	Bruce Coppa, Amanda Stange, Google Team
12/15	ZIPAIR Tokyo Executive Visit	CEO, CBO, HTJ	ZIPAIR executives

VI. PLANNING DIVISION

Destination Management Action Plans (DMAPs)

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

- On December 6, the Director of Planning, Caroline Anderson, provided a presentation on the DMAPs to Mr. Hiroaki Makino of JTB Research Institute Co., Ltd. Later that month, she received an invitation to participate in an International Symposium on *How to Promote & Raise the Awareness of Green Tourism* (tentative title) that will take place on February 10, 2023, in Tokyo, Japan. Caroline is invited by the Japan Tourism Agency, an agency under the Ministry of Land, Infrastructure, Transport and Tourism of Japan, in collaboration with the UNWTO Regional Support Office for Asia and the Pacific, to speak on Destination Management Action Plans as one of the best practices to be showcased during the Symposium.
- Caroline met with all the Destination Managers and Executive Directors on December 7 to review 2022 and plan for 2023.
- Caroline moderated two panel discussions dedicated to destination management at the Hawai'i Tourism Conference, in addition to participating on a panel at the Hawai'i Tourism Conference Special Session on Regenerative Tourism.

Program Evaluation

The Director of Planning continued to work with the Brand team in refinement of their program measures.

EDA Travel, Tourism and Outdoor Recreation Non-Competitive Grant

HTA is still awaiting approval from EDA on the revised Grant Administration Plan and accompanying forms. Staff continued to liaise between EDA and DLNR on DLNR's construction project.

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 November 2022 monthly visitor statistics on December 29, 2022, 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 the Monthly Visitor Statistics page on HTA's and DBEDT's websites.

TRB posted updates to Seat Outlook data tables for January 2023 through March 2023 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 2019.

State, market, and island fact sheets were updated with the November 2022 data and were published on the Monthly Visitor Statistics page of the HTA website and the Island Highlights and Market Highlights pages on the DBEDT website.

TRB issued the November 2022 Hawai'i Hotel Performance Report on December 21, 2022. The report and related November 2022 data tables were posted to the Infrastructure Research page 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 November 2022 Hawai'i Vacation Rental Performance Report on December 27, 2022. The report and related November 2022 data tables were posted to the Infrastructure Research page of the HTA website and the Vacation Rental Performance page of the DBEDT website. This report utilizes data compiled by Transparent Intelligence, Inc. for DBEDT.

TRB issued the Q3 2022 Visitor Satisfaction and Activity Survey Quarterly Report and related infographic on December 22, 2022 and posted them on DBEDT and HTA websites. HTA issued a news release for this report.

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

Jennifer Chun presented at the Hawai'i Tourism Conference on December 8 – 9, 2022.

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

HTA was provided American Rescue Plan Act (ARPA) funds during the 2021 Legislative Session. Our team continues to engage with the State's Department of Budget and Finance (B&F) to process requests to access ARPA funds in support of our programs. As part of that process, we engage with B&F to discuss these requests in an attempt to expedite the release of funds. This has now become a regular part of our process in supporting the financial needs of the organization.

To date, we have submitted requests to B&F for the release of funds of approximately \$52.7 million, all of which has been approved through December 2022. Relating to the

Convention Center’s ARPA funding, \$11 million has been approved by B&F for release. Staff has discussed with B&F the reallocation of funds from the original intended purpose of using the majority of the \$11 million toward major repair and maintenance projects at the Convention Center, to now using the funds for the Convention Center’s FY 2023 operations – a shift that was necessary with HB1147, 2022 Legislative Session, now vetoed by the Governor.

Regarding HTA’s FY 2023 funding, staff has worked with former Governor Ige’s administration on the release of funds. In November 2022, HTA was granted an ARPA subaward of \$35M for FY 2023. This funding is necessary given the Governor’s veto of HB1147 that would have provided HTA’s FY 2023 general fund appropriation of \$60M. Accordingly, HTA’s Board approved a revised FY 2023 budget of \$35M at its November 2023 meeting. This is separate from HTA’s allotment of FY 2022 ARPA funds.

IX. ADMINISTRATIVE

Contracts List: Pursuant to Hawai’i Revised Statutes §201B-7 (9), please note that there were twelve contracts executed during the month of December 2022.

Contract No.	Contractor	Description	Contract Amount	Total Contract Value	Start Date	End Date
23004	a.link, LLC	Japan MMA Marketing Management Services	\$19,500,000	\$19,500,000	1/11/23	12/31/25
†23005	PGA Tour, Inc.	PGA Tour 2023 - Aloha Swing	\$1,800,000	\$1,800,000	1/5/23	6/30/23
†21030 S1	Hawai’i Visitors and Convention Bureau	Island Chapters Support Services	\$1,200,000	\$3,600,000	12/28/22	6/30/23
20007 S6	AVIAREPS Marketing Garden Holdings Ltd.	Korea MMA Marketing Management Services	\$630,000	\$2,834,000	12/30/22	6/30/23

†21029 S2	VoX International Inc.	Canada MMA Marketing Management Services	\$400,000	\$1,200,000	12/28/22	6/30/23
20010 S6	Public Relations, Communication s, and Outreach Services	Anthology Marketing Group, Inc	\$288,000	\$1,041,000	12/30/22	12/31/23
†21031 S2	ITRAVLOCAL Limited	China MMA Marketing Management Services	\$87,000	\$1,800,000	12/28/22	6/30/23
†21040 S1	Visitor Aloha Society of Hawaii	Visitor Assistance Program - O'ahu 2023	(\$48,000)	\$285,000	12/13/22	12/31/23
†21041 S1	VASH Hawaii Island	Visitor Assistance Program – Hawaii Island 2023	(\$40,000)	\$130,000	12/14/22	12/31/23
†21043 S1	Maui County Visitors Association dba Maui Visitors Bureau	Visitor Assistance Program – Maui Nui 2023	(\$12,500)	\$42,500.00	12/15/22	12/31/23
†21042 S1	Visitor Aloha Society of Kaua'i, Inc.	Visitor Assistance Program - Kaua'i 2023	(\$12,500)	\$42,500.00	12/23/22	12/31/23
†21025 S1	County of Kaua'i Office of Economic Development	Kaua'i DMAP 2021: Transportation Change and Kaua'i Made Support	\$0	\$192,000	12/30/22	12/31/23

* Sole Source

† Procurement Exemption

X. APPENDICES

8

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

8.1

Market Insights – November 2022

Market Insights – November 2022

The HTA Monthly Market Insights reports on the most recent key performance indicators that the Hawai'i Tourism Authority (HTA) uses to measure success. The following measures provide indicators of the overall health of Hawai'i's visitor industry and help to gauge if the HTA is successfully attaining its goals.

Report on Economic Impact

Prior to the global COVID-19 pandemic, Hawai'i achieved record-level visitor expenditures and arrivals in 2019 through February 2020. On March 26, 2020, the state implemented mandatory quarantine and travel restrictions. Subsequently, nearly all trans-Pacific and interisland flights were canceled, cruise ship activities were suspended and tourism to the islands all but shut down. In October 2020, the state initiated the Safe Travels program, which allowed travelers to bypass quarantine if they had a valid negative COVID test. Through March 25, 2022, domestic passengers could bypass the state's mandatory self-quarantine if they were vaccinated or have a negative COVID pre-travel test. The Safe Travels Program ended on March 26, 2022. In November 2022, there were no travel restrictions for passengers arriving to Hawai'i on domestic direct flights from the U.S. Mainland or for passengers arriving on direct international flights.

For the first 11 months of 2022, Hawai'i's tourism economy experienced:

- Total visitor spending: \$17.40 billion, up 9.0 percent from \$15.96 billion in the first 11 months of 2019.
- Visitor arrivals: 8,375,977 visitors, down 11.2 percent from 9,434,232 visitors in the first 11 months of 2019.
- For FY2023 Through October 2022, the state collected \$301.1 million in TAT, up 33.0 percent compared to \$226.3 million collected in FY 20 through October 2019 (Preliminary data from Dept of Taxation).
- Air service: 54,867 trans-Pacific flights and 11,570,483 seats compared to 56,100 flights (-2.2%) and 12,366,289 seats (-6.4%) in the first 11 months of 2019.

Table 1: Overall Key Performance Indicators – Total (Air + Cruise) – YTD Nov. 2022 vs. YTD Nov. 2021

	YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	👆 52.4%	11,414.3	17,395.0	18,997.5
Daily Spend (\$PPPD)	👆 14.1%	197.9	225.9	223.2
Visitor Days	👆 33.5%	57,666,681	76,989,496	85,108,883
Arrivals	👆 39.0%	6,024,920	8,375,977	9,113,305
Daily Census	👆 33.5%	172,655	230,507	233,175
Airlift (scheduled seats) ^	👆 20.3%	9,601,558	11,549,605	N/A

*DBEDT 2022 annual forecast (as of Quarter 3, 2022). Scheduled seats forecast from Diio Mi flight schedules as of December 22, 2022, subject to change.

Table 2: Overall Key Performance Indicators – Total (Air + Cruise) – YTD Nov. 2022 vs. YTD Nov. 2019

	YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	👉 9.0%	15,963.9	17,395.0	18,997.5
Daily Spend (\$PPPD)	👆 15.4%	195.8	225.9	223.2
Visitor Days	👉 -5.6%	81,528,310	76,989,496	85,108,883
Arrivals	👇 -11.2%	9,434,232	8,375,977	9,113,305
Daily Census	👉 -5.6%	244,097	230,507	233,175
Airlift (scheduled seats) ^	👉 -6.0%	12,283,728	11,549,605	N/A

*DBEDT 2022 annual forecast (Quarter 3, 2022). Scheduled seats forecast from Diio Mi flight schedules as of December 22, 2022, subject to change.

Figure 1: Monthly Visitor Expenditures (\$mil) – 2022 vs. 2021

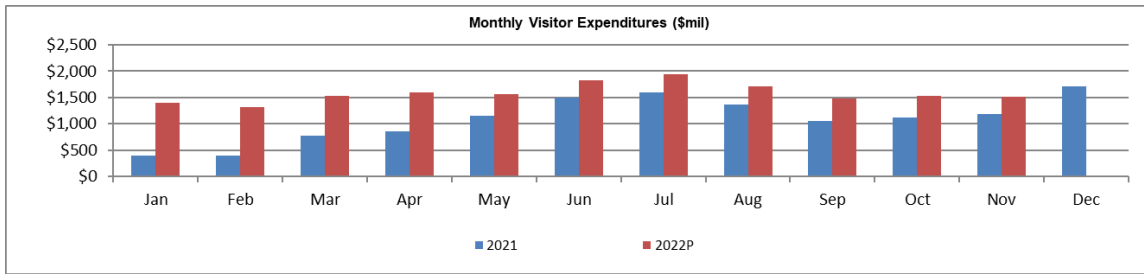
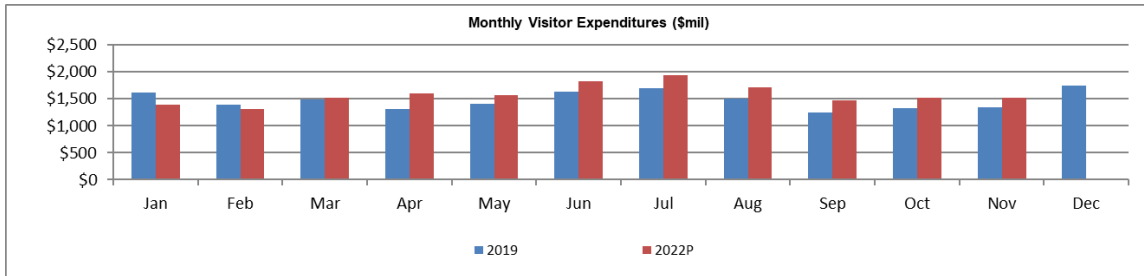


Figure 2: Monthly Visitor Expenditures (\$mil) – 2021 vs. 2019



Major Market Areas (MMAs)

USA

Table 3: Key Performance Indicators - U.S. Total (YTD Nov. 2022 vs. YTD Nov. 2021)

	YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	👆 35.7%	10,798.4	14,648.2	16,236.3
Daily Spend (\$PPPD)	👆 16.4%	197.6	230.1	227.9
Visitor Days	👆 16.5%	54,655,153	63,669,520	71,234,186
Arrivals	👆 22.3%	5,792,159	7,084,067	7,850,503
Daily Census	👆 16.5%	163,638	190,627	195,162
Airlift (scheduled seats) ^	👇 9.4%	9,254,197	10,122,982	11,116,554

*DBEDT 2022 annual forecast (as of Quarter 3, 2022). Scheduled seats forecast from Diio Mi flight schedules as of December 22, 2022, subject to change.

Table 4: Key Performance Indicators - U.S. Total (YTD Nov. 2022 vs. YTD Nov. 2019)

	YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	👆 40.2%	10,450.3	14,648.2	16,236.3
Daily Spend (\$PPPD)	👆 22.6%	187.7	230.1	227.9
Visitor Days	👆 14.4%	55,670,793	63,669,520	71,234,186
Arrivals	👆 13.6%	6,237,962	7,084,067	7,850,503
Daily Census	👆 14.4%	166,679	190,627	195,162
Airlift (scheduled seats) ^	👆 14.4%	8,848,529	10,122,982	11,116,554

*DBEDT 2022 annual forecast (as of Quarter 3, 2022). Scheduled seats forecast from Diio Mi flight schedules as of December 22, 2022, subject to change

- Real gross domestic product (GDP) increased at an annual rate of 2.9 percent in the third quarter of 2022, in contrast to a decrease of 0.6 percent in the second quarter, primarily reflecting increases in exports and consumer spending that were partly offset by a decrease in housing investment.
- Consumer confidence declined again in November 2022, most likely prompted by the recent rise in gas prices. The Present Situation Index moderated further and continues to suggest the economy has lost momentum as the year winds down. The Expectations Index is below a reading of 80, which suggests the likelihood of a recession remains elevated.
- Air travel has been incredibly resilient, despite the uncertain economic situation—with strong pent-up demand and momentum—and has so far shown no significant signs of weakness. Looking ahead,

travel is projected to continue to recover, though growth in 2023 will be slower than previously expected, particularly for international inbound and business travel. While pent-up demand for travel has remained resilient thus far, economic uncertainty and the accelerating drawdown on savings presents the greatest challenge to the travel recovery in the coming year.

US WEST

Table 5: Key Performance Indicators - U.S. West (YTD Nov. 2022 vs. YTD Nov. 2021)

		YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	↑	29.0%	7,090.1	9,142.9	9,946.1
Daily Spend (\$PPPD)	↑	14.1%	193.0	220.1	216.5
Visitor Days	↑	13.0%	36,745,574	41,532,141	45,934,614
Arrivals	↑	20.2%	4,026,193	4,839,220	5,312,878
Daily Census	↑	13.0%	110,017	124,348	125,848
Airlift (scheduled seats) [^]	↑	10.6%	8,126,027	8,990,091	9,849,899

*DBEDT 2022 annual forecast (as of Quarter 3, 2022). Scheduled seats forecast from Diio Mi flight schedules as of December 22, 2022, subject to change.

Table 6: Key Performance Indicators - U.S. West (YTD Nov. 2022 vs. YTD Nov. 2019)

		YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	↑	46.2%	6,254.4	9,142.9	9,946.1
Daily Spend (\$PPPD)	↑	26.3%	174.3	220.1	216.5
Visitor Days	↑	15.7%	35,881,849	41,532,141	45,934,614
Arrivals	↑	15.9%	4,176,799	4,839,220	5,312,878
Daily Census	↑	15.7%	107,431	124,348	125,848
Airlift (scheduled seats) [^]	↑	15.5%	7,783,245	8,990,091	9,849,899

**DBEDT 2022 annual forecast (as of Quarter 3, 2022). Scheduled seats forecast from Diio Mi flight schedules as of December 22, 2022, subject to change.

- In November 2022, 415,610 visitors arrived from the U.S. West, an increase of 10.8 percent compared to 375,244 visitors in November 2019. U.S. West visitors spent \$821.5 million in November 2022, up 45.7 percent from \$563.8 million in November 2019. Daily spending by U.S. West visitors in November 2022 (\$231 per person) was much higher compared to November 2019 (\$179 per person, +29.1%).
- Through the first 11 months of 2022 there were 4,839,220 visitors from the U.S. West compared to 4,176,799 visitors (+15.9%) in the first 11 months of 2019. U.S. West visitors spent \$9.14 billion in the first 11 months of 2022 compared to \$6.25 billion (+46.2%) in the first 11 months of 2019.

US EAST

Table 7: Key Performance Indicators - U.S. East (YTD Nov. 2022 vs. YTD Nov. 2021)

		YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	↑	48.5%	3,708.3	5,505.2	6,290.2
Daily Spend (\$PPPD)	↑	20.1%	207.1	248.7	248.6
Visitor Days	↑	23.6%	17,909,579	22,137,378	25,299,572
Arrivals	↑	27.1%	1,765,966	2,244,847	2,537,626
Daily Census	↑	23.6%	53,621	66,280	69,314
Airlift (scheduled seats) [^]	↔	0.4%	1,128,170	1,132,891	1,266,655

*DBEDT 2022 annual forecast (as of Quarter 3, 2022). Scheduled seats forecast from Diio Mi flight schedules as of December 22, 2022, subject to change.

Table 8: Key Performance Indicators - U.S. East (YTD Nov. 2022 vs. YTD Nov. 2019)

		YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	↑	31.2%	4,195.9	5,505.2	6,290.2
Daily Spend (\$PPPD)	↑	17.3%	212.0	248.7	248.6
Visitor Days	↑	11.9%	19,788,945	22,137,378	25,299,572
Arrivals	↔	8.9%	2,061,163	2,244,847	2,537,626
Daily Census	↑	11.9%	59,248	66,280	69,314
Airlift (scheduled seats) ^	↔	6.3%	1,065,284	1,132,891	1,266,655

*DBEDT 2022 annual forecast (as of Quarter 3, 2022). Scheduled seats forecast from Diio Mi flight schedules as of December 22, 2022, subject to change.

- There were 166,327 visitors from the U.S. East in November 2022, a 10.6 percent growth from the 150,386 visitors in November 2019. U.S. East visitors spent \$394.8 million in November 2022, up 28.7 percent from \$306.8 million in November 2019. Daily spending by U.S. East visitors in November 2022 (\$248 per person) increased in comparison to November 2019 (\$221 per person, +12.1%).
- Through the first 11 months of 2022, 2,244,847 visitors arrived from the U.S. East, compared to 2,061,163 visitors (+8.9%) in the first 11 months of 2019. U.S. East visitors spent \$5.51 billion in the first 11 months of 2022 compared to \$4.20 billion (+31.2%) in the first 11 months of 2019.

JAPAN

Table 9: Key Performance Indicators – Japan (YTD Nov. 2022 vs. YTD Nov. 2021)

		YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	↑	449.7%	57.0	313.5	468.1
Daily Spend (\$PPPD)	↔	5.7%	219.8	232.3	231.2
Visitor Days	↑	420.0%	259,514	1,349,393	2,024,134
Arrivals	↑	885.4%	16,518	162,772	209,890
Daily Census	↑	420.0%	777	4,040	5,546
Airlift (scheduled seats) ^	↑	256.5%	112,229	400,133	481,092

*DBEDT 2022 annual forecast (as of Quarter 3, 2022). Scheduled seats forecast from Diio Mi flight schedules as of December 22, 2022, subject to change.

Table 10: Key Performance Indicators – Japan (YTD Nov. 2022 vs. YTD Nov. 2019)

		YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	↓	-84.6%	2,037.4	313.5	468.1
Daily Spend (\$PPPD)	↔	-3.1%	239.8	232.3	231.2
Visitor Days	↓	-84.1%	8,495,564	1,349,393	2,024,134
Arrivals	↓	-88.7%	1,439,570	162,772	209,890
Daily Census	↓	-84.1%	25,436	4,040	5,546
Airlift (scheduled seats) ^	↓	-78.1%	1,825,761	400,133	481,092

*DBEDT 2022 annual forecast (as of Quarter 3, 2022). Scheduled seats forecast from Diio Mi flight schedules as of December 22, 2022, subject to change.

- There were 27,898 visitors from Japan in November 2022 compared to 131,536 visitors (-78.8%) in November 2019. Visitors from Japan spent \$46.3 million in November 2022 compared to \$189.4 million (-75.5%) in November 2019. Daily spending by Japanese visitors in November 2022 (\$240 per person) was lower compared to November 2019 (\$255 per person, -6.1%).
- Through the first 11 months of 2022 there were 162,772 visitors from Japan compared to 1,439,570 visitors (-88.7%) in the first 11 months of 2019. Visitors from Japan spent \$313.5 million in the first 11 months of 2022 compared to \$2.04 billion (-84.6%) in the first 11 months of 2019.
- According to the household budget survey, the consumption expenditure of households with two or more people in September 2022 increased by 2.3 percent year-on-year to 280,999 yen. Service consumption such as travel is growing rapidly.
- In November 2022, the yen exchange rate has been in the high 130-yen range, slightly down from previous months.

- The consumer price increase in October 2022 was 3.6 percent for the first time in 40 years and 8 months. Consumption is expected to slow down due to rising prices.
- Nationwide travel assistance is boosting consumption and number of domestic visitors to Okinawa surpassed pre-COVID level. The recovery in overseas travel is expected to be slow due to increased demand for domestic travel.
- According to preliminary figures by Japan National Tourism Organization, the number of Japanese overseas travelers in October 2022 was 349,600, down 79 percent compared to October 2021. However, it has surpassed 300,000 for the third consecutive month.

CANADA

Table 11: Key Performance Indicators – Canada (YTD Nov. 2022 vs. YTD Nov. 2021)

		YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	👆	451.4%	143.6	792.0	876.2
Daily Spend (\$PPPD)	👉	7.3%	175.2	187.9	182.4
Visitor Days	👆	414.1%	819,806	4,214,623	4,802,897
Arrivals	👆	566.2%	51,259	341,508	379,885
Daily Census	👆	414.1%	2,455	12,619	13,159
Airlift (scheduled seats) ^	👆	373.5%	89,490	423,733	487,215

*DBEDT 2022 annual forecast (as of Quarter 3, 2022). Scheduled seats forecast from Diio Mi flight schedules as of December 22, 2022, subject to change.

Table 12: Key Performance Indicators – Canada (YTD Nov. 2022 vs. YTD Nov. 2019)

		YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	👇	-16.8%	951.9	792.0	876.2
Daily Spend (\$PPPD)	👆	13.3%	165.9	187.9	182.4
Visitor Days	👇	-26.6%	5,739,597	4,214,623	4,802,897
Arrivals	👇	-28.2%	475,922	341,508	379,885
Daily Census	👇	-26.6%	17,184	12,619	13,159
Airlift (scheduled seats) ^	👉	-0.2%	424,534	423,733	487,215

*DBEDT 2022 annual forecast (as of Quarter 3, 2022). Scheduled seats forecast from Diio Mi flight schedules as of December 22, 2022, subject to change.

- In November 2022, 44,686 visitors arrived from Canada compared to 50,598 visitors (-11.7%) in November 2019. Visitors from Canada spent \$110.4 million in November 2022, compared to \$98.3 million (+12.3%) in November 2019. Daily spending by Canadian visitors in November 2022 (\$199 per person) increased compared to November 2019 (\$165 per person, +20.8%).
- Through the first 11 months of 2022 there were 341,508 visitors from Canada compared to 475,922 visitors (-28.2%) in the first 11 months of 2019. Visitors from Canada spent \$792.0 million in the first 11 months of 2022, compared to \$951.9 million (-16.8%) in the first 11 months of 2019.
- Growth in real GDP is projected to slow from 3.2 percent this year to 1 percent in 2023 before strengthening to 1.3 percent in 2024. Higher borrowing costs will weigh on consumer spending while export growth moderates in the near term amid deteriorating conditions abroad.
- Labor markets have been tight until recently but hiring will decline with slower output growth. Wage growth will moderate as the unemployment rate settles slightly above pre-pandemic levels. Inflation will converge on target as underlying cost drivers ease and remaining supply bottlenecks clear.
- Large interest rate rises this year will help check excess demand and tame inflationary pressures. The pace of monetary tightening should slow if labor markets show signs of deteriorating. Living-cost relief is weighing on fiscal balances in 2022.
- Although inflation is stabilizing, the expedited price hikes over the summer months pushed the Index of Consumer Confidence down to 65 points in November 2022, the lowest rating since May 2020.
- The loonie averaged US \$0.78 during the period, compared to US \$0.752 in 2019.

OCEANIA

Table 13: Key Performance Indicators – Oceania (YTD Nov. 2022 vs. YTD Nov. 2021)

	YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	👆 4145.7%	10.4	440.0	409.2
Daily Spend (\$PPPD)	👆 17.7%	242.5	285.6	277.9
Visitor Days	👆 3506.1%	42,732	1,540,953	1,472,261
Arrivals	👆 5390.7%	2,884	158,355	150,711
Daily Census	👆 3506.1%	128	4,614	4,034
Airlift (scheduled seats) ^	N/A	0	215,195	244,830

*DBEDT 2022 annual forecast (as of Quarter 3, 2022). Scheduled seats forecast from Diio Mi flight schedules as of December 22, 2022, subject to change.

Table 14: Key Performance Indicators – Oceania (YTD Nov. 2022 vs. YTD Nov. 2019)

	YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	👇 -46.7%	825.5	440.0	409.2
Daily Spend (\$PPPD)	👉 8.6%	263.1	285.6	277.9
Visitor Days	👇 -50.9%	3,138,095	1,540,953	1,472,261
Arrivals	👇 -52.7%	334,768	158,355	150,711
Daily Census	👇 -50.9%	9,395	4,614	4,034
Airlift (scheduled seats) ^	👇 -52.6%	454,327	215,195	244,830

*DBEDT 2022 annual forecast (as of Quarter 3, 2022). Scheduled seats forecast from Diio Mi flight schedules as of December 22, 2022, subject to change.

- Unemployment in November 2022 remains at an all-time low in Australia and New Zealand at 3.5 percent and 3.3 percent, respectively.
- Cost of living continues to increase in both Australia and New Zealand putting more financial pressure on consumers.
- The Reserve Bank in New Zealand increased the cash rate by a record 75points in an attempt to keep control over inflation.
- The AUD and NZD increased in value against the USD. Exchange rates, at the end of November 2022, were sitting at 68 cents (AUD) and 64 cents (NZD) to one USD.
- Booking patterns remain the same with flight prices impacting level of bookings and how far in advance consumers are booking.
- Jetstar continues to have operational problems with numerous delays and cancellations throughout the month of November 2022.

OTHER ASIA

Table 15: Key Performance Indicators – Other Asia (YTD Nov. 2022 vs. YTD Nov. 2021)

	YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	👆 374.9%	63.2	300.1	N/A
Daily Spend (\$PPPD)	👉 7.4%	280.9	301.8	N/A
Visitor Days	👆 342.0%	224,969	994,437	N/A
Arrivals	👆 572.6%	16,651	112,002	N/A
Daily Census	👆 342.0%	674	2,977	N/A
Airlift (scheduled seats) ^	👆 531.9%	30,416	192,185	217,245

*DBEDT 2022 annual forecast (Quarter 3, 2022) N/A=Not available. Scheduled seats forecast from Diio Mi flight schedules as of December 22, 2022, subject to change.

Table 16: Key Performance Indicators – Other Asia (YTD Nov. 2022 vs. YTD Nov. 2019)

		YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	↓	-59.5%	740.7	300.1	N/A
Daily Spend (\$PPPD)	↔	3.3%	292.2	301.8	N/A
Visitor Days	↓	-60.8%	2,534,758	994,437	N/A
Arrivals	↓	-65.2%	322,283	112,002	N/A
Daily Census	↓	-60.8%	7,589	2,977	N/A
Airlift (scheduled seats) ^	↓	-56.6%	442,387	192,185	217,245

*DBEDT 2022 annual forecast (Quarter 3, 2022) N/A=Not available. Scheduled seats forecast from Diio Mi flight schedules as of December 22, 2022, subject to change.

KOREA

Table 17: Key Performance Indicators – Korea (YTD Nov. 2022 vs. YTD Nov. 2021)

		YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	↑	711.8%	30.4	246.4	252.0
Daily Spend (\$PPPD)	↑	13.1%	256.6	290.3	288.7
Visitor Days	↑	617.7%	118,285	848,916	872,630
Arrivals	↑	1075.7%	8,187	96,260	94,014
Daily Census	↑	617.7%	354	2,542	2,391
Airlift (scheduled seats) ^	↑	531.9%	30,416	192,185	217,245

*DBEDT 2022 annual forecast (as of Quarter 3, 2022). Scheduled seats forecast from Diio Mi flight schedules as of December 22, 2022, subject to change.

Table 18: Key Performance Indicators – Korea (YTD Nov. 2022 vs. YTD Nov. 2019)

		YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	↓	-44.3%	442.6	246.4	252.0
Daily Spend (\$PPPD)	↔	3.8%	279.8	290.3	288.7
Visitor Days	↓	-46.3%	1,581,944	848,916	872,630
Arrivals	↓	-53.3%	206,223	96,260	94,014
Daily Census	↓	-46.3%	4,736	2,542	2,391
Airlift (scheduled seats) ^	↓	-35.2%	296,706	192,185	217,245

*DBEDT 2022 annual forecast (as of Quarter 3, 2022). Scheduled seats forecast from Diio Mi flight schedules as of December 22, 2022, subject to change.

- Korea's exports fell 14 percent from a year earlier to \$51.9 billion in November 2022 due to the strong U.S. currency.
- In November 2022, the currency exchange rate was 1,359.45(KRW/USD), which appreciated slightly from the previous month's 1,430.91 (KRW/USD).
- Korea recorded 87.9 percent vaccination rate and 65.7 percent booster rate as of November 30, 2022. The rate of 4th shots is 14.8 percent. The government has shortened the COVID-19 vaccination interval from 4 months to 3 months, due in part to predictions that the winter epidemic peak may come earlier than expected.
- The number of international passengers in October 2022 was over 2.5 million, an increase of 580,000 from the previous month. This amount is the largest since 3,971,511 passengers in February 2020, just before the COVID-19 pandemic began in earnest.
- The government has permitted the resumption of international flights on 29 routes from October 30, 2022, the start of this year's winter period. As a result, international flights during the winter season have increased to a total of 162 routes and 2,711 flights per week. This represents 57.5 percent of pre-COVID international flights during the winter period of 2019.
- Expedia Group released its 2023 travel trends outlook report, predicting that a wave of unexpected trends would emerge. It characterized this as a shift to the "no-normal," a concept that contrasts with the anticipated "new-normal." According to the survey:

- 26 percent of Korean travelers said they valued economic aspects more than ever, and worldwide interest in 3-star hotels has increased by more than 20 percent.
- More than half (59%) of Korean travelers responded that they were more interested in wellness travel than before and, among them, Millennials showed a high response rate.
- The top three reasons to be positive on the wellness journey were: 'I'm more focused on my mental and physical health than ever,' 'I want to find new ways to improve my mental and physical health,' and 'wellness was interrupted by the pandemic.'
- Millennial travelers identified 'Maldives (28%),' 'Korea (26%),' 'USA (24%),' 'Bali (20%)' and 'Japan (18%)' as their preferred wellness destinations.

CHINA

Table 19: Key Performance Indicators – China (YTD Nov. 2022 vs. YTD Nov. 2021)

	YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	74.5%	15.3	26.7	N/A
Daily Spend (\$PPPD)	8.0%	318.5	344.0	N/A
Visitor Days	61.5%	47,992	77,529	N/A
Arrivals	110.4%	4,346	9,143	N/A
Daily Census	61.5%	144	232	N/A
Airlift (scheduled seats)^	N/A	N/A	N/A	N/A

*DBEDT 2022 annual forecast (as of Quarter 3, 2022) N/A=Not available.

Table 20: Key Performance Indicators – China (YTD Nov. 2022 vs. YTD Nov. 2019)

	YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	-88.1%	224.2	26.7	N/A
Daily Spend (\$PPPD)	4.2%	330.3	344.0	N/A
Visitor Days	-88.6%	678,665	77,529	N/A
Arrivals	-89.3%	85,102	9,143	N/A
Daily Census	-88.6%	2,032	232	N/A
Airlift (scheduled seats)^	N/A	N/A	N/A	N/A

*DBEDT 2022 annual forecast (as of Quarter 3, 2022) N/A=Not available

- As of November 11, 2022 China has the following updates regarding travel restrictions: Quarantine policy for travelers is now 5+3 (five days hotel quarantine with three-day self-quarantine), a reduction of two days. Circuit breaker penalty for airlines with infected passengers has been abolished. One negative nucleic acid test within 48 hours before boarding (previously, two tests were required).
- November 2022 month-end (ME) rate for Chinese Yuan (CNY) vs. USD was 7.18, versus October 2022 ME rate of 7.17, versus November 2021 ME rate of 6.38.
- China's Quarter 3 2022 GDP stood at 30.76 trillion CNY (+3.9% vs. 3Q2021). China's year-to-date (YTD) September 2022 GDP stood at 87.03 trillion yuan +5.3% vs last year, per National Bureau of Statistics.
- In November 2022, the Purchasing Manager Index (PMI) of China's manufacturing industry was 49.4 percent, an increase of 20 basis points from the prior month figure of 49.2 percent.
- In October 2022, the consumer price index (CPI) was 102.1 vs 102.8 (September 2022) vs. 101.5 (October 2021), a decrease of 70 basis points from the previous month and an increase of 60 basis points from the same period last year.
- In October 2022, China's annual inflation rate fell to 2.1 percent (vs. 2.8% in September 2022 vs. 1.5% in October 2021). Prices of both food and non-food eased amid strict COVID curbs and adverse weather.

EUROPE

Table 21: Key Performance Indicators – Europe (YTD Nov. 2022 vs. YTD Nov. 2021)

		YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	👆	463.0%	37.2	209.2	185.4
Daily Spend (\$PPPD)	👉	-1.3%	163.4	161.2	156.2
Visitor Days	👆	470.6%	227,426	1,297,735	1,186,896
Arrivals	👆	610.0%	13,173	93,523	84,710
Daily Census	👆	470.6%	681	3,885	3,252
Airlift (scheduled seats) ^		N/A	N/A	N/A	N/A

*DBEDT 2022 annual forecast (as of Quarter 3, 2022).

Table 22: Key Performance Indicators – Europe (YTD Nov. 2022 vs. YTD Nov. 2019)

		YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	👇	-18.1%	255.5	209.2	185.4
Daily Spend (\$PPPD)	👉	3.6%	155.6	161.2	156.2
Visitor Days	👇	-20.9%	1,641,197	1,297,735	1,186,896
Arrivals	👇	-26.7%	127,656	93,523	84,710
Daily Census	👇	-20.9%	4,914	3,885	3,252
Airlift (scheduled seats) ^		N/A	N/A	N/A	N/A

*DBEDT 2022 annual forecast (as of Quarter 3, 2022).

LATIN AMERICA

Table 23: Key Performance Indicators – Latin America (YTD Nov. 2022 vs. YTD Nov. 2021)

		YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	👆	65.4%	23.6	39.1	N/A
Daily Spend (\$PPPD)	👇	-20.4%	248.7	198.1	N/A
Visitor Days	👆	107.6%	94,989	197,224	N/A
Arrivals	👆	130.8%	7,800	17,997	N/A
Daily Census	👆	107.6%	284	590	N/A
Airlift (scheduled seats) ^		N/A	N/A	N/A	N/A

*DBEDT 2022 annual forecast (as of Quarter 3, 2022). N/A=Not available.

Table 24: Key Performance Indicators – Latin America (YTD Nov. 2022 vs. YTD Nov. 2019)

		YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*
Visitor Spending (\$mil)	👇	-29.3%	55.2	39.1	N/A
Daily Spend (\$PPPD)	👇	-13.9%	230.0	198.1	N/A
Visitor Days	👇	-17.9%	240,129	197,224	N/A
Arrivals	👇	-20.9%	22,756	17,997	N/A
Daily Census	👇	-17.9%	719	590	N/A
Airlift (scheduled seats) ^		N/A	N/A	N/A	N/A

*DBEDT 2022 annual forecast (as of Quarter 3, 2022). N/A=Not available.

ISLAND VISITATION:

- **O'ahu:** There were 392,683 visitors to O'ahu in November 2022 compared to 468,684 visitors (-16.2%) in November 2019. Visitor spending was \$711.9 million compared to \$644.3 million (+10.5%) in November 2019. The average daily census on O'ahu was 93,958 visitors in November 2022 compared to 100,880 visitors (-6.9%) in November 2019.

Through the first 11 months of 2022, there were 4,377,953 visitors to O'ahu compared to 5,595,902 visitors (-21.8%) in the first 11 months of 2019. Total visitor spending was \$7.68 billion (+4.3%) compared to \$7.36 billion in the first 11 months of 2019.

- **Maui:** There were 228,803 visitors to Maui in November 2022 compared to 232,330 visitors (-1.5%) in November 2019. Visitor spending was \$435.2 million compared to \$377.9 million (+15.2%) in November 2019. The average daily census on Maui was 62,204 visitors in November 2022 up from the 61,437 visitors (+1.2%) in November 2019.

Through the first 11 months of 2022, there were 2,651,688 visitors to Maui compared to 2,784,485 visitors (-4.8%) in the first 11 months of 2019. Total visitor spending was \$5.13 billion compared to \$4.61 billion (+11.2%) in the first 11 months of 2019.

- **Hawai'i Island:** There were 127,032 visitors to Hawai'i Island in November 2022 compared to 131,713 visitors (-3.6%) in November 2019. Visitor spending was \$192.3 million compared to \$160.7 million (+19.6%) in November 2019. The average daily census on Hawai'i Island was 35,491 visitors in November 2022 compared to 32,541 visitors (+9.1%) in November 2019.

Through the first 11 months of 2022, there were 1,516,081 visitors to Hawai'i Island, compared to 1,585,992 visitors (-4.4%) in the first 11 months of 2019. Total visitor spending was \$2.39 billion compared to \$2.05 billion (+16.5%) in the first 11 months of 2019.

- **Kaua'i** There were 106,390 visitors to Kaua'i in November 2022 compared to 103,783 visitors (+2.5%) in November 2019. Visitor spending was \$161.7 million compared to \$135.9 million (+18.9%) in November 2019. The average daily census on Kaua'i was 26,876 visitors in November 2022, up from 24,919 visitors (+7.9%) in November 2019.

Through the first 11 months of 2022, there were 1,223,612 visitors to Kaua'i compared to 1,245,672 visitors (-1.8%) in the first 11 months of 2019. Total visitor spending was \$1.99 billion compared to \$1.73 billion (+14.8%) in the first 11 months of 2019.

8.2

Dashboard – November 2022

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **OVERALL**

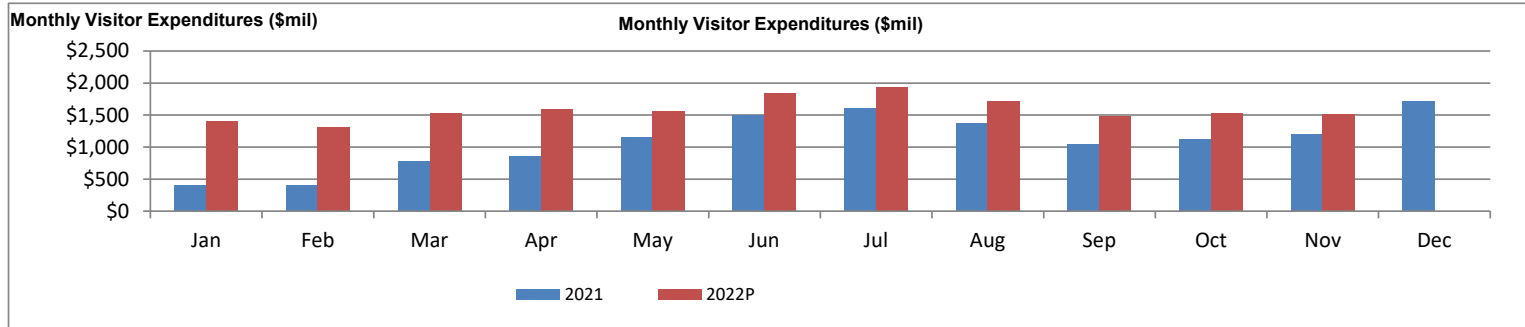
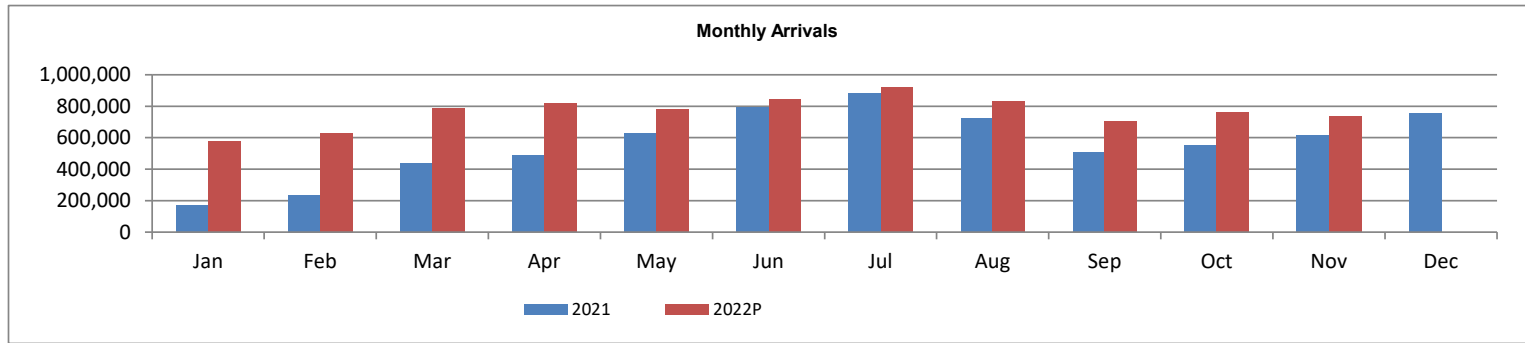
Key Performance Indicators

	YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↑ 52.4%	11,414.3	17,395.0	18,997.5	O'ahu	49.0%	4,377,953
Daily Spend (\$PPPD)	↑ 14.1%	197.9	225.9	223.2	Maui	28.2%	2,651,688
Visitor Days	↑ 33.5%	57,666,681	76,989,496	85,108,883	Moloka'i	74.5%	39,095
Arrivals	↑ 39.0%	6,024,920	8,375,977	9,113,305	Lāna'i	44.6%	61,127
Daily Census	↑ 33.5%	172,655	230,507	233,175	Kaua'i	71.8%	1,223,612
Airlift (scheduled seats) [^]	↑ 20.3%	9,601,558	11,549,605	N/A	Hawai'i Island	45.8%	1,516,081

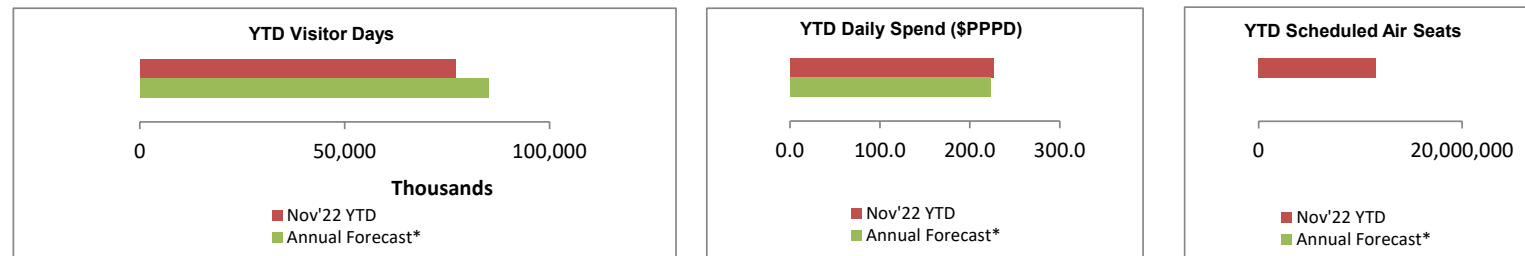
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio Mi flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **U.S. TOTAL**

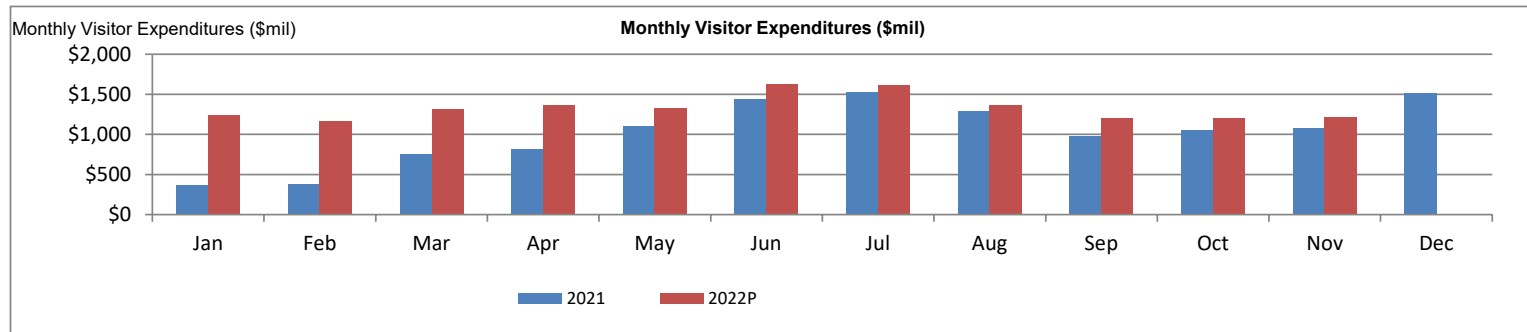
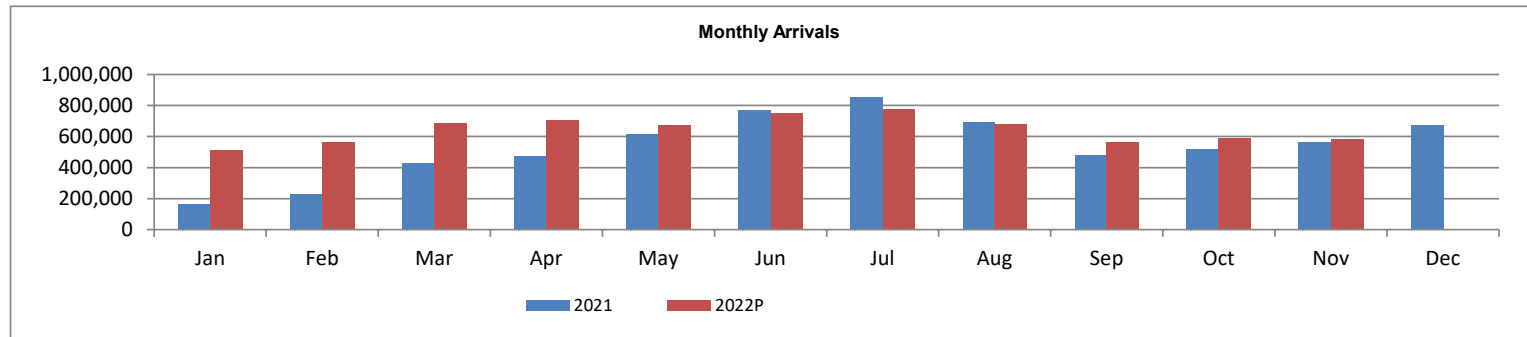
Key Performance Indicators

	YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↑ 35.7%	10,798.4	14,648.2	16,236.3	O'ahu	24.7%	3,487,625
Daily Spend (\$PPPD)	↑ 16.4%	197.6	230.1	227.9	Maui	15.6%	2,306,886
Visitor Days	↑ 16.5%	54,655,153	63,669,520	71,234,186	Moloka'i	49.1%	31,693
Arrivals	↑ 22.3%	5,792,159	7,084,067	7,850,503	Lāna'i	26.2%	51,218
Daily Census	↑ 16.5%	163,638	190,627	195,162	Kaua'i	59.5%	1,101,910
Airlift (scheduled seats) [^]	↔ 9.4%	9,254,197	10,122,982	11,116,554	Hawai'i Island	30.9%	1,317,153

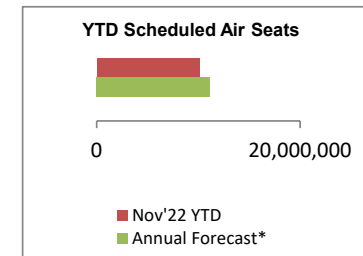
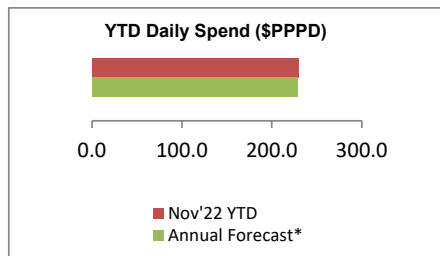
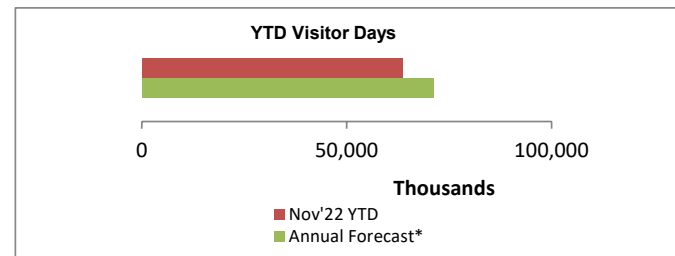
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio Mi flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **U.S. WEST**

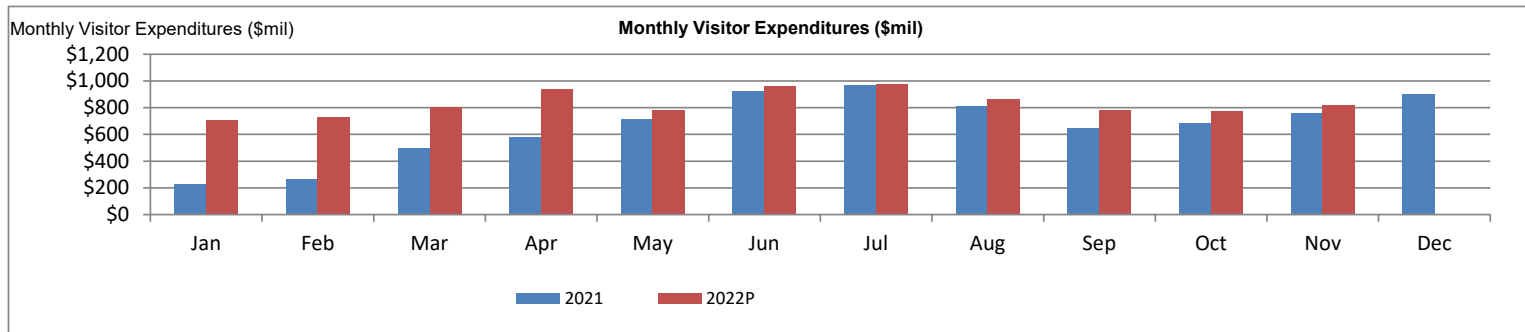
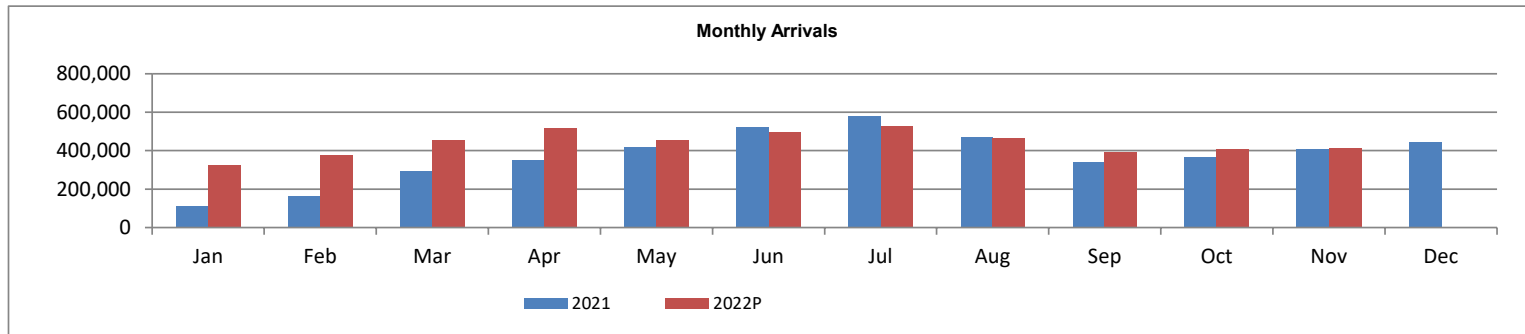
Key Performance Indicators

	YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↑ 29.0%	7,090.1	9,142.9	9,946.1	O'ahu	23.5%	2,213,160
Daily Spend (\$PPPD)	↑ 14.1%	193.0	220.1	216.5	Maui	9.6%	1,523,389
Visitor Days	↑ 13.0%	36,745,574	41,532,141	45,934,614	Moloka'i	45.2%	20,066
Arrivals	↑ 20.2%	4,026,193	4,839,220	5,312,878	Lāna'i	22.0%	28,907
Daily Census	↑ 13.0%	110,017	124,348	125,848	Kaua'i	54.8%	741,422
Airlift (scheduled seats) [^]	↑ 10.6%	8,126,027	8,990,091	9,849,899	Hawai'i Island	24.7%	847,585

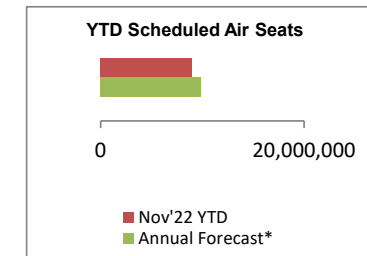
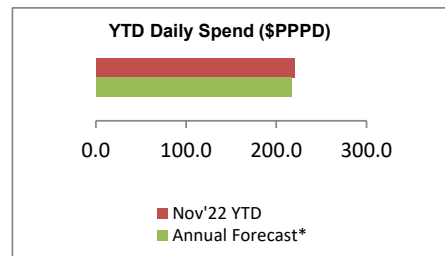
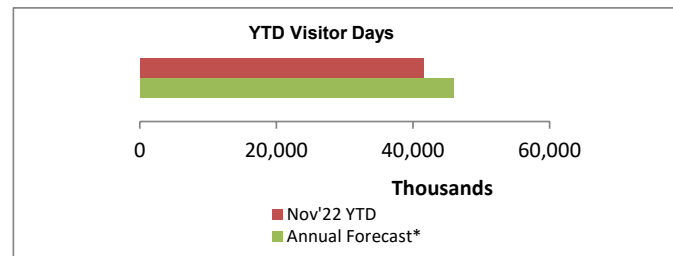
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio Mi flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **U.S. EAST**

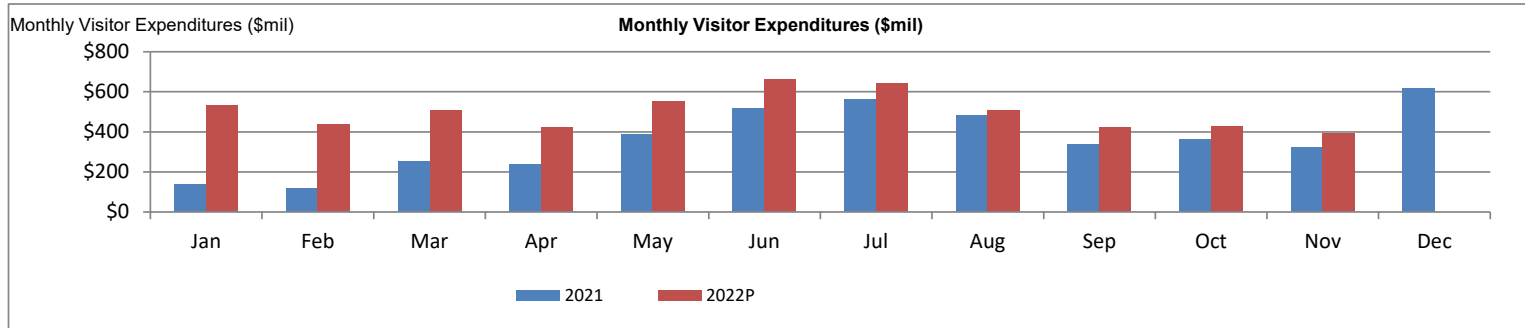
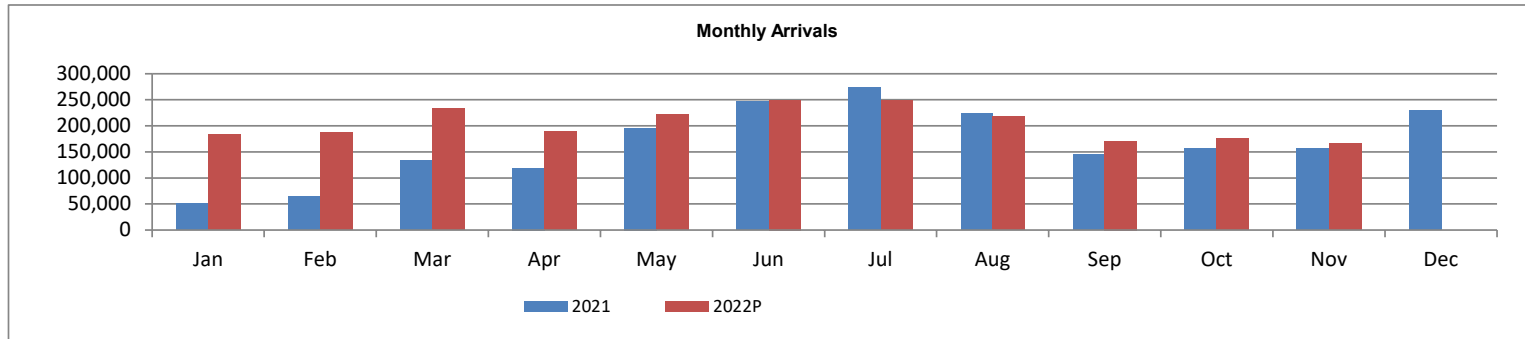
Key Performance Indicators

	YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↑ 48.5%	3,708.3	5,505.2	6,290.2	O'ahu	26.8%	1,274,465
Daily Spend (\$PPPD)	↑ 20.1%	207.1	248.7	248.6	Maui	29.3%	783,497
Visitor Days	↑ 23.6%	17,909,579	22,137,378	25,299,572	Moloka'i	56.5%	11,626
Arrivals	↑ 27.1%	1,765,966	2,244,847	2,537,626	Lāna'i	32.1%	22,311
Daily Census	↑ 23.6%	53,621	66,280	69,314	Kaua'i	70.3%	360,488
Airlift (scheduled seats) [^]	↔ 0.4%	1,128,170	1,132,891	1,266,655	Hawai'i Island	43.8%	469,569

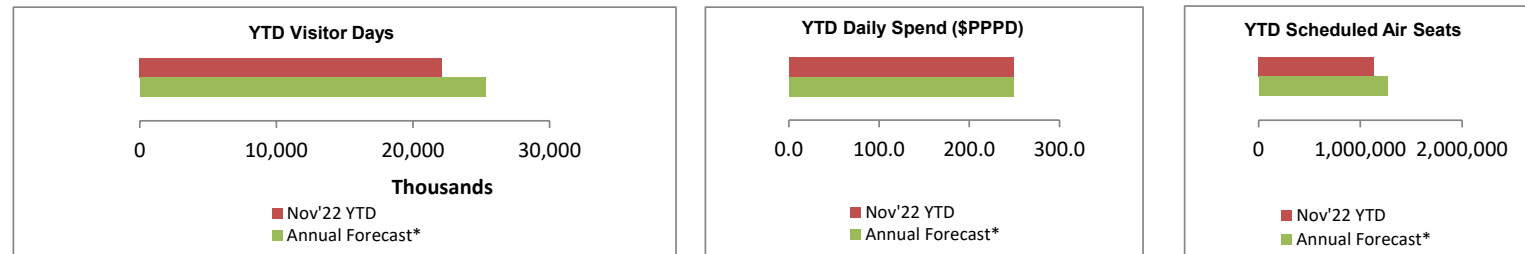
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio Mi flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **JAPAN**

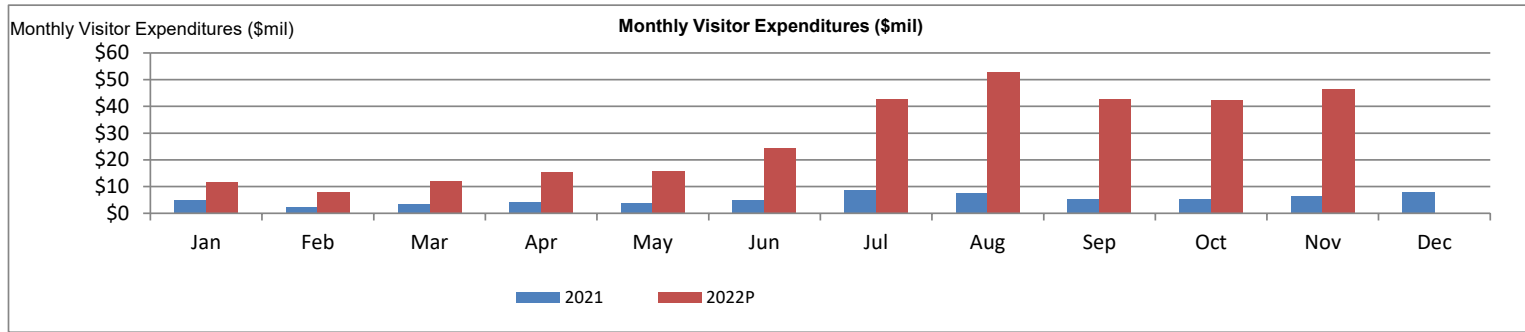
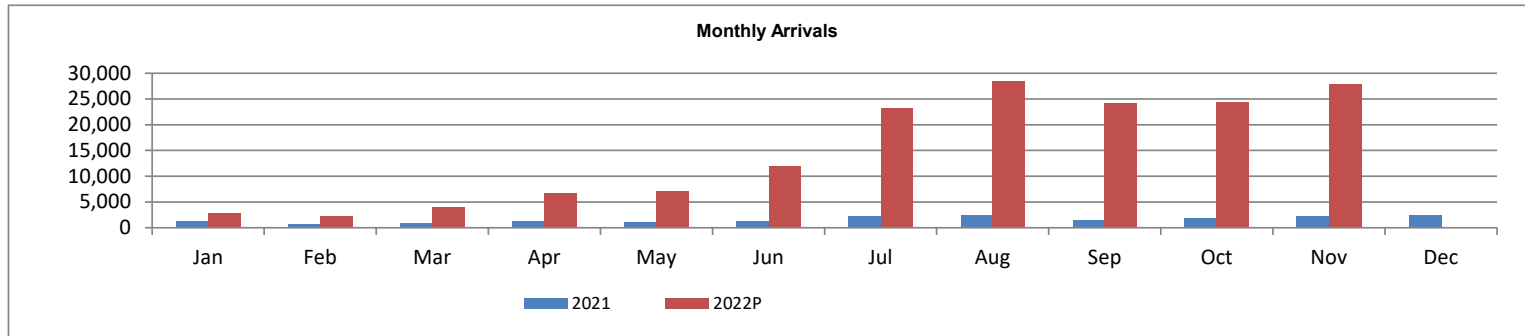
Key Performance Indicators

	YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↑ 449.7%	57.0	313.5	468.1	O'ahu	903.3%	157,856
Daily Spend (\$PPPD)	↔ 5.7%	219.8	232.3	231.2	Maui	639.5%	4,519
Visitor Days	↑ 420.0%	259,514	1,349,393	2,024,134	Moloka'i	684.9%	122
Arrivals	↑ 885.4%	16,518	162,772	209,890	Lāna'i	1708.9%	294
Daily Census	↑ 420.0%	777	4,040	5,546	Kaua'i	865.0%	2,540
Airlift (scheduled seats) [^]	↑ 256.5%	112,229	400,133	481,092	Hawai'i Island	1796.9%	13,133

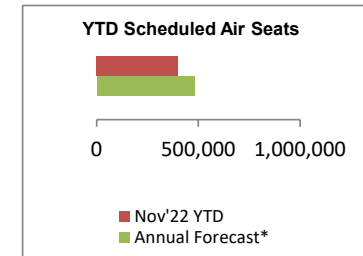
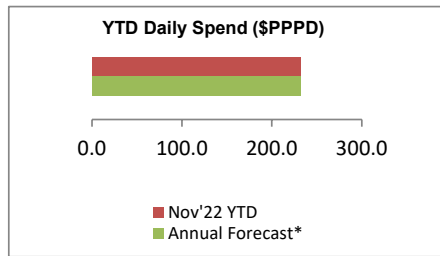
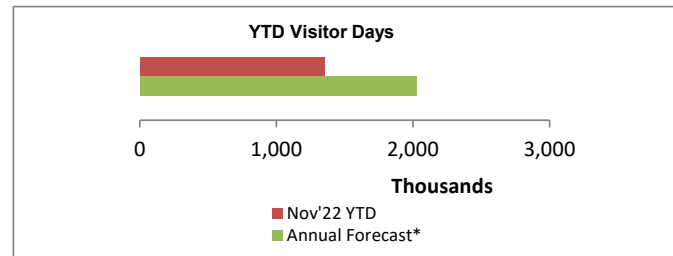
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio Mi flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **CANADA**

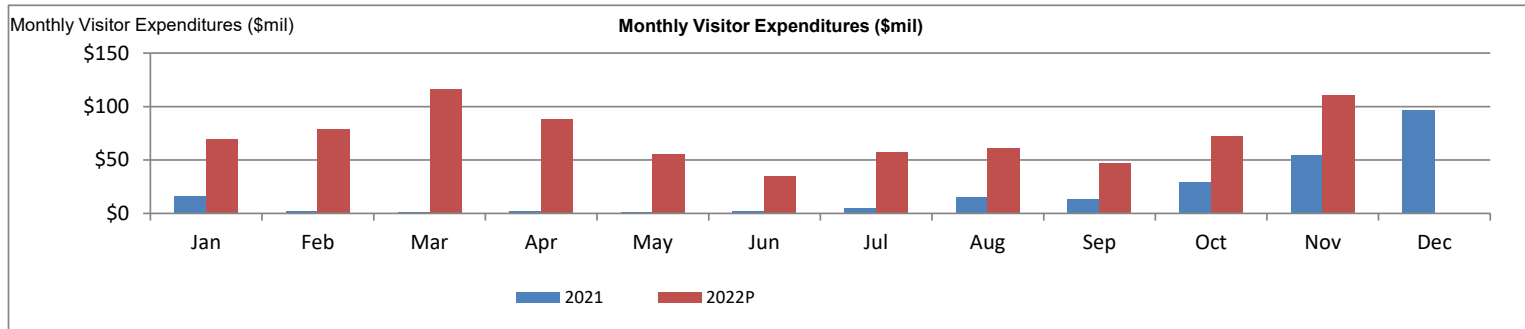
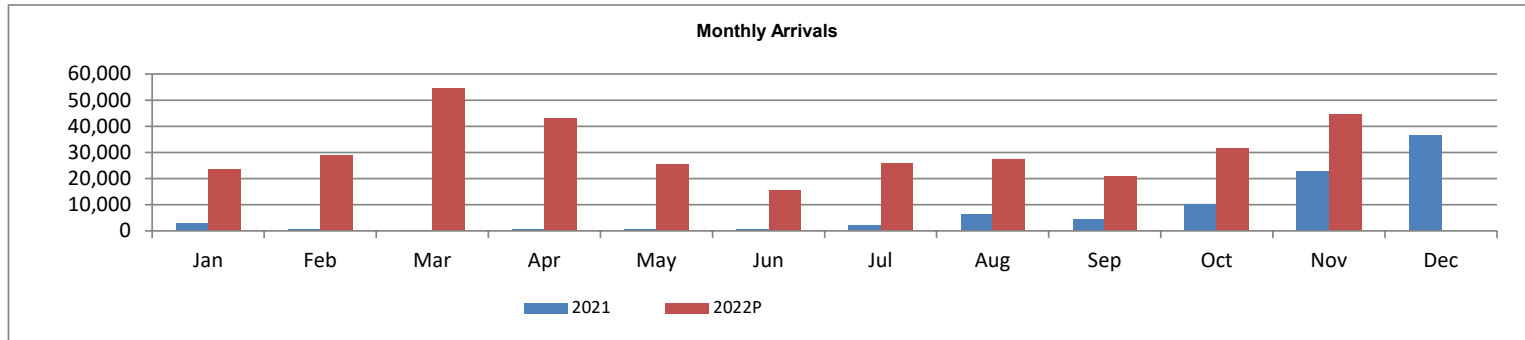
Key Performance Indicators

	YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↑ 451.4%	143.6	792.0	876.2	O'ahu	684.3%	161,903
Daily Spend (\$PPPD)	↔ 7.3%	175.2	187.9	182.4	Maui	530.4%	168,484
Visitor Days	↑ 414.1%	819,806	4,214,623	4,802,897	Moloka'i	562.9%	1,715
Arrivals	↑ 566.2%	51,259	341,508	379,885	Lāna'i	1151.2%	3,907
Daily Census	↑ 414.1%	2,455	12,619	13,159	Kaua'i	685.6%	37,281
Airlift (scheduled seats) [^]	↑ 373.5%	89,490	423,733	487,215	Hawai'i Island	650.4%	55,590

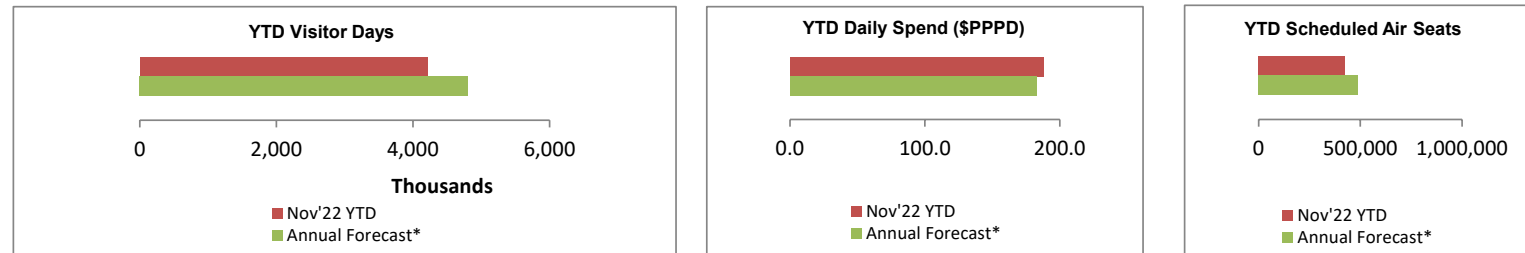
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio MI flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **OCEANIA**

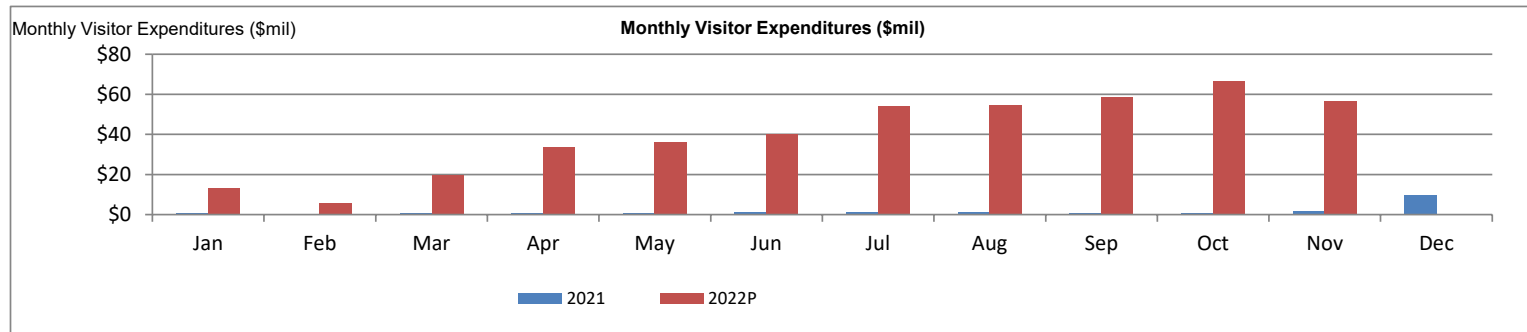
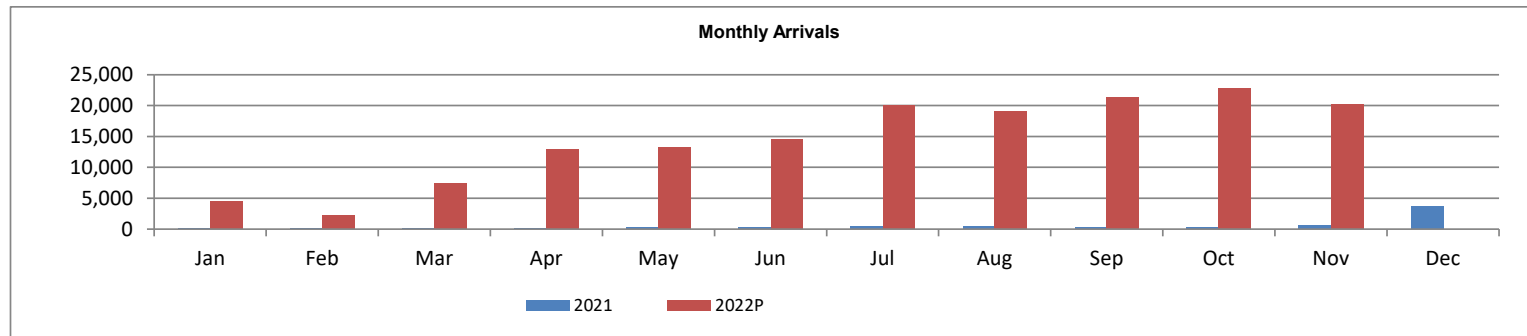
Key Performance Indicators

	YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↑ 4145.7%	10.4	440.0	409.2	O'ahu	8669.4%	154,549
Daily Spend (\$PPPD)	↑ 17.7%	242.5	285.6	277.9	Maui	2970.6%	22,098
Visitor Days	↑ 3506.1%	42,732	1,540,953	1,472,261	Moloka'i	5204.0%	1,063
Arrivals	↑ 5390.7%	2,884	158,355	150,711	Lāna'i	3979.5%	1,451
Daily Census	↑ 3506.1%	128	4,614	4,034	Kaua'i	2266.8%	9,352
Airlift (scheduled seats) [^]	N/A	0	215,195	244,830	Hawai'i Island	2996.2%	15,510

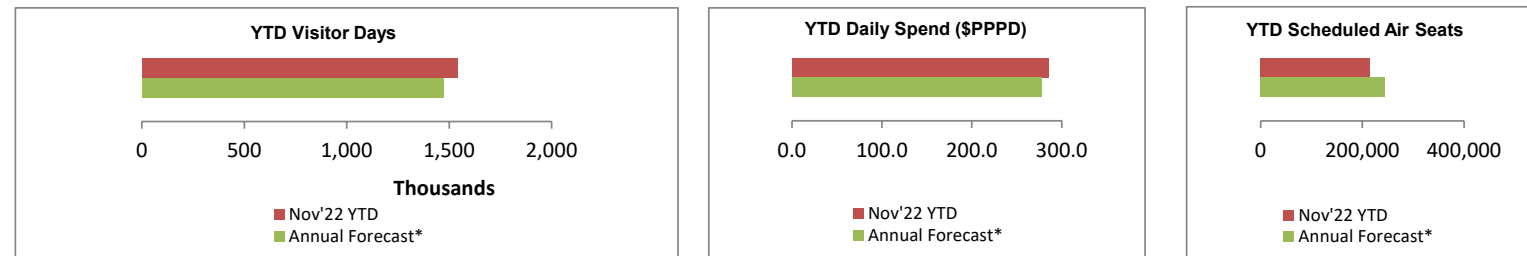
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio Mi flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **OTHER ASIA**

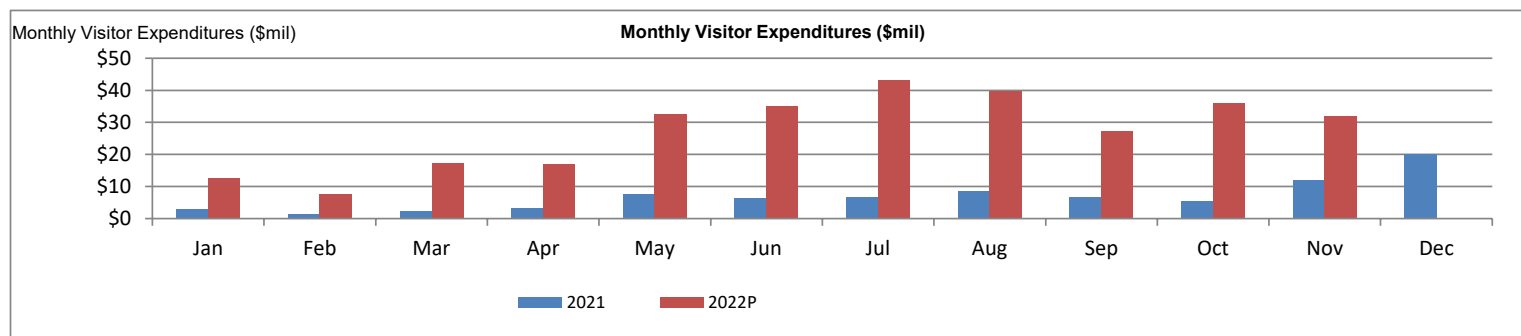
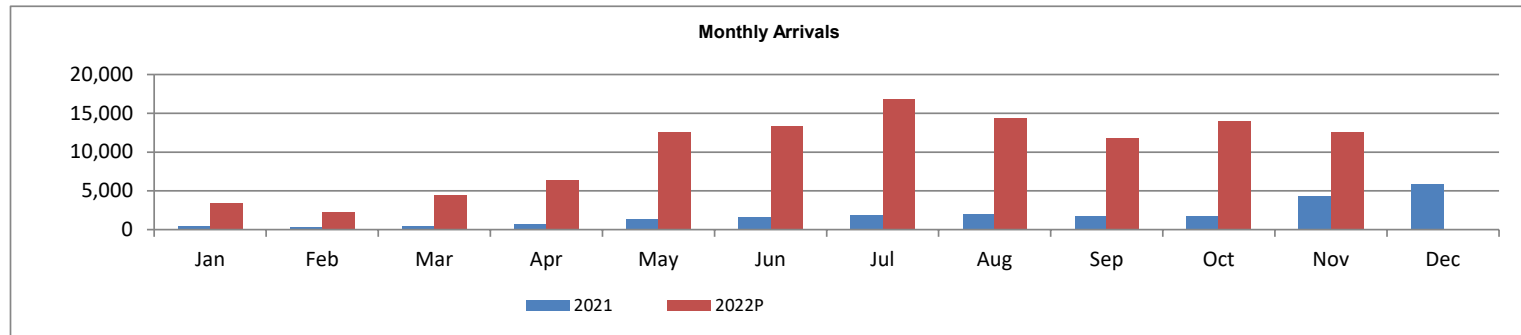
Key Performance Indicators

	YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↑ 374.9%	63.2	300.1	N/A	O'ahu	674.2%	106,189
Daily Spend (\$PPPD)	↔ 7.4%	280.9	301.8	N/A	Maui	383.7%	12,740
Visitor Days	↑ 342.0%	224,969	994,437	N/A	Moloka'i	385.7%	229
Arrivals	↑ 572.6%	16,651	112,002	N/A	Lāna'i	144.4%	331
Daily Census	↑ 342.0%	674	2,977	N/A	Kaua'i	241.9%	3,646
Airlift (scheduled seats) [^]	↑ 531.9%	30,416	192,185	217,245	Hawai'i Island	528.9%	16,995

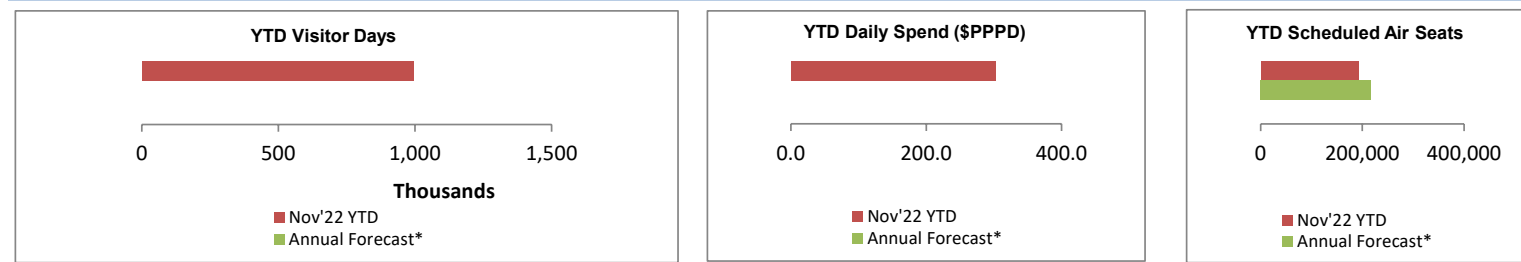
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio Mi flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

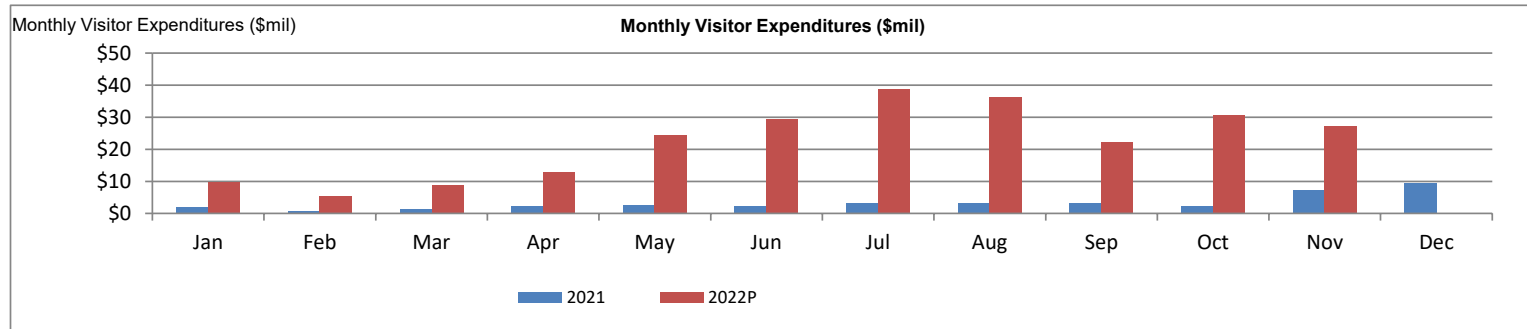
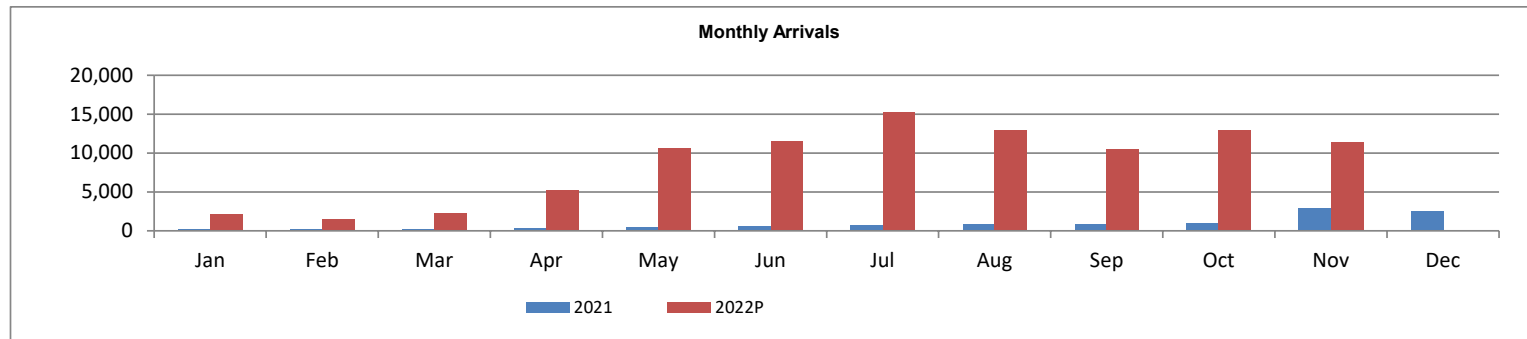
Market: **KOREA**

Key Performance Indicators					Key Performance Indicators		
	YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↑ 711.8%	30.4	246.4	252.0	O'ahu	1177.1%	94,256
Daily Spend (\$PPPD)	↑ 13.1%	256.6	290.3	288.7	Maui	938.7%	9,322
Visitor Days	↑ 617.7%	118,285	848,916	872,630	Moloka'i	906.6%	115
Arrivals	↑ 1075.7%	8,187	96,260	94,014	Lāna'i	1179.4%	162
Daily Census	↑ 617.7%	354	2,542	2,391	Kaua'i	691.2%	2,241
Airlift (scheduled seats) [^]	↑ 531.9%	30,416	192,185	217,245	Hawai'i Island	1641.3%	12,951

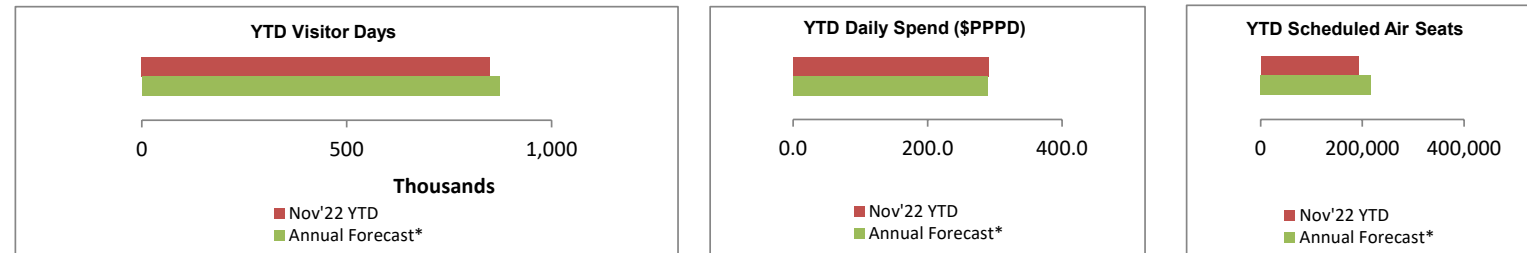
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio Mi flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **CHINA**

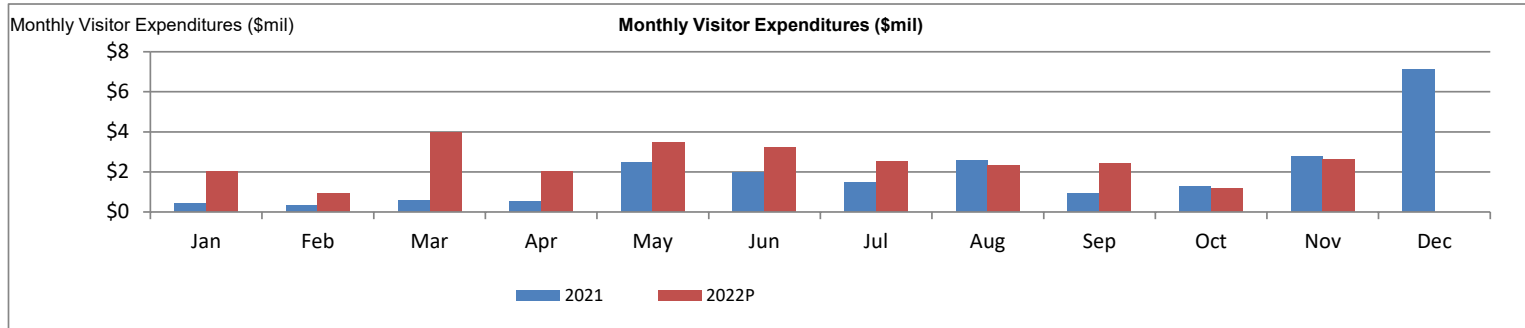
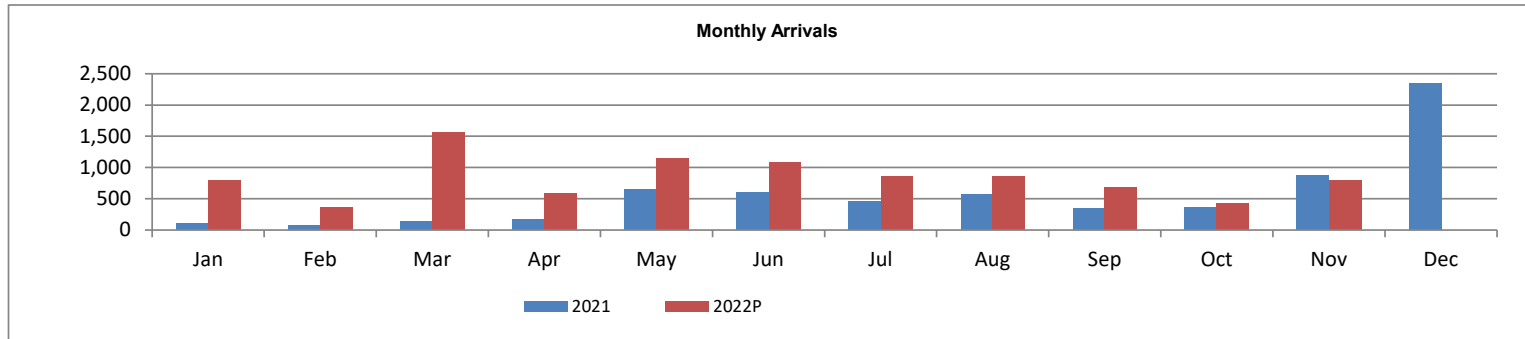
Key Performance Indicators

	YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↑ 74.5%	15.3	26.7	N/A	O'ahu	115.0%	7,495
Daily Spend (\$PPPD)	↔ 8.0%	318.5	344.0	N/A	Maui	108.1%	1,821
Visitor Days	↑ 61.5%	47,992	77,529	N/A	Moloka'i	358.6%	68
Arrivals	↑ 110.4%	4,346	9,143	N/A	Lāna'i	117.6%	90
Daily Census	↑ 61.5%	144	232	N/A	Kaua'i	86.3%	563
Airlift (scheduled seats) [^]	N/A	N/A	N/A	N/A	Hawai'i Island	122.5%	2,616

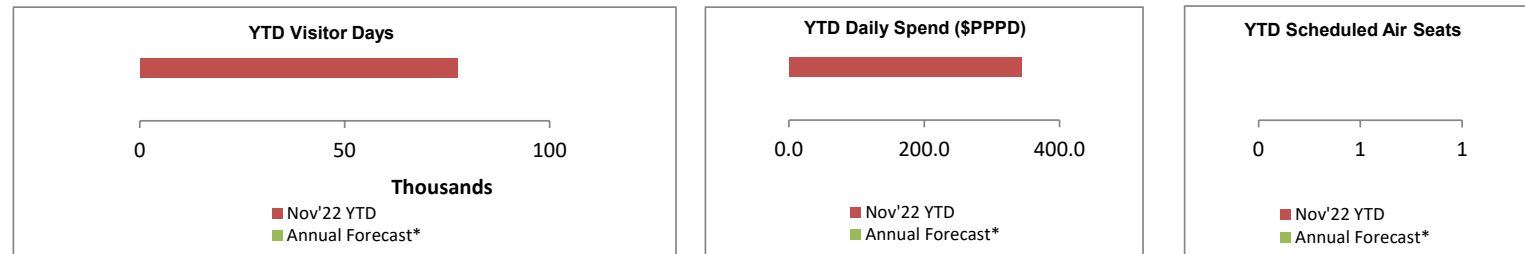
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio Mi flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **EUROPE**

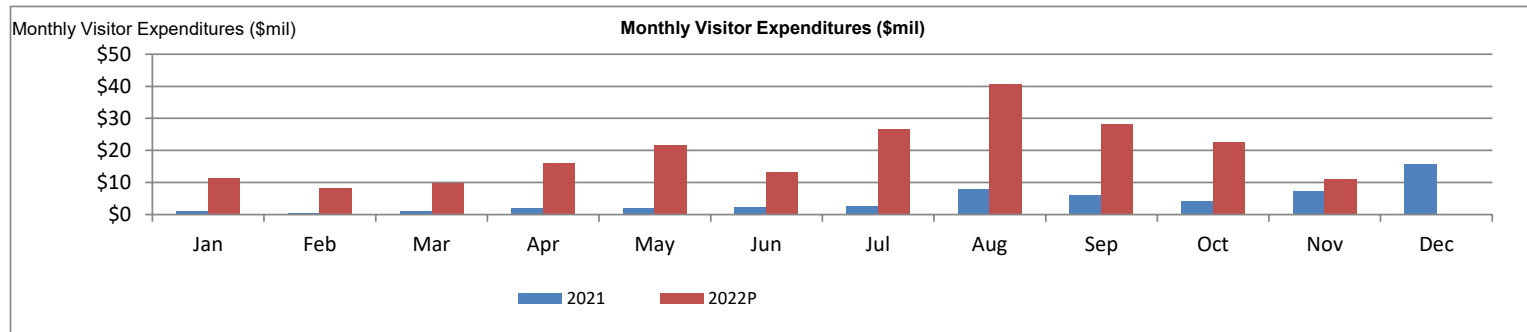
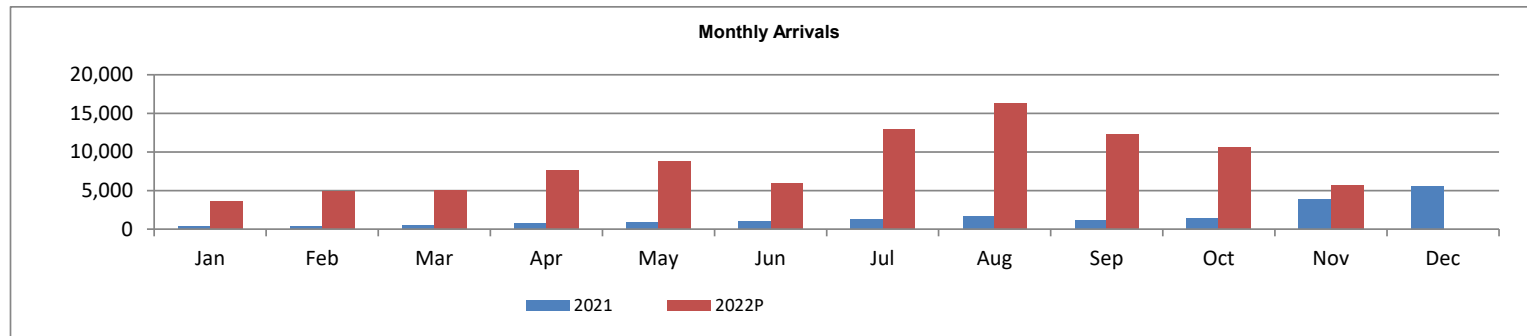
Key Performance Indicators

	YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↑ 463.0%	37.2	209.2	185.4	O'ahu	721.6%	65,745
Daily Spend (\$PPPD)	↓ -1.3%	163.4	161.2	156.2	Maui	875.7%	39,225
Visitor Days	↑ 470.6%	227,426	1,297,735	1,186,896	Moloka'i	806.1%	1,394
Arrivals	↑ 610.0%	13,173	93,523	84,710	Lāna'i	646.6%	1,168
Daily Census	↑ 470.6%	681	3,885	3,252	Kaua'i	1044.3%	22,609
Airlift (scheduled seats) [^]	N/A	N/A	N/A	N/A	Hawai'i Island	1027.9%	33,277

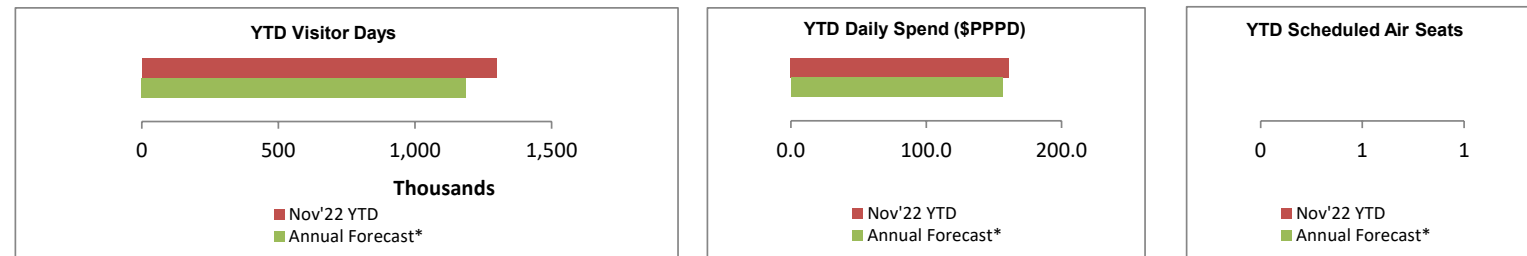
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio Mi flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **LATIN AMERICA**

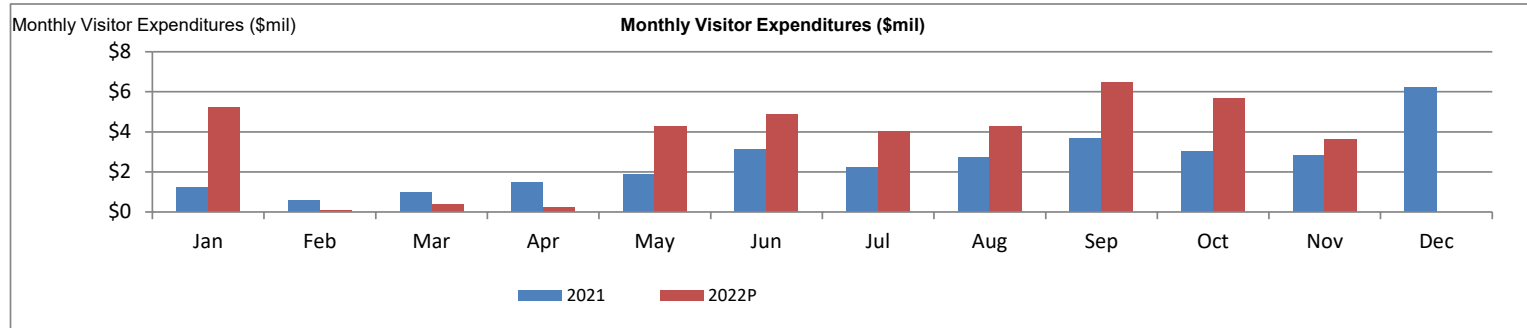
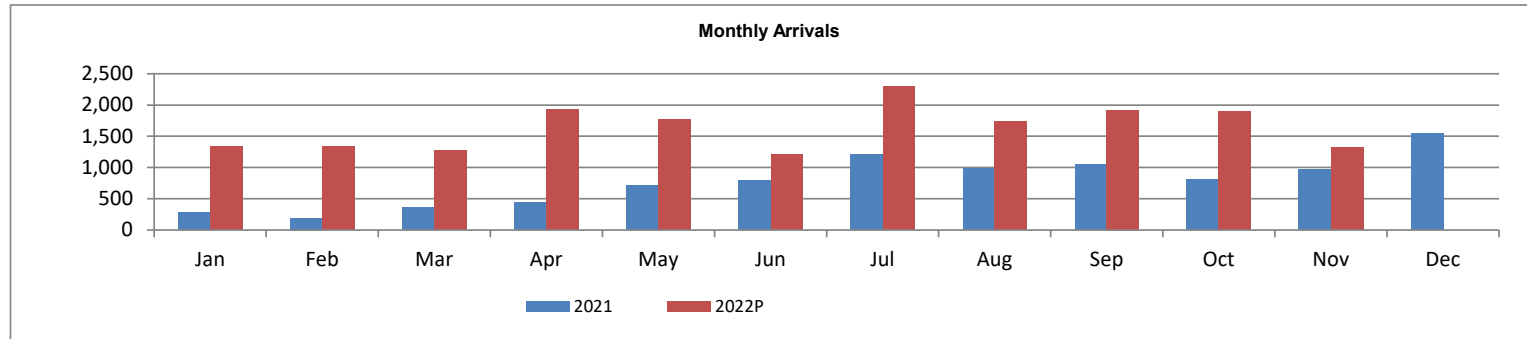
Key Performance Indicators

	YOY Rate	Nov'21 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↑ 65.4%	23.6	39.1	N/A	O'ahu	137.2%	12,218
Daily Spend (\$PPPD)	↓ -20.4%	248.7	198.1	N/A	Maui	101.6%	5,927
Visitor Days	↑ 107.6%	94,989	197,224	N/A	Moloka'i	92.1%	121
Arrivals	↑ 130.8%	7,800	17,997	N/A	Lāna'i	90.9%	171
Daily Census	↑ 107.6%	284	590	N/A	Kaua'i	188.5%	1,879
Airlift (scheduled seats) [^]	N/A	N/A	N/A	N/A	Hawai'i Island	174.9%	4,196

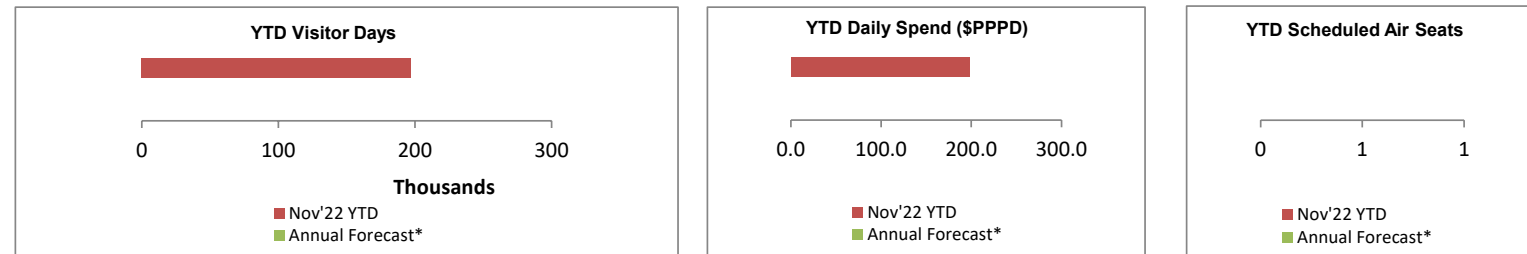
* DBEDT Annual Forecast as of Q3 2022.

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Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

8.3

Dashboard – November 2022 (with 2019)

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **OVERALL**

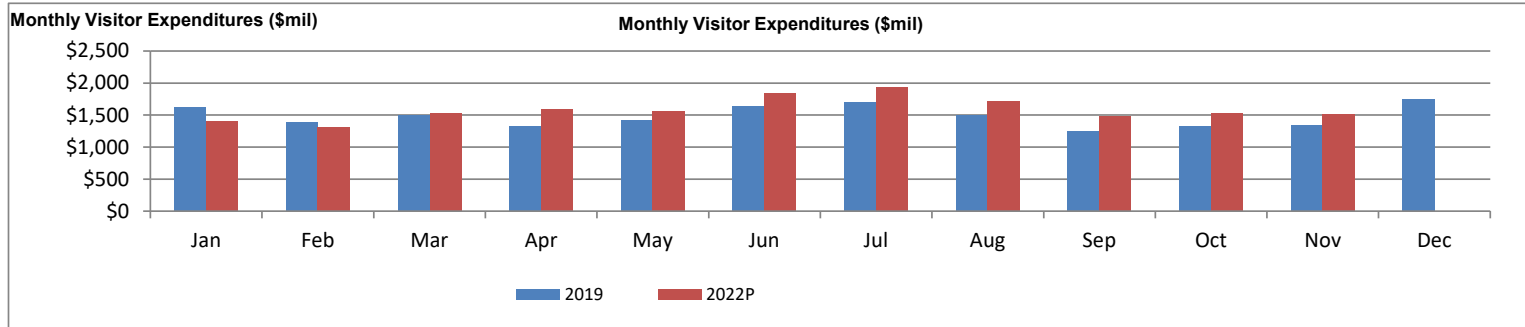
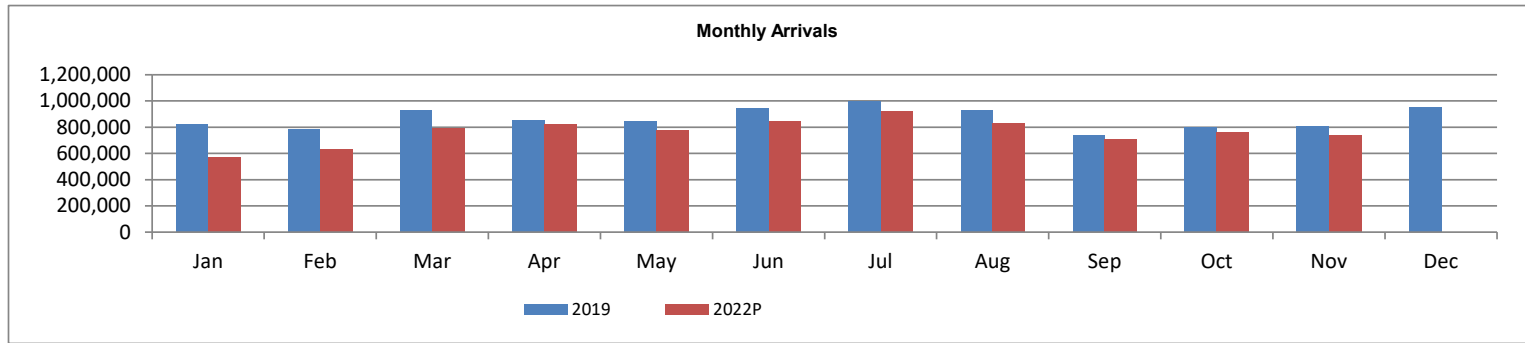
Key Performance Indicators

	YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD	
Visitor Spending (\$mil)	↗	9.0%	15,963.9	17,395.0	18,997.5	O'ahu	-21.8%	4,377,953
Daily Spend (\$PPPD)	↕	15.4%	195.8	225.9	223.2	Maui	-4.8%	2,651,688
Visitor Days	↘	-5.6%	81,528,310	76,989,496	85,108,883	Moloka'i	-31.3%	39,095
Arrivals	↘	-11.2%	9,434,232	8,375,977	9,113,305	Lāna'i	-20.7%	61,127
Daily Census	↘	-5.6%	244,097	230,507	233,175	Kaua'i	-1.8%	1,223,612
Airlift (scheduled seats) [^]	↘	-6.0%	12,283,728	11,549,605	N/A	Hawai'i Island	-4.4%	1,516,081

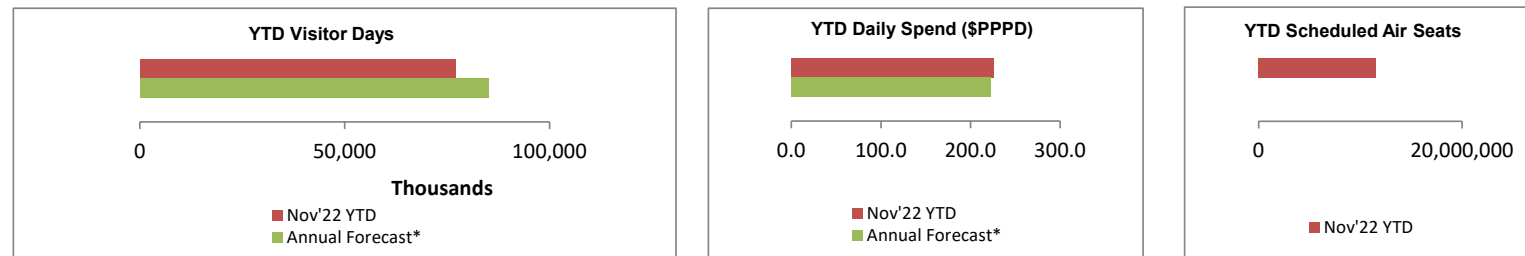
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio Mi flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **U.S. TOTAL**

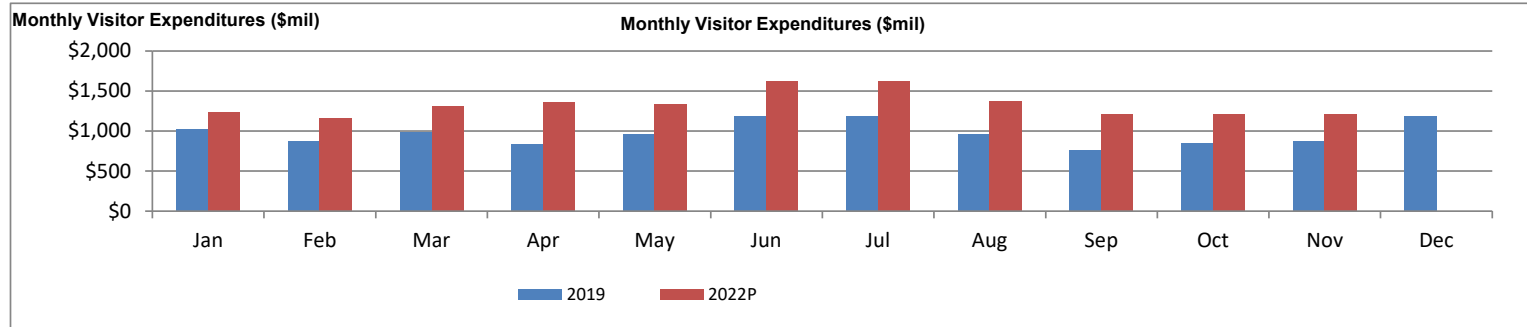
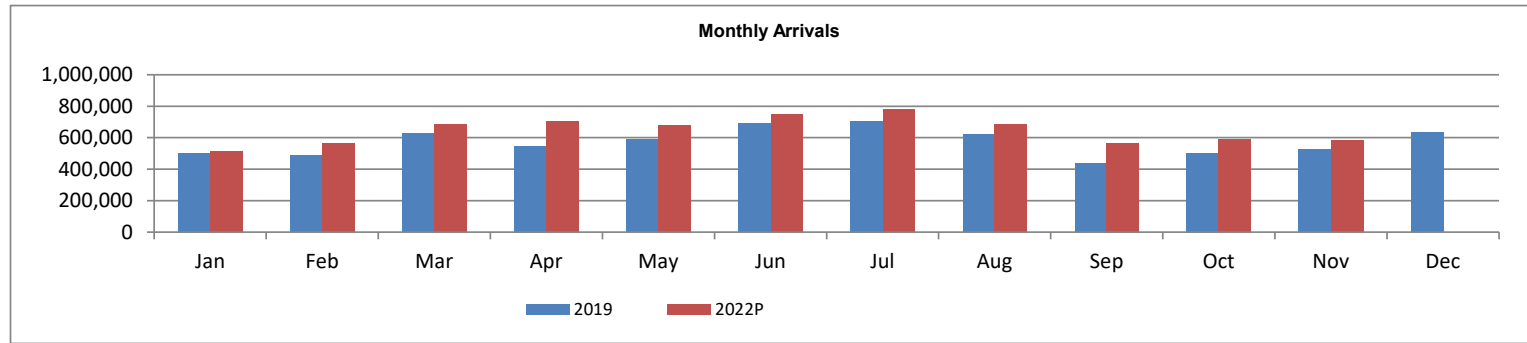
Key Performance Indicators

	YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↑ 40.2%	10,450.3	14,648.2	16,236.3	O'ahu	15.6%	3,487,625
Daily Spend (\$PPPD)	↑ 22.6%	187.7	230.1	227.9	Maui	3.5%	2,306,886
Visitor Days	↑ 14.4%	55,670,793	63,669,520	71,234,186	Moloka'i	-16.8%	31,693
Arrivals	↑ 13.6%	6,237,962	7,084,067	7,850,503	Lāna'i	-5.3%	51,218
Daily Census	↑ 14.4%	166,679	190,627	195,162	Kaua'i	6.7%	1,101,910
Airlift (scheduled seats) [^]	↑ 14.4%	8,848,529	10,122,982	11,116,554	Hawai'i Island	17.2%	1,317,153

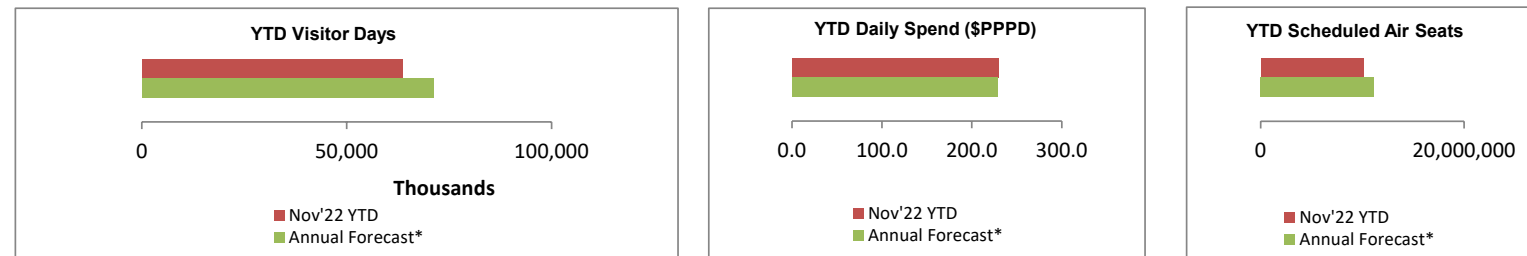
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio Mi flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **U.S. WEST**

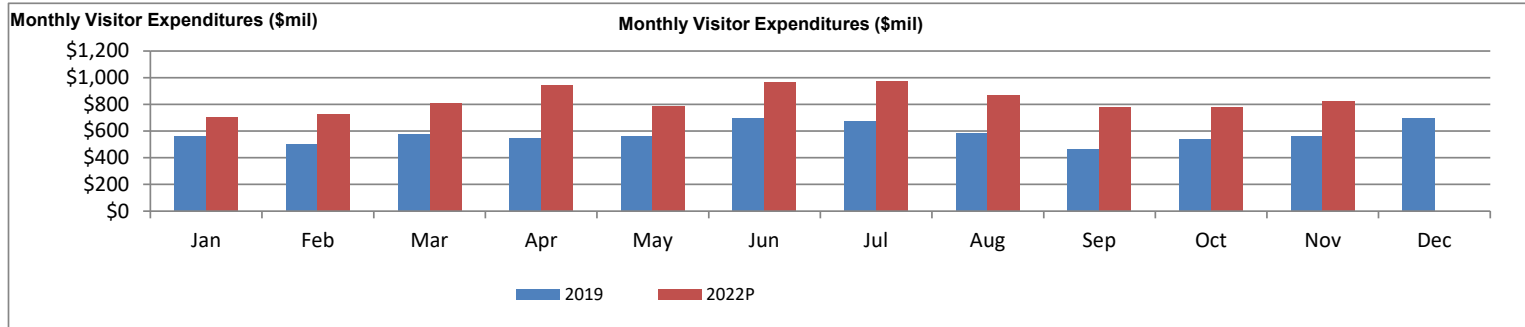
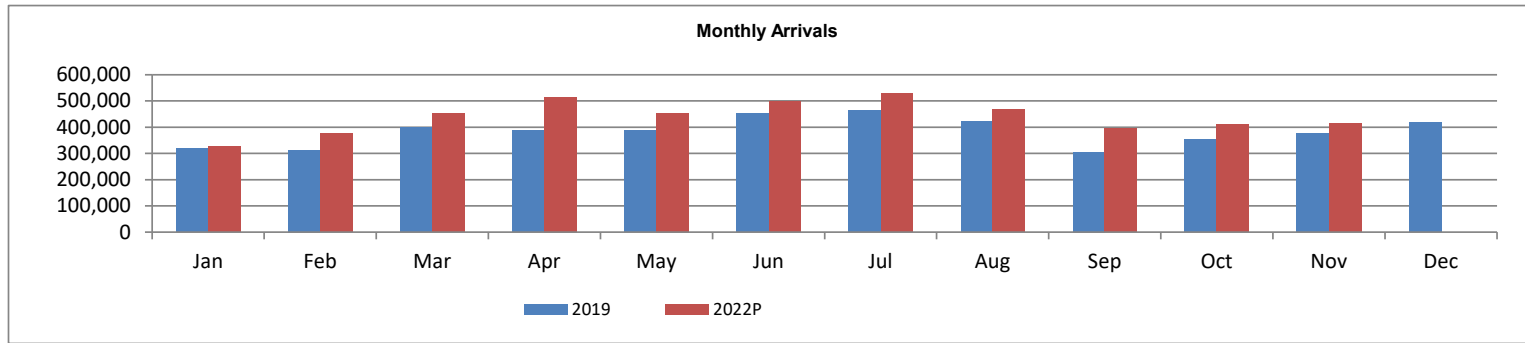
Key Performance Indicators

	YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↑ 46.2%	6,254.4	9,142.9	9,946.1	O'ahu	21.5%	2,213,160
Daily Spend (\$PPPD)	↑ 26.3%	174.3	220.1	216.5	Maui	3.4%	1,523,389
Visitor Days	↑ 15.7%	35,881,849	41,532,141	45,934,614	Moloka'i	-12.8%	20,066
Arrivals	↑ 15.9%	4,176,799	4,839,220	5,312,878	Lāna'i	1.1%	28,907
Daily Census	↑ 15.7%	107,431	124,348	125,848	Kaua'i	11.5%	741,422
Airlift (scheduled seats) [^]	↑ 15.5%	7,783,245	8,990,091	9,849,899	Hawai'i Island	20.0%	847,585

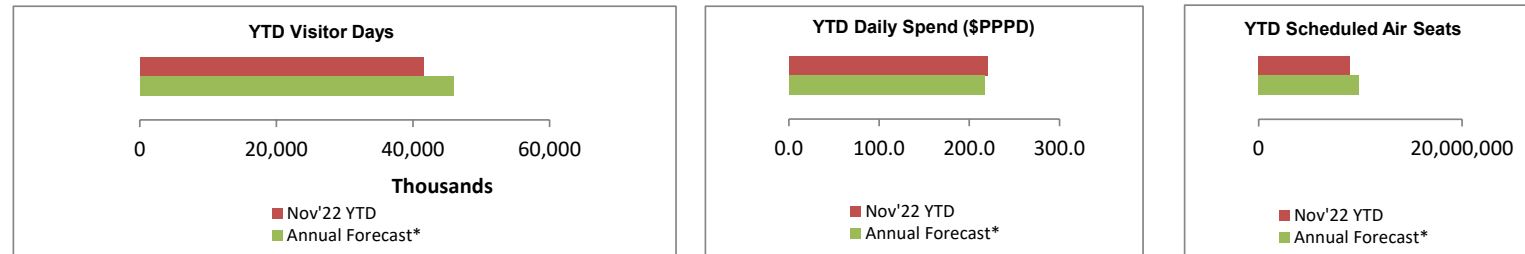
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio Mi flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **U.S. EAST**

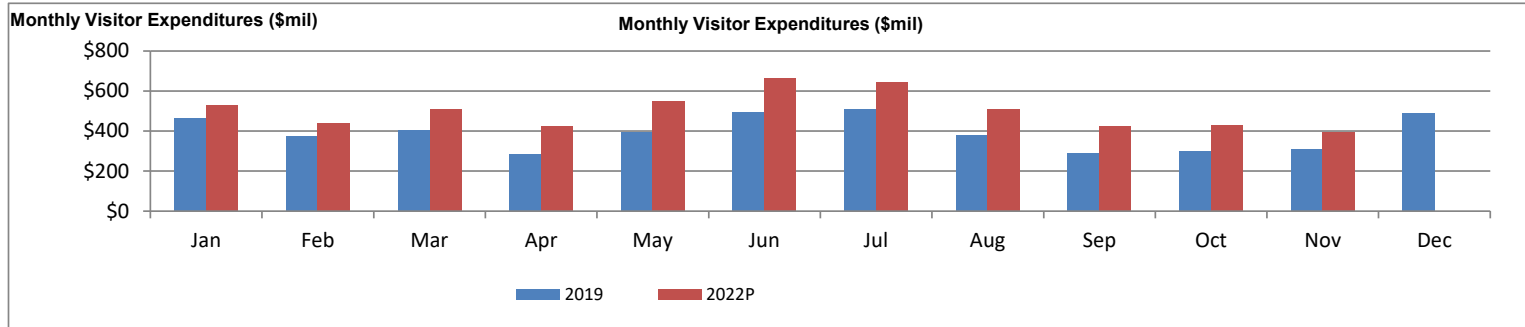
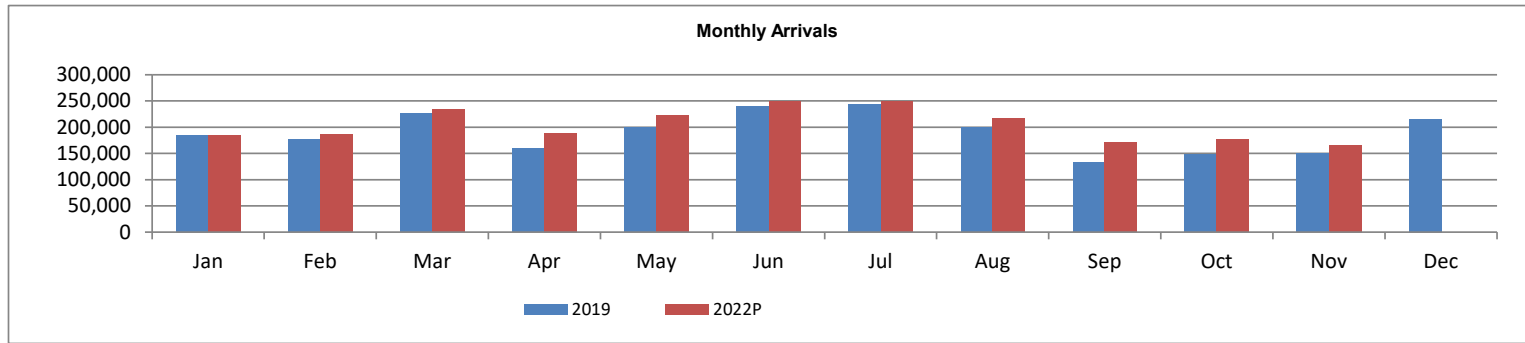
Key Performance Indicators

	YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↑ 31.2%	4,195.9	5,505.2	6,290.2	O'ahu	6.5%	1,274,465
Daily Spend (\$PPPD)	↑ 17.3%	212.0	248.7	248.6	Maui	3.8%	783,497
Visitor Days	↑ 11.9%	19,788,945	22,137,378	25,299,572	Moloka'i	-22.9%	11,626
Arrivals	↔ 8.9%	2,061,163	2,244,847	2,537,626	Lāna'i	-12.4%	22,311
Daily Census	↑ 11.9%	59,248	66,280	69,314	Kaua'i	-1.9%	360,488
Airlift (scheduled seats) [^]	↔ 6.3%	1,065,284	1,132,891	1,266,655	Hawai'i Island	12.5%	469,569

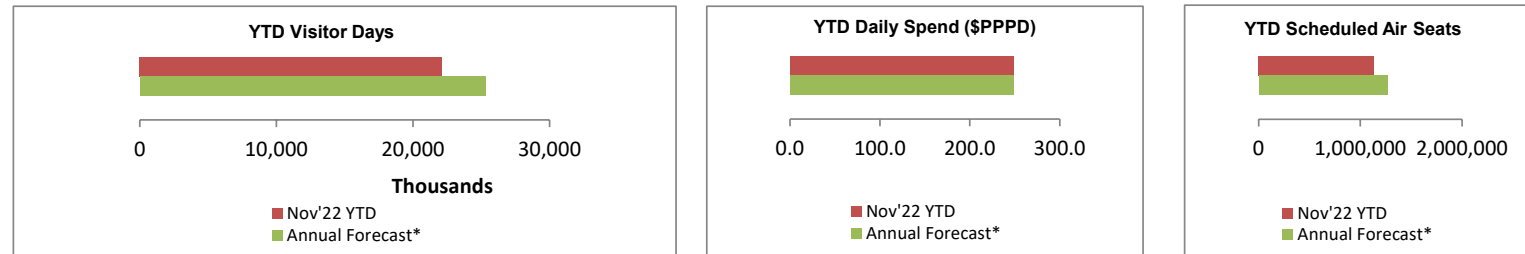
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio Mi flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **JAPAN**

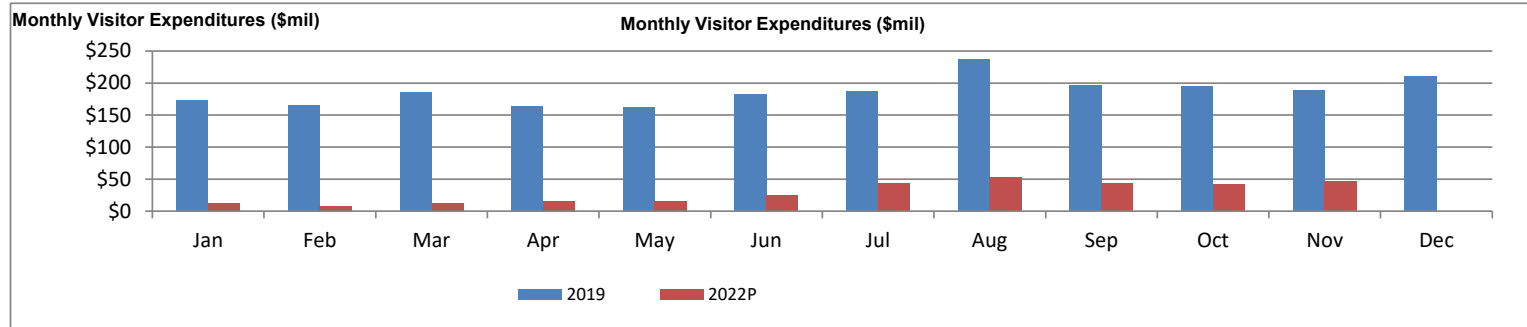
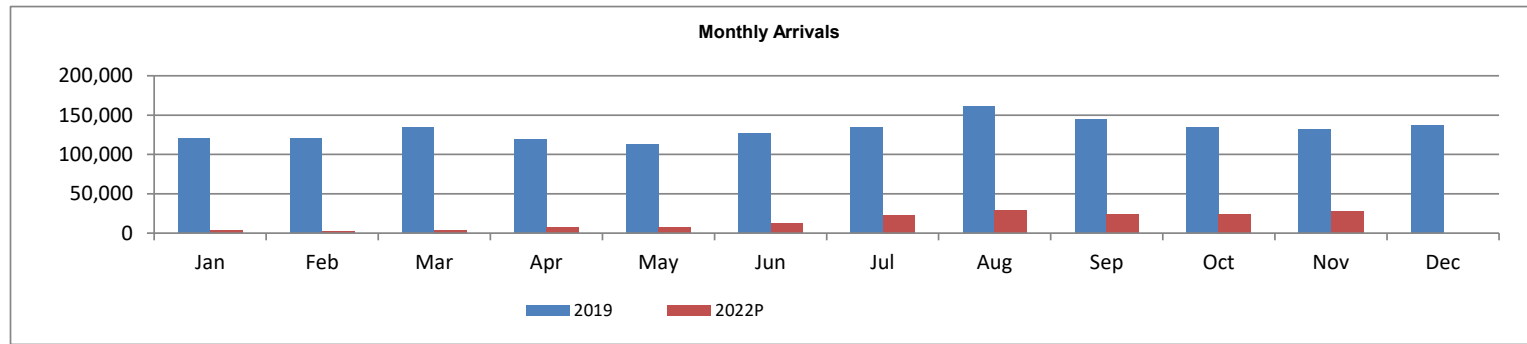
Key Performance Indicators

	YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↓ -84.6%	2,037.4	313.5	468.1	O'ahu	-88.4%	157,856
Daily Spend (\$PPPD)	↓ -3.1%	239.8	232.3	231.2	Maui	-89.7%	4,519
Visitor Days	↓ -84.1%	8,495,564	1,349,393	2,024,134	Moloka'i	-92.7%	122
Arrivals	↓ -88.7%	1,439,570	162,772	209,890	Lāna'i	-85.5%	294
Daily Census	↓ -84.1%	25,436	4,040	5,546	Kaua'i	-89.1%	2,540
Airlift (scheduled seats) [^]	↓ -78.1%	1,825,761	400,133	481,092	Hawai'i Island	-91.5%	13,133

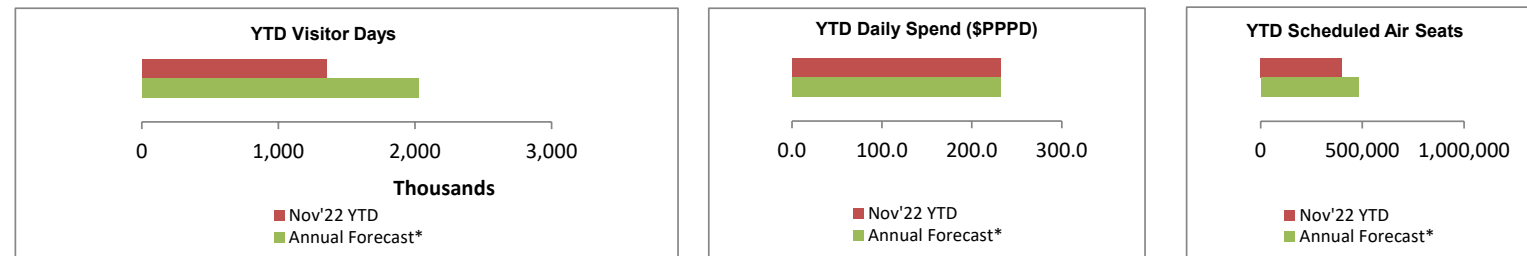
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio MI flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **CANADA**

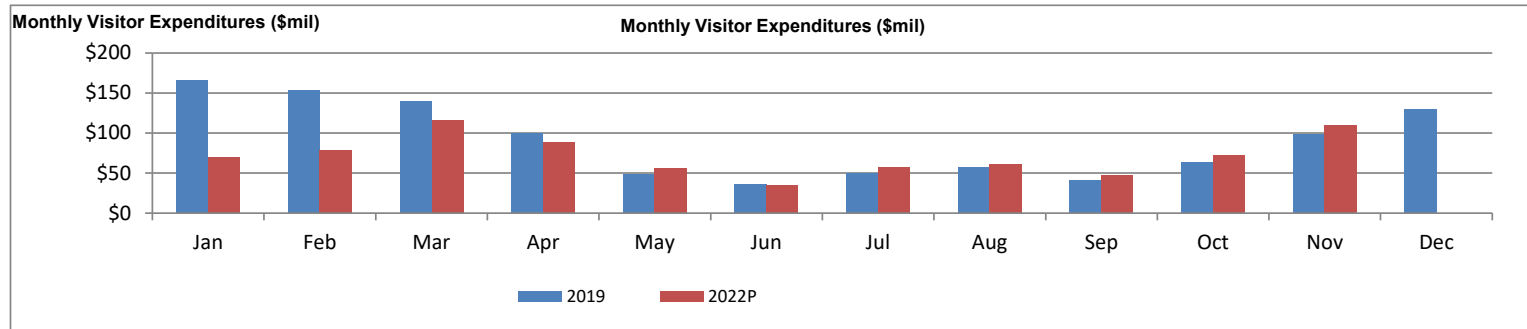
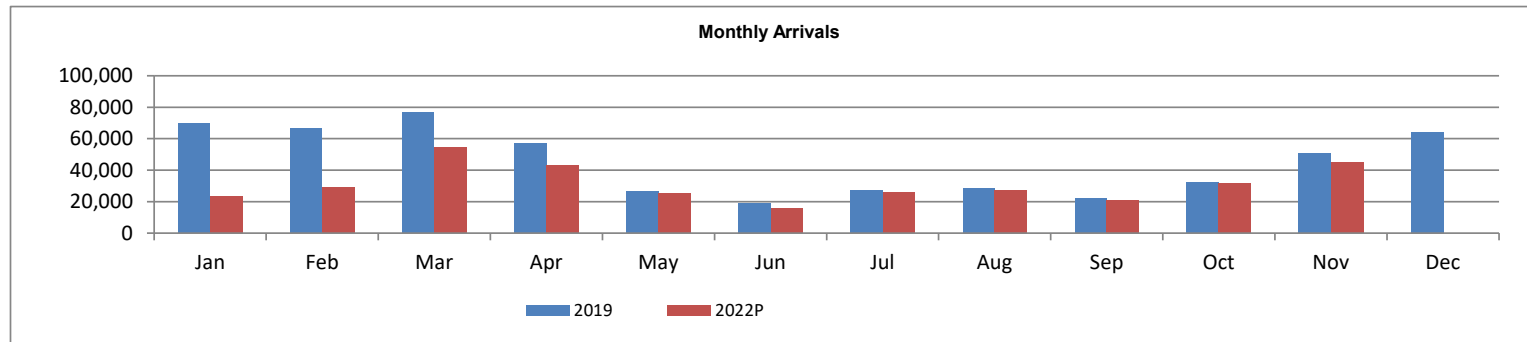
Key Performance Indicators

	YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↓ -16.8%	951.9	792.0	876.2	O'ahu	-19.6%	161,903
Daily Spend (\$PPPD)	↑ 13.3%	165.9	187.9	182.4	Maui	-31.3%	168,484
Visitor Days	↓ -26.6%	5,739,597	4,214,623	4,802,897	Moloka'i	-57.8%	1,715
Arrivals	↓ -28.2%	475,922	341,508	379,885	Lāna'i	-24.7%	3,907
Daily Census	↓ -26.6%	17,184	12,619	13,159	Kaua'i	-45.1%	37,281
Airlift (scheduled seats) [^]	↔ -0.2%	424,534	423,733	487,215	Hawai'i Island	-34.3%	55,590

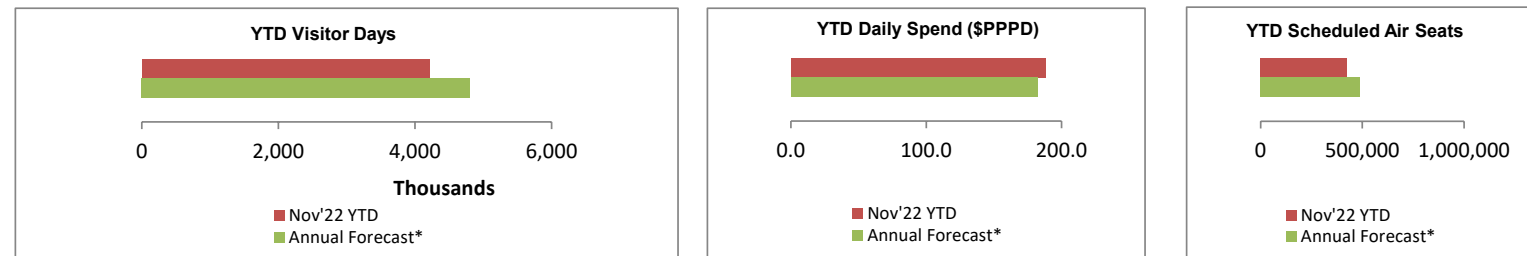
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio MI flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **OCEANIA**

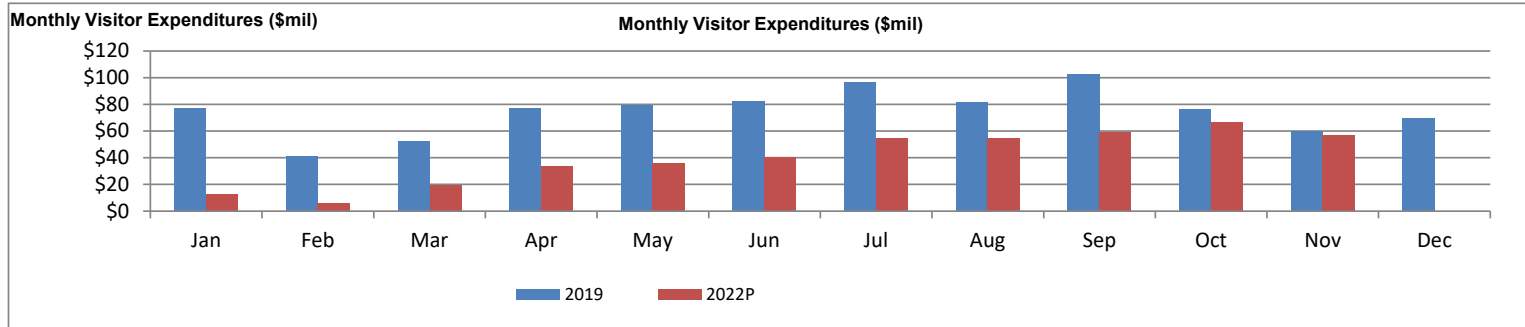
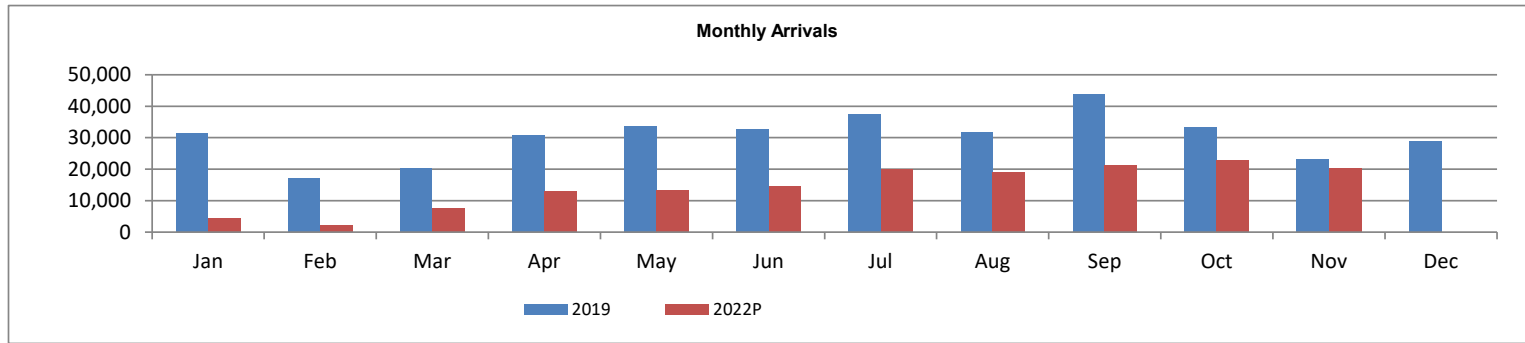
Key Performance Indicators

	YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↓ -46.7%	825.5	440.0	409.2	O'ahu	-52.9%	154,549
Daily Spend (\$PPPD)	↔ 8.6%	263.1	285.6	277.9	Maui	-61.3%	22,098
Visitor Days	↓ -50.9%	3,138,095	1,540,953	1,472,261	Moloka'i	-77.0%	1,063
Arrivals	↓ -52.7%	334,768	158,355	150,711	Lāna'i	-75.8%	1,451
Daily Census	↓ -50.9%	9,395	4,614	4,034	Kaua'i	-69.1%	9,352
Airlift (scheduled seats) [^]	↓ -52.6%	454,327	215,195	244,830	Hawai'i Island	-64.1%	15,510

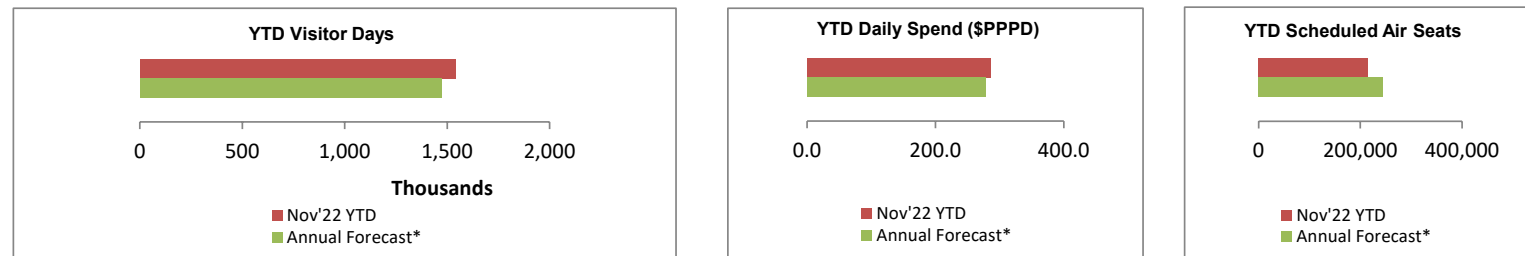
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio Mi flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **OTHER ASIA**

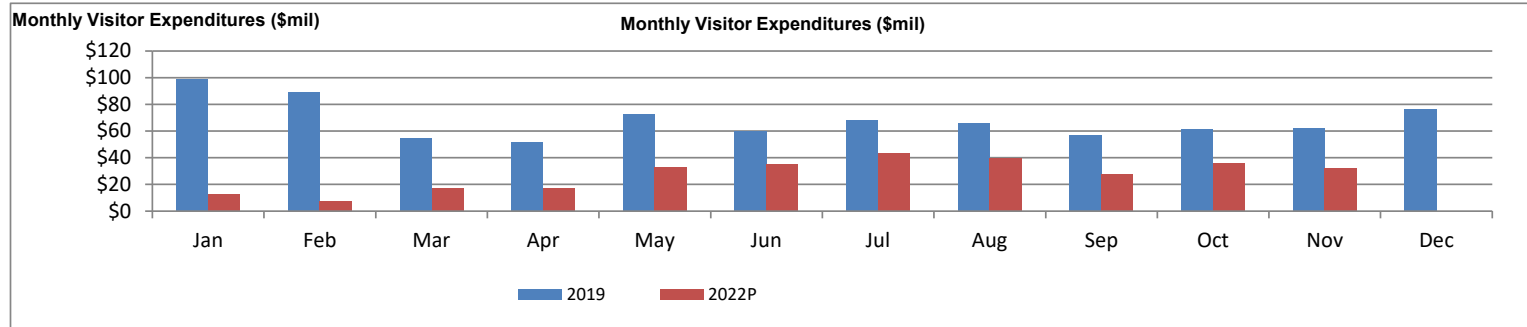
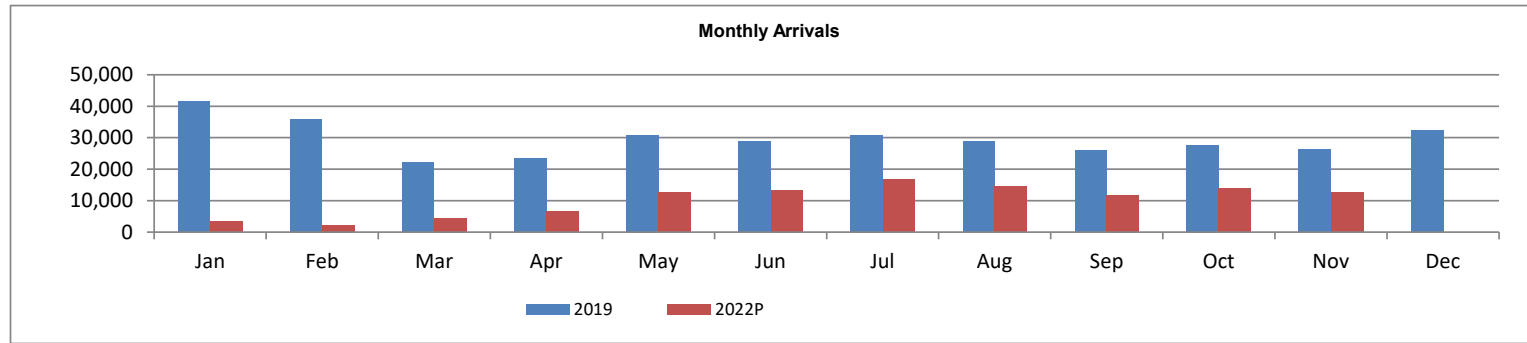
Key Performance Indicators

	YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↓ -59.5%	740.7	300.1	N/A	O'ahu	-66.2%	106,189
Daily Spend (\$PPPD)	↔ 3.3%	292.2	301.8	N/A	Maui	-74.6%	12,740
Visitor Days	↓ -60.8%	2,534,758	994,437	N/A	Moloka'i	-85.4%	229
Arrivals	↓ -65.2%	322,283	112,002	N/A	Lāna'i	-77.5%	331
Daily Census	↓ -60.8%	7,589	2,977	N/A	Kaua'i	-67.4%	3,646
Airlift (scheduled seats) [^]	↓ -56.6%	442,387	192,185	217,245	Hawai'i Island	-72.6%	16,995

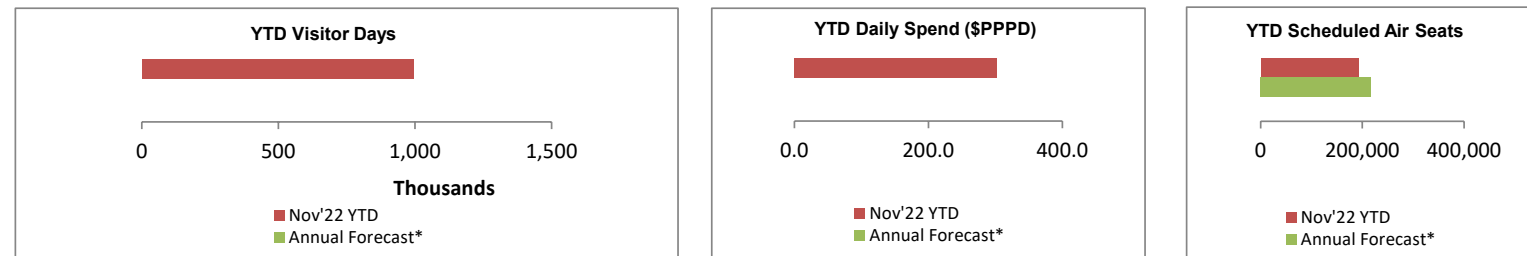
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio Mi flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **KOREA**

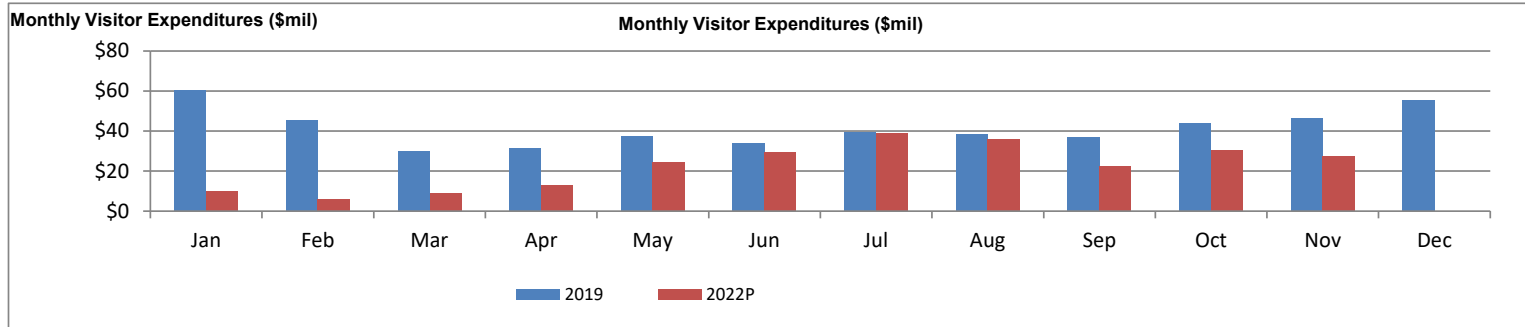
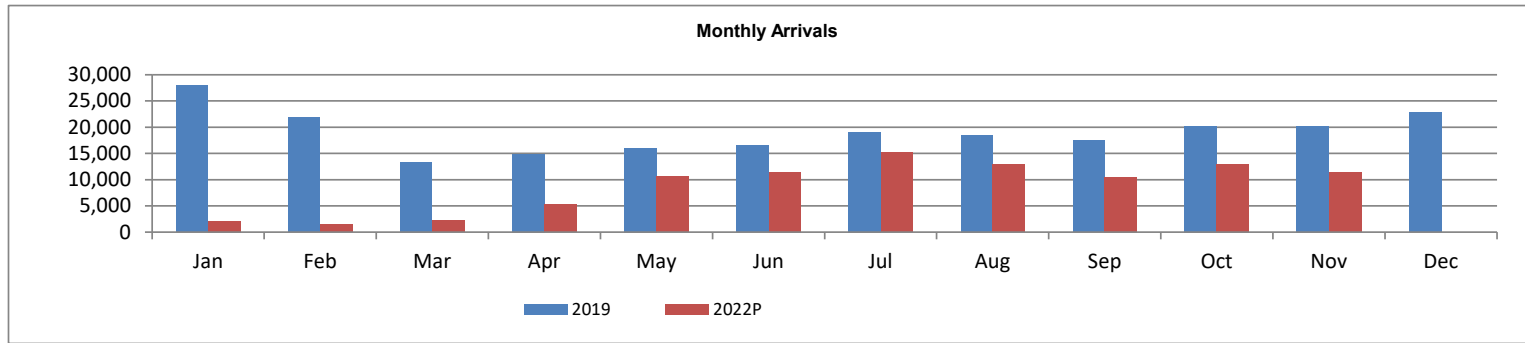
Key Performance Indicators

	YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↓ -44.3%	442.6	246.4	252.0	O'ahu	-53.6%	94,256
Daily Spend (\$PPPD)	↔ 3.8%	279.8	290.3	288.7	Maui	-65.3%	9,322
Visitor Days	↓ -46.3%	1,581,944	848,916	872,630	Moloka'i	-85.7%	115
Arrivals	↓ -53.3%	206,223	96,260	94,014	Lāna'i	-67.5%	162
Daily Census	↓ -46.3%	4,736	2,542	2,391	Kaua'i	-64.0%	2,241
Airlift (scheduled seats) [^]	↓ -35.2%	296,706	192,185	217,245	Hawai'i Island	-44.1%	12,951

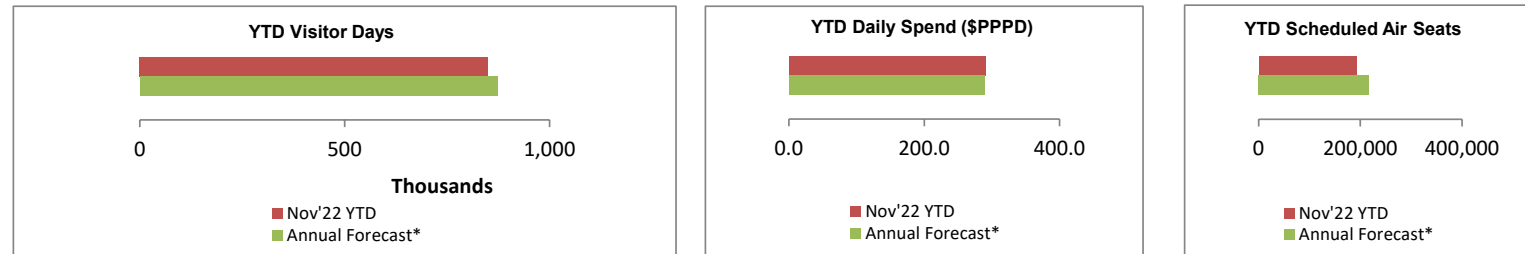
* DBEDT Annual Forecast as of Q3 2022.

[^] HTA/DBEDT READ analysis based on scheduled seats from Diio MI flight schedules as of December 22, 2022, subject to change.

Monthly Indicators



Annual Indicators



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HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **CHINA**

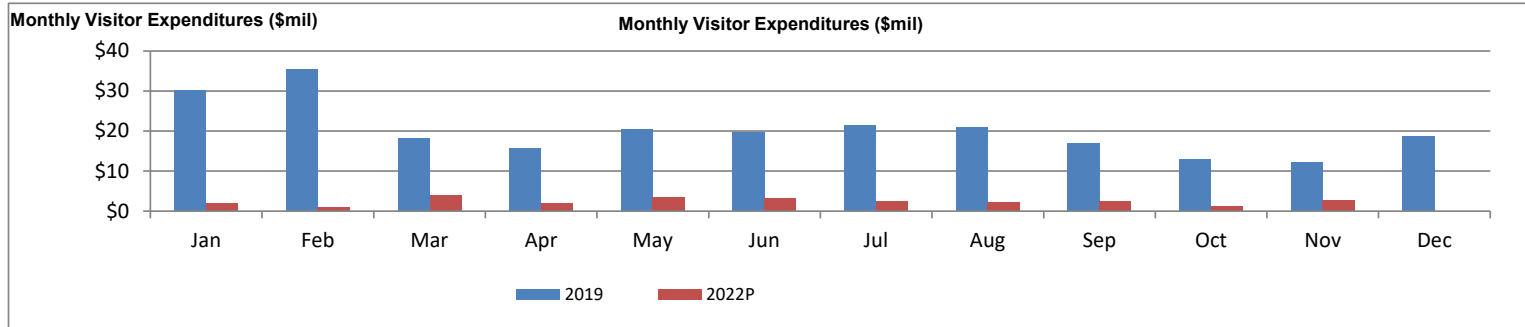
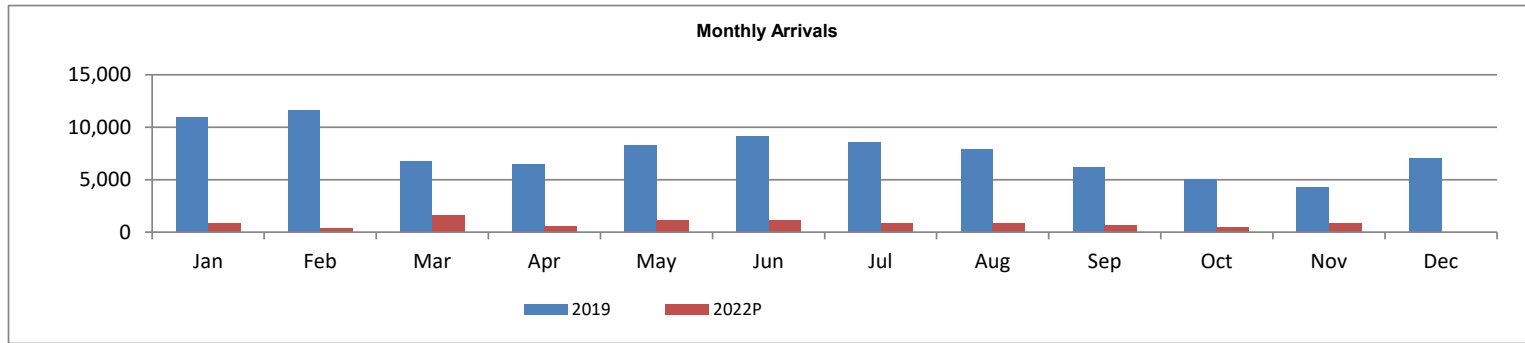
Key Performance Indicators

	YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↓ -88.1%	224.2	26.7	N/A	O'ahu	-90.9%	7,495
Daily Spend (\$PPPD)	↔ 4.2%	330.3	344.0	N/A	Maui	-89.8%	1,821
Visitor Days	↓ -88.6%	678,665	77,529	N/A	Moloka'i	-89.5%	68
Arrivals	↓ -89.3%	85,102	9,143	N/A	Lāna'i	-88.8%	90
Daily Census	↓ -88.6%	2,032	232	N/A	Kaua'i	-83.6%	563
Airlift (scheduled seats) [^]	N/A	N/A	N/A	N/A	Hawai'i Island	-91.7%	2,616

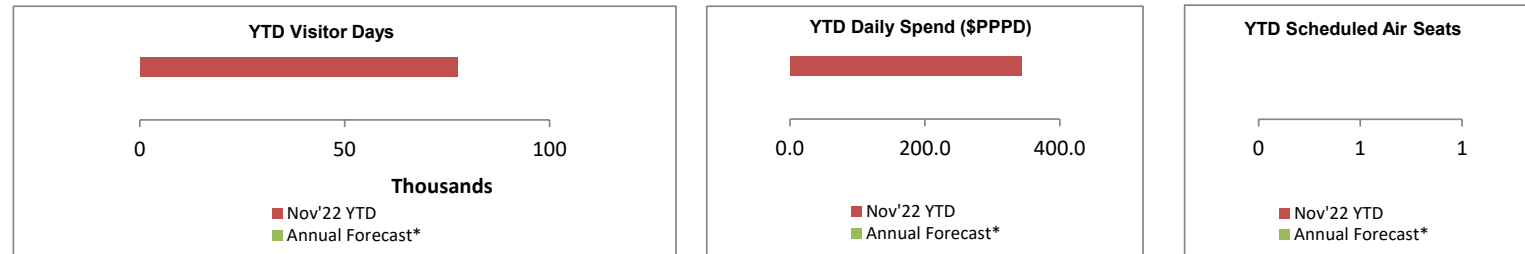
* DBEDT Annual Forecast as of Q3 2022.

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Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **EUROPE**

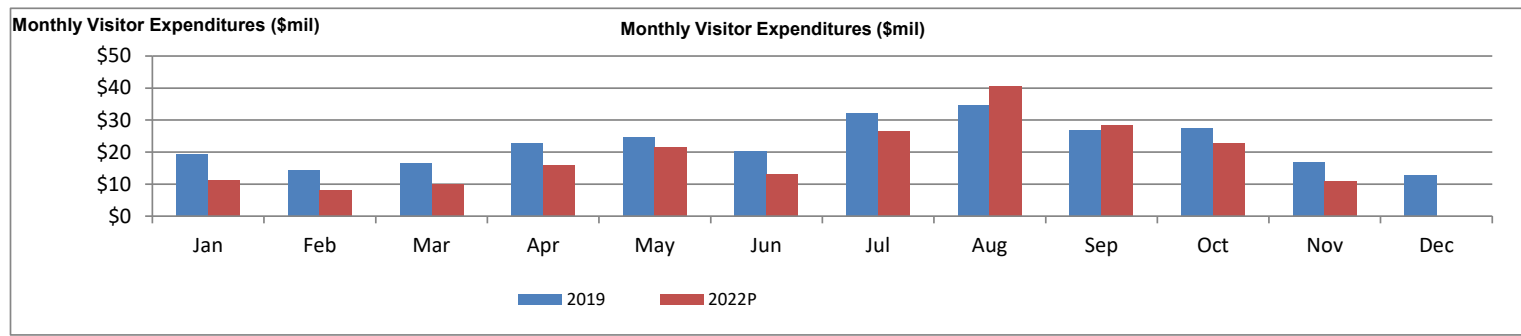
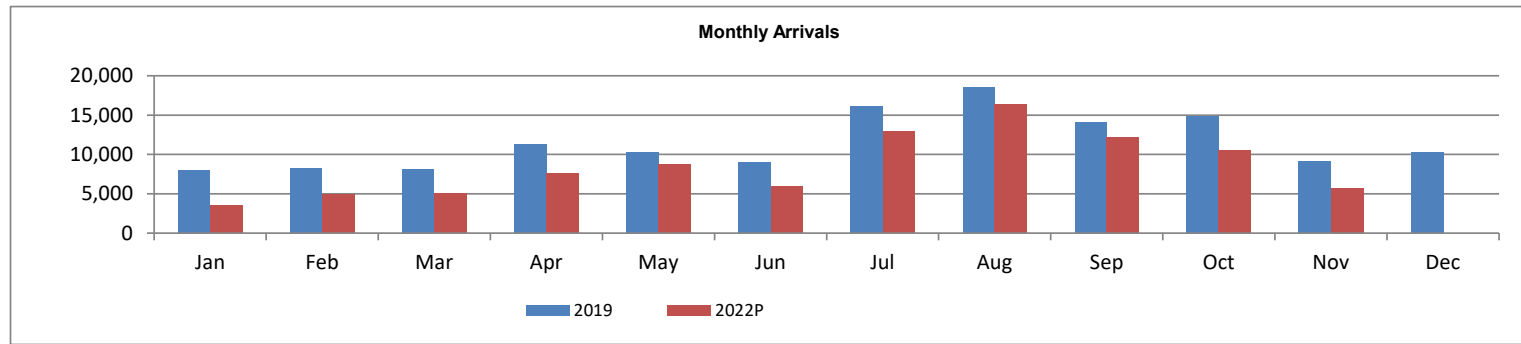
Key Performance Indicators

	YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↓ -18.1%	255.5	209.2	185.4	O'ahu	-30.4%	65,745
Daily Spend (\$PPPD)	↔ 3.6%	155.6	161.2	156.2	Maui	-30.7%	39,225
Visitor Days	↓ -20.9%	1,641,197	1,297,735	1,186,896	Moloka'i	-14.0%	1,394
Arrivals	↓ -26.7%	127,656	93,523	84,710	Lāna'i	-25.5%	1,168
Daily Census	↓ -20.9%	4,914	3,885	3,252	Kaua'i	-31.0%	22,609
Airlift (scheduled seats) [^]	N/A	N/A	N/A	N/A	Hawai'i Island	-17.9%	33,277

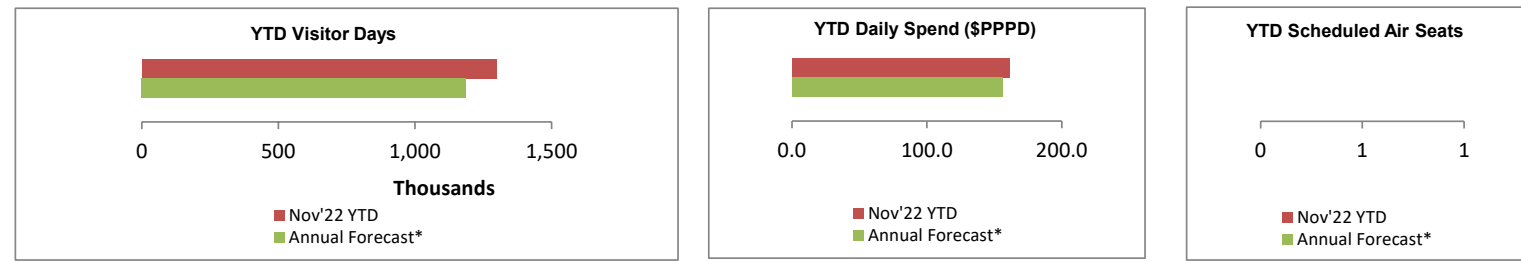
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Monthly Indicators



Annual Indicators



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HTA Key Performance Indicators Dashboard

Hawai'i Tourism Authority Report Date: **Nov-22** Preliminary

Visitor Industry Performance Measures

Market: **LATIN AMERICA**

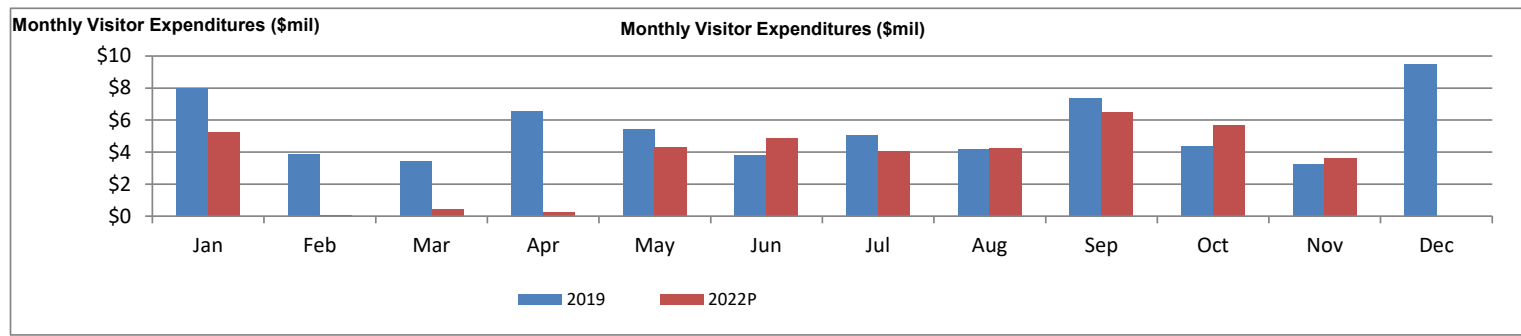
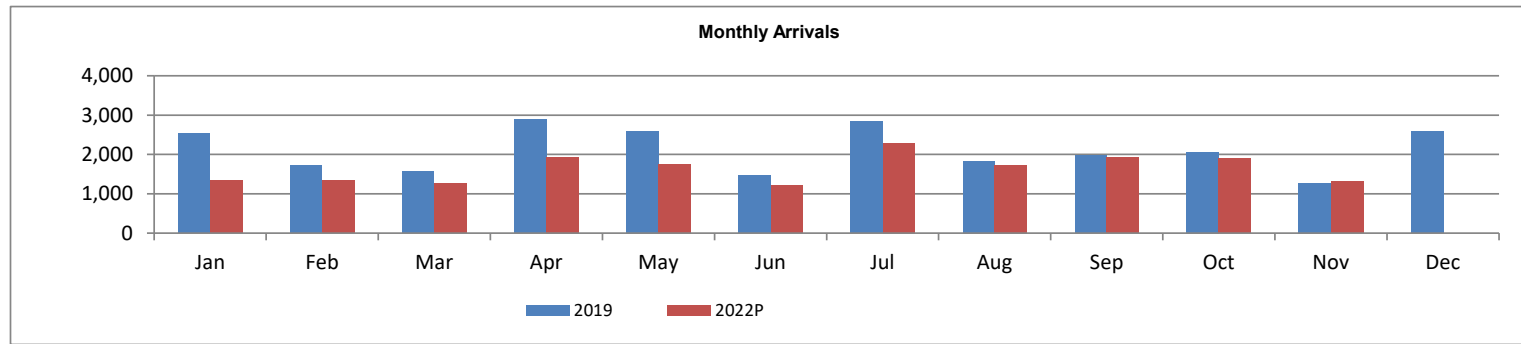
Key Performance Indicators

	YOY Rate	Nov'19 YTD	Nov'22 YTD	Annual Forecast*	Arrivals	YOY Rate	YTD
Visitor Spending (\$mil)	↓ -29.3%	55.2	39.1	N/A	O'ahu	-28.4%	12,218
Daily Spend (\$PPPD)	↓ -13.9%	230.0	198.1	N/A	Maui	-25.8%	5,927
Visitor Days	↓ -17.9%	240,129	197,224	N/A	Moloka'i	-55.8%	121
Arrivals	↓ -20.9%	22,756	17,997	N/A	Lāna'i	-67.1%	171
Daily Census	↓ -17.9%	719	590	N/A	Kaua'i	-37.4%	1,879
Airlift (scheduled seats) [^]	N/A	N/A	N/A	N/A	Hawai'i Island	-17.1%	4,196

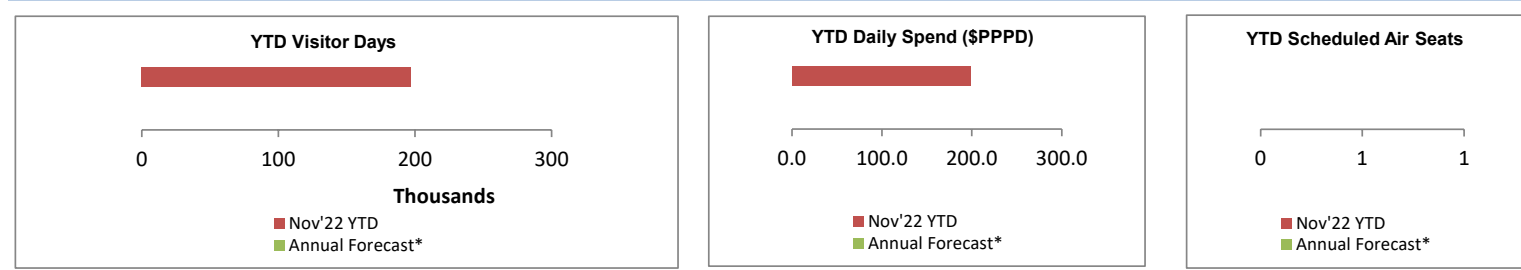
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Monthly Indicators



Annual Indicators



* Excludes Supplemental Business Expenditures

9

Report and Update by the
**Ho‘okahua Hawai‘i Standing Committee of their
Meeting held on January 17, 2023**

9a

Presentation, Discussion and Action on the
Recommendation by the **Ho'okahua Hawaii**
Standing Committee Regarding
Implementation of Aina Aloha Economic
Futures Principles in the Work of the HTA

Hawai'i Tourism Authority Adopts 'Āina Aloha Declaration



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kahua pa'a web hawaiiitourismauthority.org

David Y. Ige
Governor

Chris Tatum
President and Chief Executive Officer

For Immediate Release: June 26, 2020
HTA Release (20-103)

Hawai'i Tourism Authority Adopts 'Āina Aloha Declaration

HONOLULU – The Hawai'i Tourism Authority's (HTA) Board of Directors adopted the ['Āina Aloha Economic Futures](#) declaration during its board meeting yesterday.

HTA now joins thousands of Hawai'i community members, businesses and organizations as 'Āina Aloha takes action to bring to life a resilient economy through their core value of 'āina aloha – a deep and abiding love for Hawai'i's communities and natural environments.

'Āina Aloha's declaration was drafted by a group of Native Hawaiian community members who came together at the start of the COVID-19 pandemic. Kalani Ka'anā'anā, HTA's Director of Hawaiian Cultural Affairs & Natural Resources, is one of the 14 collaborative authors of the 'Āina Aloha declaration.

According to the group, "this declaration served as a starting point to facilitate broader engagement and collective action in support of our shared principles and was sent to Gov. David Ige on 5/19/2020."

Mahina Paishon-Duarte and Nā'ālehu Anthony presented 'Āina Aloha's guiding principles and four-step community engagement process to the HTA board members and staff, and explained about the importance of having Native Hawaiian voices, values and experiences influence Hawai'i's economic recovery.

'Āina Aloha's core value is in line with HTA's guiding pillars, which include supporting programs that perpetuate the Hawaiian culture, preserving Hawai'i's natural resources, strengthening the community and brand marketing.

"The board's actions today affirm our commitment to our HTA pillars. It's a recognition of our alignment with the community's desire to shape our economy and the tourism sector in a more resilient and sustainable way," said Ka'anā'anā.

###

About the Hawai'i Tourism Authority

The [Hawai'i Tourism Authority](#) is the State of Hawai'i agency responsible for strategically managing its support of the tourism industry. Established in 1998 to support Hawai'i's leading industry and largest employer, HTA continually strives to help ensure tourism's sustainability and the benefits it brings to residents and communities statewide. Follow updates about HTA on [Facebook](#), [Instagram](#), and [Twitter](#) (@HawaiiHTA).

For more information, contact:

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Āina Aloha Economic Futures – Declaration



'Āina Aloha Economic Futures Declaration

This declaration was drafted by a group of Native Hawaiian community members who came together organically after separate discussions brought forth common sentiments regarding the need to have Native Hawaiian voices, values, and experiences influence the economic recovery for our 'āina aloha. The signatories listed reflect the interconnected and overlapping roles that individuals, 'ohana, organizations, coalitions, and networks play in our communities. This declaration served as a *starting point* to facilitate broader engagement and collective action in support of our shared principles and was sent to Gov. David Ige on 5/19/2020.

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A Call for Unity

Every crisis opens a course to opportunity. Some of the world's greatest accomplishments were born from adversity by those who were inherently equipped with vision and resolve. The COVID-19 pandemic will leave a saga of sorrow, loss and frustration with an equal and overwhelming amount of sacrifice, heroism and victory. This "new normal" has thrust us into what our kūpuna Hawai'i would call a huliau, or a turning point and time of change, for all of us who call Hawai'i home.

While we are reeling from this visceral reminder of how vulnerable we are to external impacts on our 'āina aloha, or beloved homeland, our history as a resilient people is undeniable. The Native Hawaiian community in particular is one that for centuries has fought to overcome obstacles that all of us here in Hawai'i are now faced with. Whether rebounding from infectious disease that decimated our population or successfully advocating for equitable remedies from government systems, these challenges are today ones that we confront as a collective.

Now perhaps more than ever, the ancestral values that guided us through these challenges and numerous others provide a pivotal leverage point for all of us as we set a course towards a stronger, sustainable Hawai'i and seize this opportunity for [huliau](#).

Guiding Principles:

- **'Āina Aloha:** We are of and from this 'āina that ultimately sustains us. We employ strategies for economic development that place our kuleana to steward precious, limited resources in a manner that ensures our long-term horizon as a viable island people and place.
- **'Ōpū Ali'i:** Our leaders understand that their privilege to lead is directly dependent on those they serve. From the most vulnerable to the most privileged, we seek to regenerate an abundance that provides for everyone. Decision makers understand and embrace their duty and accountability to Community. Our social, economic and government systems engage and respond to a collective voice in integrative ways to balance power and benefit.
- **'Imi 'Oi Kelakela:** We are driven by creativity and innovation, constantly challenging the status quo. We are mindful and observant of needs, trends and opportunities and seek new knowledge and development opportunities in ways that enhance our way of life without jeopardizing our

foundation of 'āina aloha.

- **Ho'okipa:** We are inclusive and embrace the collective that will call Hawai'i home, grounded in the fundamental understanding that it is our kuleana to control and manage our resources in a way that allows us to fulfill our role as hosts here in our 'āina aloha.

Future Directions

These principles will calibrate our course not only to recovery but rediscovery of our potential as a unique people and place. Over the past five decades, we have seen local, national and international models of social, educational, agricultural and economic resiliency emerge from our Hawaiian community. This is due in no small part to a grounding in these foundational values. We have been here for millennia and will be for many more. There is nowhere else we could or would choose to be. We are committed to this kuleana of 'āina aloha and ensuring the sustainability of this place and those who choose to make it home.

As we seek to engage at decision making tables, adding value and insight to Hawai'i's economic path forward post COVID-19, we implore and invite you to [support](#) and engage with us. From healthcare, education and digital innovation to food security, tourism, and affordable housing strategies, we are mākaukau for this imminent huliau!

Collaborative Authors ^[1]

Amy Kalili
 Davis Price
 Ikaika Hussey
 Joseph Lapilio
 Kalani Ka'anā'anā
 Kamana Beamer, Ph.D.
 Kēhaunani Abad, Ph.D.
 Keoni Lee
 Lanakila Mangauil
 Mahinapoepoe Paishon-Duarte
 Nā'ālehu Anthony
 Noe Noe Wong-Wilson, Ph.D.
 Ryan Gonzalez
 Ulalia Woodside

[1] This declaration was drafted by a group of Native Hawaiian community members who came together organically after separate discussions brought forth common sentiments regarding the need to have Native Hawaiian voices, values, and experiences influence the economic recovery for our 'āina aloha. The signatories listed reflect the interconnected and overlapping roles that individuals, 'ohana, organizations, coalitions, and networks play in our communities. This working document serves as a starting point to facilitate broader engagement and collective action in support of our shared principles.

Āina Aloha Economic Futures – Huliau Action Agenda

Step 1 : Declare core values

Introduce core values that will guide our work in building a regenerative and resilient economy.

Step 2: Set an Action Agenda

Develop a framework of actionable goals that will guide community proposals

Step 3: Develop Proposals

Gather and prioritize a community-driven set of proposals.

Step 4: Move forward

Join with others and together forward shared proposals.

6/9/20 UPDATE

The [Huliau Action Agenda](#) cascades from the 'Āina Aloha Economic Futures [Declaration](#) principles and offers a high-level framework that will guide [Step 3](#) involving the development of a [rubric](#) (a [decision making tool](#) that policy makers, businesses, organizations, and community members can use in resourcing and planning for Hawai'i's economic future) and specific proposals. In May 2020, the community was encouraged to review the draft Huliau Action Agenda and provided input to improve it. [Hundreds of suggestions and comments](#) from the community were received and incorporated into this version of the [action agenda](#).

Huliau Action Agenda

[View & sign on in support](#)

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Sign On in Support

Join thousands of Hawai'i community members, businesses, and organizations as we engage in a 4-step process of taking action to bring to life a resilient economy through our core value of 'āina aloha—a deep and abiding love for Hawai'i's communities and natural environments.

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[ainaalohafutures.com](https://www.ainaalohafutures.com) Community voices empowered by community action



[Media inquiries /contact](#)



Huliau Action Agenda

In this time of huluhia, where long-standing systems are overturned and our vulnerabilities are laid bare, we have a rare opportunity to shift mindsets and forward plans for a stronger and more sustainable Hawai'i founded on 'āina aloha—a deep and abiding love for Hawai'i's communities and natural environments. Central to this effort is the ability of our community to determine the direction of our huliau, our turning point towards positive transformation.

Below is a high-level framework of community-defined actionable goals intended to guide the development and prioritization of more specific proposals:

'Āina Aloha¹

We affirm that Native Hawaiian culture and perspectives are strengths in rebuilding a **resilient Hawai'i**, and we seek to:

1. Place as a top priority the well-being of our 'āina, water sources, oceans, skies, and the biodiversity integral to these, recognizing the long held understanding that the 'āina is our ali'i, and we are its servants.
2. Exercise the traditional and cultural rights of 'Ōiwi Hawai'i and place 'ike kūpuna as a foundation upon which we determine our actions.
3. Empower in decision making circles those whose life work embodies the wisdom of the first and highly successful stewards of Hawai'i, especially when such decisions affect our natural environment and the cultural practices that take place in its embrace.

¹ We are of and from this 'āina that ultimately sustains us. We employ strategies for economic development that place our kuleana to steward precious, limited resources in a manner that ensures our long-term horizon as a viable island people and place.

4. Assert collective kuleana to restore degraded environments, sustainably manage human-occupied spaces, and protect the vibrancy of intact ecosystems.
5. Recognize, as is occurring worldwide, that Indigenous perspectives, insights, and genealogical connections to place are essential to ensuring environmental vibrancy and community cohesion.
6. Address historical and current injustices against 'Ōiwi Hawai'i, including water rights and issues related to historical hoā'āina or land tenant rights.
7. Honor the fact that 'Ōiwi Hawai'i are a living, evolving people whose well-being is central to Hawai'i's continued vitality and that collective well-being is intrinsically tied to the health and well-being of our 'āina.
8. Recognize that climate change is creating a future with new challenges and difficulties, requiring the development of solutions grounded in principles of resiliency, sustainability, and the Hawaiian concept of 'āina aloha, or beloved homeland.

We embrace inclusivity as a foundational aspect of our culture in Hawai'i to:

1. Honor the roles of 'ōiwi, kama'āina, and newer residents alike, who have demonstrated our deep aloha for Hawai'i and its communities by fulfilling our kuleana of being strong contributors to Hawai'i's vitality for our communities today and for the generations to come.
2. Advance economic equity as well as social and political justice for all.
3. Support Hawai'i stakeholders who embody the values of 'āina aloha to be heard in discussions determining the future of Hawai'i.
4. Facilitate opportunities for those who may not yet have become integrated into Hawai'i's cultural milieu to experience and support the values of 'āina aloha.

‘Imi ‘Oi Kelakela²

We apply **innovation and creativity** to support the well-being of our islands and communities. We share principles, perspectives, and knowledge inherited from past generations of Hawai‘i that are useful to guide us into the future. We cannot depend on an economy that is unsustainable and degrades our natural and social environments. Instead, we will:

1. Create a strong, self-sustaining economy in Hawai‘i that:
 - a. Is resilient to worldwide economic downturns,
 - b. Embodies ‘āina aloha,
 - c. Rejects notions of consumerism and materialism to improve household viability and long-term environmental sustainability,
 - d. Strengthens our environments including, but not limited to, our reefs, oceans, streams, forests, air, soil, and endangered species so they are resilient to climate change,
 - e. Restores ‘āina that has been environmentally degraded by historic misuse and neglect,
 - f. Utilizes natural climate solutions,
 - g. Creates clean renewable energy,
 - h. Ensures our ability to be sustained by fertile lands and seas realized in increased local food production and food independence.
 - i. Promotes leadership and innovation to increase energy and food sustainability.
 - j. Seeks out successful models from around the world that can be applied in Hawai‘i.
2. Develop a circular economy as part of established global efforts to:
 - a. Decouple economic growth from environmental degradation,
 - b. Engage regenerative practices that design out waste,

² We are driven by creativity and innovation, constantly challenging the status quo. We are mindful and observant of needs, trends and opportunities and seek new knowledge and development opportunities in ways that enhance our way of life without jeopardizing our foundation of ‘āina aloha.

- c. Provide for meaningful work and livable wages, and
 - d. End the practices in the current economic system that have given rise to vast social and economic inequity.
3. Establish a housing market that prioritizes resident access to affordable homes and eliminate the incentives and structural barriers that place and price homes out of their reach.
 4. Invest in our youth, and those ready to expand their skills, to build their capacity to care for our islands and work towards community and environmental resilience.
 5. Cultivate partnerships with communities, the business sector, and the military aimed at nurturing the well-being of our islands and its people by restoring previously degraded environments and eliminating practices that would inflict further damage.
 6. Facilitate alternative energy projects that are planned with collaborating communities and that engender strong community support in the localities where they would be implemented.
 7. Engage technologies to improve access to healthcare, education, and government services, and enable a tele-workforce resulting in reduced traffic and carbon emissions and a better work-life balance for the tele-workforce.
 8. Measure the success of decisions, policies, programs, etc. by the health and well-being of natural environments and communities that are impacted by them.

Ho'okipa³

We recognize that ho'okipa (hospitality) requires that the mea ho'okipa (host) have access to adequate space, place, and resource to truly fulfill the role and function of ho'okipa. For the fullness of this **reciprocal relationship** between mea ho'okipa and malihini (visitor) to be realized, we must:

1. Ensure that we as a local community have the means to fulfill our kuleana to our 'āina and each other before fully assuming the kuleana of mea ho'okipa.
2. Hold malihini accountable within the reciprocal nature of the relationship established once they are here with us in Hawai'i. "Ho'okahi wale nō lā o ka malihini" expresses the fundamental concept that a visitor is "a stranger for only a day." After the first day, the malihini becomes a hoa kama'āina or familiar friend and should quickly assume a kuleana (responsibility) to Hawai'i's people and place.

To achieve the above, we envision a **regenerative** visitor economy that:

1. Forms community partnerships to ensure Native Hawaiian cultural integrity by:
 - a. Supporting Hawai'i's people and communities and their efforts to mālama 'āina (care for the land) and the cultural and natural resources of the 'āina, oceans, streams, and skies.
 - b. Strengthening relationships between place and people, kama'āina and malihini alike.
 - c. Engaging in collaborative efforts that provide visitors with genuine and meaningful experiences in Hawai'i.
 - d. Ensuring that kapu and environmentally sensitive contexts are protected from visitor traffic.

³ We are inclusive and embrace the collective that will call Hawai'i home, grounded in the fundamental understanding that it is our kuleana to control and manage our resources in a way that allows us to fulfill our roles here in our 'āina aloha.

- e. Positioning local business owners and entrepreneurs in the economic value chain to ensure more meaningful malihini-kama'āina engagement as well as economic benefit to local communities.
 - f. Acknowledging and, where appropriate, protecting Hawaiian cultural intellectual property, traditional knowledge, and traditional cultural expressions that contribute to Hawai'i's economy.
2. Employs Hawai'i residents and commits to building their capacity and offering them career ladders to ultimately increase the percentage of Hawai'i residents in management and leadership positions in the industry.
 3. Applies innovative financial, policy, as well as data collection and analysis mechanisms to incentivize and facilitate a shift to a regenerative visitor industry that has a smaller footprint (e.g., decreasing impacts to beaches, reefs, and ocean life) and that aims to sustain and improve the quality of life for Hawai'i residents (e.g., decreasing impacts of vacation rentals/B&Bs and rental cars).
 4. Targets markets that have a high probability of alignment with the goal of cultivating a regenerative visitor industry.
 5. Actively supports and encourages other emerging economic sectors to reduce the dependence on tourism to support Hawai'i's overall economic prosperity.

‘Ōpū Ali‘i⁴

We believe that government, business, and community leaders should strive to create **healthy and safe communities**, engaging in work that:

1. Supports ‘ohana and communities engaging in traditional Hawaiian cultural practices, including subsistence, gathering, and family farming.

⁴ Our leaders understand that their privilege to lead is directly dependent on those they serve. From the most vulnerable to the most privileged, we seek to regenerate an abundance that provides for everyone. Decision makers understand and embrace their duty and accountability to Community. Our social, economic and government systems engage and respond to a collective voice in integrative ways to balance power and benefit.

2. Provides access to beaches, forest areas, and other public lands for subsistence, gathering, cultural practices, and recreation, as mandated under the Hawai'i State Constitution.
3. Establishes or maintains safe and accessible parks and community gathering spaces.
4. Commits to and grows a regenerative, circular, and zero waste economy to preserve Hawai'i's natural environment and ensure a clean sustainable future for generations to come.
5. Safeguards gender equity, race equity, and women's, children's, and LGBTQ rights that are honored in policies and everyday practices across our society.
6. Protects the community from sex-trafficking, prostitution, abusive labor practices, and other similar injustices.
7. Establishes living equitable wages and a healthy work-life balance.
8. Strives for a relatively stable cost of living in Hawai'i.
9. Provides comprehensive quality universal health care, which includes mental health and substance abuse support.
10. Forwards policies that ensure safe workplaces with flexible work hours and telecommuting options.
11. Nurtures communities where essential health and safety professionals are integral, trusted members of the communities they serve.
12. Designs and funds clean, reliable, user-friendly, community-supported, and affordable public transportation.
13. Develops supports that foster 'ohana well-being (e.g., longer paid maternity and paternity leave, programs that nurture strong and engaged parenting, anger management training, and access to affordable child and senior care centers).
14. Provides access to culturally appropriate conflict resolution support for 'ohana and communities.
15. Supports locally grown and sourced fresh food systems, including key cultural crops associated with Hawai'i's multicultural communities.

16. Ensures quality universal education from preschool through higher education that nurtures confident, competent, and caring individuals who are connected to their communities and are inspired and enabled to contribute to Hawai'i's well-being.
17. Provides full support for renormalizing throughout the community the use of 'ōlelo Hawai'i, one of two official state languages.
18. Establishes equitable access to technology and broadband connectivity for work, education, and communication.
19. Creates reasonably priced housing in safe neighborhoods.
20. Adopts reasonable Hawai'i resident taxes on home properties and ancestral 'ohana lands.
21. Adopts new policies and taxes (e.g., restrictions on non-resident purchases of real estate, significant capital gains taxes on short term gains from speculative real estate sales) that eliminate opportunities or incentives for investors to purchase property in Hawai'i and inflate real estate costs for others.
22. Ensures that natural environments and communities are free from the impacts of harmful industrial electromagnetic fields, effluents, odors, sounds, and other forms of pollution.

We seek **strong, compassionate, and educated leaders** who:

1. Pass laws and ordinances that protect the 'āina, oceans, waters, forests, and native species—the full breadth of our finite, irreplaceable natural environments.
2. Listen to and support the will of our communities, the people they represent.
3. Are committed to ensuring a positive future for our islands and communities by working selflessly alongside other similarly dedicated and focused business and community leaders.
4. Are knowledgeable about the inherent and legal rights of Native Hawaiians, the original inhabitants of these islands, and are committed to ensuring the full implementation of these rights that are codified in State and federal laws:
 - a. The Public Land Trust, of which 20 percent of its revenues should be appropriately calculated and directed to the betterment of Native Hawaiians, and

- b. The Hawaiian Homelands homestead program, which must be appropriately funded and managed to provide its native Hawaiian beneficiaries residential, agricultural, or pastoral homesteads.
5. Investigate alternate economic paradigms, currencies, and measures of success that are tied to environmental and community well-being.
6. Work to balance the need for small agricultural entities to have affordable access to land and water and the need to foster healthy stream flows and ecosystems connected to those streams.
7. Honor community voices in developing carrying capacities and limitations for industries and sensitive environmental, historic, and cultural contexts.
8. Generate and implement fresh, innovative approaches and systems to achieve economic and food self-reliance.
9. Provide a framework of environmental policies, including tax incentives, grants, and other supports that enable agri-businesses and small farms to remain economically viable while being good land stewards that minimize negative environmental impacts (e.g., waste and effluent discharge) and that improve the long-term fertility of the lands under their care (e.g., syntropic agriculture, permaculture, and organic farming, composting, and soil development).
10. Develop energy and waste policies and systems (e.g., buy-back agreements where utility companies compensate households and communities that generate energy) to directly facilitate increased self-reliance for households and communities (i.e., the European model).
11. Create incentives (e.g., tax breaks or credits and affordable credit and capital) and supports (e.g., assistance with transportation, distribution, and marketing systems) for small businesses, cottage and creative industries, and other community entities that are locally-owned and are regenerative and not extractive.
12. Ensure that economic gains accrued by large industries operating in Hawai'i are not exported out of Hawai'i but positively impact locally owned businesses and communities.

13. Balance Hawai'i's economic foundation across various income contribution sectors to avoid an over reliance on any one area.
14. Support Native Hawaiians' self-determination.

The framework of goals articulated in this Huliau Action Agenda set the context for a healthier, more cohesive, and sustainable Hawai'i guided by 'Ōiwi insights, innovation, and community values. Together we stand committed to engaging the urgent work needed to bring this vision to fruition.



[\(Opt-out\)](#)

Glossary

‘āina aloha	A deep and abiding love for Hawai‘i’s communities and natural environments. We are of and from this ‘āina that ultimately sustains us. We employ strategies for economic development that place our kuleana to steward precious, limited resources in a manner that ensures our long-term horizon as a viable island people and place.
‘ai pono	Healthy, nutritious foods
ali‘i	Chief, chiefess, officer, ruler, monarch, headman, noble, aristocrat, king, queen, commander
hoa ‘āina	Aboriginal, native tenants who held a suite of kuleana, including land ownership rights that were ignored after the 1893 illegal overthrow of the Hawaiian Kingdom
ho‘okipa	Gracious hospitality. We are inclusive and embrace the collective that will call Hawai‘i home, grounded in the fundamental understanding that it is our kuleana to control and manage our resources in a way that allows us to fulfill our roles here in our ‘āina aloha.
huliau	Turning point, time of change
hulihia	Overtaken; a complete change, overthrow; turned upside down
‘ike kūpuna	Ancestral insights, knowledge, perspectives, practices, skills, senses
‘imi ‘oi kelakela	To seek the pinnacle of excellence. We are driven by creativity and innovation, constantly challenging the status quo. We are mindful and

	observant of needs, trends and opportunities and seek new knowledge and development opportunities in ways that enhance our way of life without jeopardizing our foundation of ‘āina aloha.
kama‘āina	Native-born, one born in a place, host
kapu	A place, natural element, plant or animal, person, act, object, verbal expression, or concept that is not open or free for all to engage in or experience. It is sacred, restricted, and off-limits.
kuleana	Responsibility, right, privilege, concern, title, business, property, estate, portion, jurisdiction, authority, liability, interest, claim, ownership, tenure, affair, province.
malihini	A tourist or guest; one unfamiliar with a place or custom
mea ho‘okipa	A host or one who extends hospitality to another
‘ohana	Family, relative, kin group
‘Ōiwi Hawai‘i	Aboriginal Hawaiians whose direct lineal ancestors were present in Hawai‘i in 1778
‘ōlelo Hawai‘i	Hawaiian language
‘ōpū ali‘i	Pono leadership in earlier times recognized the reciprocal relationship between leaders and the people they serve. ‘Ōpū Ali‘i highlights the actions of leadership that are benevolent and create balance in society. Our leaders understand that their privilege to lead is directly dependent on those they serve. From the most vulnerable to the most privileged, we seek to regenerate an abundance that provides for everyone. Decision makers understand and embrace their duty and accountability to Community. Our social, economic and government systems engage and

	respond to a collective voice in integrative ways to balance power and benefit.
pono	Goodness, uprightness, morality, moral qualities, correct or proper procedure, excellence, well-being, prosperity, welfare, benefit, behalf, equity, sake, true condition or nature, duty; moral, fitting, proper, righteous, right, upright, just, virtuous, fair, beneficial, successful, in perfect order, accurate, correct, eased, relieved; should, ought, must, necessary

Āina Aloha Economic Futures – Assessment Tool

'Āina Aloha Economic Futures

Assessment Tool for Policies, Projects, and Programs

ainaahofutures.com

Background and Purpose:

This tool advances the values set forth in the ['Āina Aloha Economic Futures Declaration](#): 1. 'Āina Aloha: Our economic strategies prioritize our kuleana to steward our precious natural resources. 2. 'Ōpū Alii: Our leaders understand that their privilege to lead is directly dependent on those they serve. 3. 'Imi 'Ōi Kelakela: We are driven by creativity and innovation that enhances our way of life. 4. Ho'ōkipa: We manage our resources in a way that allows us to fulfill our roles. This assessment also embodies key ideas in the [Huli'au Action Agenda](#), which incorporated comments from over 200 participants who helped to develop it.

The tool is intended to be used by various entities to move Hawai'i closer to an 'Āina Aloha future. The tool can help to: 1. Guide and strengthen the strategic focuses of organizations and enterprises 2. Guide organizations and enterprises in self-assessments of their projects, proposals, policies, procurement, strategic plans, etc. 3. Guide private-sector funders in developing RFPs and assessing proposals received 4. Guide policy makers in developing laws, funding programs, and prioritizing efforts. Weights in Column O reflect AAEF priorities. Entities using this tool for their own internal purposes may want to adjust the weights for their internal focuses.

Get Started: 1. Make a copy of this template. In the top left corner of this Google sheet, go to File > Make a copy. Edit the name of your copy, then click OK.2. On your new copy, answer the questions, and fill out the assessment tool.

Assessment:

- Which items from the [Huli'au Action Agenda](#) are demonstrated in your proposal? (go to [Huli'au Action Agenda sheet, second tab](#))
- Are there other primary goals addressed in your proposal that are strongly aligned with the aforementioned [Declaration](#) and/or [Action Agenda](#)? (See bottom of [Huli'au Action Agenda sheet](#))
- Please check the boxes below to indicate the impact of your proposed work relative to the assessment dimensions. **SELECT ONE OPTION PER ROW.**
- Check your score and reflect on your findings.
 - Does my proposal make incremental improvements, significant improvements, or does it support positive systems change?
 - Are there areas where I can improve my proposal to have greater impact?
 - Are there others I can work with to strengthen the impact of my proposal?
 - What resources do I need? Or what policy changes are needed to forward my proposal?

Assessment Dimension	Negatively impacts conditions	-8	Does not impact conditions	0	Incrementally improves conditions	+2	Significantly improves conditions	+4	Supports positive systems change	+8	Your comments on your selection	Raw Score	Action Agenda Multiplier	Weighted Score
1 (Select one per row)	Supports the vibrancy and integrity of Hawai'i environments (land, water, ocean, sky, and native flora and fauna)	Produces environmental damage	0	Has no impact, or a net neutral impact, on Hawai'i's environments	###	Contributes in a demonstrable manner to the vibrancy and integrity of Hawai'i environments as a secondary or indirect focus of activities	0	Focuses on improving the fertility or integrity of the environment as a core activity	0	Focuses on improving the fertility or integrity of the environment as a core activity and supports others to engage in similar efforts	0	0	2	0
2 (Select one per row)	Positively impacts community well-being, equity, cohesion, capacity, and empowerment	Harms community well-being, creates community dissension, or undermines community self-determination	0	Does not impact, positively or negatively, community well-being	###	Improves community well-being, especially related to meeting basic needs; and contributes to building community cohesion and the capacity of individuals in the community	0	Improves community well-being, especially related to meeting basic needs; directly strengthens community cohesion; and builds the capacity of individuals, 'ohana, and organizations	0	Demonstrates community self-determination and improves long term positive change in community conditions, especially related to meeting basic needs	0	0	2	0
3 (Select one per row)	Supports Hawaiian cultural vitality and the application of 'ike kūpuna including the use of 'ōlelo Hawai'i and symbiotic, ancestral relationships to 'āina	Diminishes Hawaiian cultural vitality, limits the use of 'ōlelo Hawai'i, constrains relationships to 'āina, fails to recognize the value of 'ike kūpuna, or gives non-cultural practitioners authority to determine the cultural validity of assessments by cultural practitioners	0	Uses Hawaiian cultural symbols and some 'ōlelo Hawai'i but does not incorporate Hawaiian values, 'ike kūpuna, or the importance of relationships to 'āina	###	Applies Hawaiian cultural values in its operations, engages in periodic mālama 'āina activities, includes the use of 'ōlelo Hawai'i, and recognizes the value of 'ike kūpuna	0	Incorporates 'ike kūpuna in strategies and tactics, demonstrates a close relationship to 'āina, and creates opportunities that foster Hawaiian cultural vitality, including the use of 'ōlelo Hawai'i	0	Incorporates 'ike kūpuna and Hawaiian cultural vitality in its core goals, engages 'ōlelo Hawai'i as a key component of its work, strengthens community-level symbiotic relationships to 'āina, and assists other entities to achieve the same	0	0	2	0
4 (Select one per row)	Increases hiring, career readiness, and leadership opportunities for target groups (in preferential order: Hawai'i residents, expatriate Native Hawaiians, and Hawai'i-born individuals who wish to return)	Hires non-Hawai'i residents for a majority of open positions or includes a majority of non-Hawai'i residents in the upper leadership of the organization	0	Does not provide a net gain in employment or career opportunities, or hires individuals in the target group only for lower-end positions but not for management or leadership roles	###	Hires individuals in the target group for 50% of positions, including some management or leadership positions, but does not provide training opportunities to ensure upward career ladders for its employees	0	Hires individuals in the target group for 80% of positions, including up per leadership positions, and provides training opportunities to ensure upward career ladders for its employees; or focuses on career readiness training for Hawai'i residents	0	Ensures that individuals in the target group are hired for 100% of positions, including upper leadership positions, and provides training opportunities to ensure upward career ladders for its employees; or focuses on career readiness training for Hawai'i residents related to land stewardship, food production, energy self-sufficiency, technology, education, or other sectors that would help to diversify Hawai'i's economy	0	0	1	0

Assessment Dimension	Negatively impacts conditions	-8	Does not impact conditions	0	Incrementally improves conditions	+2	Significantly improves conditions	+4	Supports positive systems change	+8	Your comments on your selection	Raw Score	Action Agenda Multiplier	Weighted Score								
5 (Select one per row) Contributes to building a circular economy to create regenerative outcomes for 'āina, natural resources, and communities	Takes finite natural resources to make products intended to have a limited lifecycle after which the products become waste that must be disposed, or perpetuates reliance on single-use products and imported items	0	Does not involve the use, creation, demolition, or disposal of items or structures, and does not involve the purchase of single-use items and imported items	###	Develops or provides alternatives to single-use products, or creates programs to help communities reduce their reliance on single-use products and imported items	0	Contributes to "return and renew" practices where products or structures can be disassembled at the end of their useful life cycle and reused, refurbished, or recycled; or scales up programs to help communities reduce their reliance on single-use products and imported items	0	Organizes networks that reuse or recycle each other's "waste" and/or designs products or structures that are long-lasting, easily repaired, and recyclable when no longer usable; or creates programs that shift communities' practices toward adopting circular economy principles, including reducing reliance on single-use products and imported items	0		0	2	0								
6 (Select one per row) Improves Hawai'i's long-term energy sustainability in ways that are supported by impacted communities	Relies on non-renewable energy sources and does not implement measures to reduce consumption, or generates renewable energy sources that are not supported by the impacted communities	0	Has no positive or negative impact on Hawai'i's energy sustainability and does not create issues that affect communities	###	Generates renewable energy to meet at least 75% of its energy needs and does so in ways that does not raise concerns of others in the community	0	Engages in efforts to assist 'ohana, organizations, or businesses to reduce their energy consumption and generate renewable energy, in ways that are supported by impacted communities, to create a net positive impact on Hawai'i's energy self-sufficiency goals	0	Leads efforts to assist communities or public-sector entities to reduce their energy consumption and to generate renewable energy, in ways that are supported by impacted communities, to create a net positive impact on Hawai'i's energy self-sufficiency goals	0		0	1	0								
7 (Select one per row) Incorporates innovative approaches (involving methods, processes, technologies, relationships, and communications) that improve the well-being of communities and natural environments	Applies approaches that are inefficient, extractive, or that negatively affect the well-being of communities and natural environments	0	Does not create or apply innovative approaches or applies innovations that have no impact on the well-being of communities or natural environments	###	Introduces innovations that improve the well-being of communities and natural environments	0	Introduces innovations that improve the well-being, sustainability, and resilience of communities and natural environments	0	Introduces innovations that improve the well-being, sustainability, and resilience of communities and natural environments, and assists others to do the same	0		0	1	0								
8 (Select one per row) Improves Hawai'i's long-term food security and builds or sustains vital, self-reliant community food systems	Perpetuates the importation of food from non-Hawai'i sources or reduces the vitality of community food systems	0	Has no impact on Hawai'i's food security or community food systems	###	Contributes to collaborations in which producers, retailers, community members, and government partner to create vibrant local food economies, including subsistence systems, that enhance and sustain environmental and community well-being and reduce dependence on imported food	0	Supports collaborations in which producers, retailers, community members, and government partner to create vibrant local food economies, including subsistence systems, that enhance and sustain environmental and community well-being and reduce dependence on imported food	0	Organizes and supports collaborations in which producers, retailers, community members, and government partner to create vibrant local food economies, including subsistence systems, that enhance and sustain environmental and community well-being and reduce dependence on imported food	0		0	2	0								
9 (Select one per row) Improves the resilience and diversity of locally owned and resourced small businesses that align with 'Āina Aloha goals	Diminishes the ability of locally owned and resourced small businesses to achieve long-term economic viability, or creates barriers to opening new businesses for Hawai'i entrepreneurs	0	Maintains conditions resulting in high closer rates of Hawai'i small businesses, engagement in dominant industries and markets, and underrepresentation of various groups in the business sector	###	Procures a majority of goods and services from locally owned and resourced small businesses that align with 'Āina Aloha goals where those goods and services are available	0	Coordinates, promotes, or provides support for locally owned and resourced small businesses that align with 'Āina Aloha goals to enhance their long-term resilience	0	Expands markets for locally owned and resourced small businesses, or stimulates the birth and long-term resilience of locally owned and resourced businesses that align with 'Āina Aloha goals and that diversify the profile of owners and businesses in Hawai'i	0		0	1	0								
10 (Select one per row) Fully commits to and participates in an equitable, pono value chain involved in the production, marketing, distribution, and provisioning of goods and services	Engages in opportunistic or exploitative practices that harm 'āina or communities or that take advantage of employees, business associates in the supply and distribution chains, consumers, or service recipients	0	Does not engage in opportunistic or exploitative practices that harm 'āina or communities or that take advantage of employees, business associates in the supply and distribution chains, consumers, or service recipients	###	Ensures that employees and others they conduct business with receive a fair portion of the revenue created by their joint efforts	0	Establishes organizational policies to ensure that employees and others they conduct business with receive a fair portion of the revenue created by their joint efforts, and seeks to conduct business with supply markets that uphold fair trade practices	0	Creates training opportunities and systems to help Hawai'i entities ensure that employees and others they conduct business with receive a fair portion of the revenue created by their joint efforts, and seeks to conduct business with supply markets that uphold fair trade practices	0		0	1	0								
RAW SCORE:												0	WEIGHTED SCORE:		0							
												out of 80		out of 120								
SCALE:												-120	0	30	60	120	YOUR SELF ASSESSMENT:		0			
												Bad for Hawai'i		No Movement or Not Applicable		Moving toward 'Āina Aloha		Practicing 'Āina Aloha		Leading 'Āina Aloha		

Āina Aloha Economic Futures – Policy Playbook

Growing a Stronger Hawai'i

'Āina Aloha



ECONOMIC FUTURES

Policy Playbook



Policy Playbook

Growing a Stronger Hawai'i

An introduction

In March 2020, as Hawai'i was experiencing an economic shutdown at the onset of the COVID-19 global pandemic, residents quickly realized that our number one economic driver, tourism, could no longer lead the way. There were calls for an “economic reset” to turn an inevitable economic crisis into an opportunity to grow a more diverse, sustainable economy that would be less dependent on outside forces such as an extractive tourism industry. A group of kānaka 'ōiwi (Native Hawaiian) community members from diverse professional backgrounds collaborated to draft a [values declaration](#) and soon after an [action agenda](#) that together offered a vision for growing a stronger Hawai'i that called forth bold leadership to achieve this future.

This playbook, a living document,¹ describes seven policy areas to move towards a resilient economy that sustains what is precious about Hawai'i.² It offers concrete suggestions about how to get there, guided by the voices of our community participants.

¹ This document will evolve as more people are able to hone the specific ideas conveyed. If you would like to offer feedback and comments, please share them at bit.ly/AAEFplaybook.

² AAEF believes that a resilient economy would not reproduce a pre-COVID Hawai'i but would bring to life the goals set forth in the [AAEF Action Agenda](#)—ideas generated and shaped by over [200 community voices](#) and affirmed by over [2,750 individuals, organizations and businesses](#).

Very early on, there were calls for an “economic reset” to turn an inevitable economic crisis into an opportunity to grow a more diverse, sustainable economy

These Āina Aloha Economic Futures (AAEF) statements quickly gained traction from rural communities to national news outlets (see [Media coverage](#) on this About AAEF page). Today, more than 2,770 individuals, organizations, and businesses have signed on as [AAEF supporters](#). The values in the declaration and the initiatives advocated in the Huliau Action Agenda struck a chord, transforming the calls to action into an initiative mobilizing community strengths and voices to transform Hawai‘i’s economic future.

To achieve a “new normal” for Hawai‘i with thriving environments and equitable opportunities for our residents, we collectively call for investment in transformation. Through an ongoing process of community engagement, AAEF is forwarding a community-created vision for our economy and empowering leadership accountable to that vision as we set a course together for Hawai‘i’s economic resilience.

This policy playbook is the first in a series that aims to support three broad stakeholder groups (policy makers and advocates, philanthropic funders, and community activators) in decision-making, investment, and organizing to achieve a future grounded in Āina Aloha.

AAEF is forwarding a community-created vision for our economy and empowering leadership accountable to that vision as we set a course together for Hawai‘i’s economic resilience.

To achieve the collective vision of healthy environments and thriving communities, we must all choose to participate in the process and support efforts to mālama ‘āina and one another. A return to the old normal is unsustainable.



A return to the old normal is unsustainable.

What is this AAEF Policy Playbook?

Overview

What is this AAEF Policy Playbook?

Overview

Purpose and Background

To provide policy makers and policy advocates with concepts that will forward ‘āina aloha objectives that focus on the well-being of Hawai‘i’s people, communities, and our natural and food-producing environments.

The ‘Āina Aloha Economic Futures initiative springs from the collective engagement of [over 2,700 individuals, organizations, and businesses](#) who, since April of 2020, participated by:

- Signing on to support the initiative
- Offering ideas and feedback on core AAEF documents
 - [‘Āina Aloha Economic Futures Declaration](#)
 - [Huliau Action Agenda](#)
 - [AAEF Assessment Tool for Policies, Projects, and Programs](#)
- Developing and offering feedback on concrete ideas to forward AAEF goals, which have played a seminal role in the policies proposed in this playbook.
 - Contributing over [180 proposal sketches for policies, projects, and programs](#)³
 - Contributing over 450 comments and opinions on the proposal sketches
 - Participating in [15 community online work sessions](#) to discuss the various proposals forwarded in 14 different sectors of Hawai‘i’s economy.
- Contributing to the [‘Āina Aloha Economic Futures Living Library](#) by providing online resources for deeper learning

³ Policy makers may want to review these [180+ proposal sketches](#) organized in 14 topic areas. They provide a wealth of ideas for specific projects and policies that have generally received significant support from the hundreds of commentators who offered their views on them.

- Working as a core AAEF team of 14 individuals to
 - Design, develop, and coordinate the work of AAEF
 - Offer presentations to share about the work of AAEF and to garner more engagement in AAEF
 - Coordinate with other organizations to synergize aligned efforts
 - Provide OpEd commentary on matters directly relevant to AAEF goals
 - Engage in “matchmaking” efforts to move ripe initiatives forward

What is the AAEF Policy Playbook?

The AAEF Policy Playbook is a summary of the most salient and strategically strong policy ideas to advance the AAEF Declaration and Huliau Action Agenda. These proposals were shaped over the course of many months of community engagement and deep analysis of Hawai‘i’s current context.

While Hawai‘i’s future has been the focus of the discourse through this process, it has also prioritized the immediate needs of our community. Those most directly impacted by the COVID-19 pandemic can best be supported by:

- Reopening Hawai‘i with a focus on local businesses, workers and families
- Ensuring locally owned small businesses who have endured shutdowns or extreme hardship during pandemic are given priority in economic relief efforts
- Ensuring families and individuals who have become unemployed, experienced significant loss of income, and are struggling with rent and mortgage payments, are given priority in economic relief efforts.
- Strengthening relationships with the non-profit sector in order to adopt and enact plans that will ensure any future federal relief funding is allocated with these priorities at top of the list and with expediency.

- Ensure vaccinations are readily available and accessible for those most at risk for serious illness from the COVID-19 virus.

What are critical next steps relevant to this playbook?

Policy makers and advocates at all levels of federal, state and county governments are being asked to consider introducing and adopting the AAEF policy proposals in this playbook in such forms that are applicable for legislative, executive, or departmental purposes. Additionally, AAEF is encouraging liberal use of its [AAEF Assessment Tool](#) to evaluate possible legislation.

To move the proposed policies forward, policy makers and advocates are being urged to identify [community stakeholders or organizations that are aligned with or support AAEF initiatives](#) contained in this playbook and engage them in the advocacy process.

AAEF collaborators will reach out to all supporters and the general community to help garner support for policies that advance AAEF goals, especially those included in this Policy Playbook, with the goal to facilitate community advocacy with their own representatives and community sharing of supportive testimony for legislation that might be advanced in 2021.

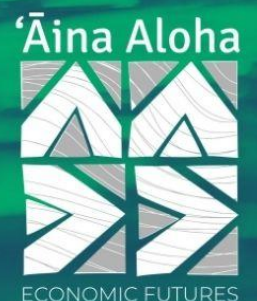
AAEF will also continue to engage the non-profit and philanthropy community to increase opportunities to elevate projects that align with AAEF values and to identify alignment with funders' objectives

AAEF will further nurture the momentum for the adoption of AAEF goals and its [assessment tool](#) by various public- and private-sector supporters.

a

AAEF PLAYBOOK FOR POLICYMAKERS

New Outline of Policy Initiatives as of 1/11/21



AAEF PLAYBOOK FOR POLICYMAKERS

Initiatives

The list below is a set of primary goals established from the multiple rounds of community engagement that AAEF conducted and each goal includes a set of policy recommendations that should be adopted in 2021. The recommendations may apply to multiple levels of government, e.g. state, county, and administrative or departmental.

1. ACHIEVE A CIRCULAR ECONOMY

Achieve ‘āina well-being by developing circular economies in Hawai‘i that prioritize environmental and climate resilience. Aligned with the legacy and philosophy of ‘āina aloha, circular economies focus on eliminating waste. In the face of global climate change, Hawai‘i can be a leader in this field if appropriate commitments are made.

- a) Create a legislative task force that includes representatives from each county and multiple sectors to research and develop a plan to achieve this goal by 2035. The considerations of the task-force will include a state-wide mandate and public education plan to achieve zero waste, promotion of composting and recycling, and elimination of single-use plastics.

Proposal: State Legislature - Resolution that authorizes the creation of a task force to develop the Circular economy plan.

2. DEVELOP AND INVEST IN REGENERATIVE BUSINESSES

Support the development of regenerative business opportunities. Regenerative businesses are those that reciprocate value to the environment and community equivalent to or more than what they extract. Hawai'i's tourism industry is especially in need of adopting this dramatic shift in business values. Adoption of specific policies can help foster this shift in tourism and other extractive industries so that we can restore, revitalize, and regenerate Hawai'i's ecosystems and communities

- a) Revise Hawai'i Revised Statutes Chapter §226-8 “Hawaii State Planning Act Objectives and Policies for the Economy - Visitor Industry” to incorporate regenerative tourism framework and update the language that elevates a new set of business values that will reshape tourism in Hawai'i

Proposal: State Legislature - Bill that will amend this language

Counties – Adoption of language that reflects amended language in HRS § 226-8

Proposal: Administration - HTA Board adoption; DBEDT adoption of regenerative framework in upcoming strategic plans.

- b) Implement a professional vocational licensure regime for tour operators that will foster regenerative business values alignment for those businesses who commit to transforming tourism in Hawai'i.

Proposal: State Legislature – Bill that establishes licensure program within the DCCA

- c) Develop a statewide reservation management system for popular, high traffic regions and sites (e.g. Hana, Maui; Waipio Valley, Hawai'i Island; Hanauma Bay, Diamond Head, etc.) Such a system is needed for communities and sites that are often overrun by tourists and will lead to the development of new business opportunities in these communities and increased revenue for the State.

Proposal: State Legislature – Resolution that provides guidance for HTA, DBEDT, and DLNR to develop a reservation system. Administrative – Departments engage the community to develop reservation systems for high traffic sites and regions.

3. INVEST IN LOCAL FOOD SYSTEMS AND 'ĀINA ABUNDANCE

Investment in the development of a more resilient food system that increases access to healthy, locally produced food should be prioritized as an economic recovery driver. Approximately \$8 billion is spent on imported food every year. By shifting purchasing from imports to locally produced food, we transfer capital back to our communities and set in motion a sequence of positive impacts. Increasing local food production will empower small businesses, create jobs, enhance public health, restore health to 'āina and strengthen communities.

- a) Increase institutional purchasing of locally produced food. Revise Hawai'i State Procurement code to provide specific opportunities for small-scale farms and value-add manufacturers to contract with Hawai'i schools, prisons, hospitals, and other institutions to provide locally produced food. A Farm-to-State initiative can

incubate a robust local food production economic sector. The state legislature must identify and remove impediments/roadblocks in the procurement processes.

Proposal: State Legislature – Legislation that continues to fund the ‘Āina Pono /Farm-to-School Initiative; Resolution that commissions an audit of food services procurement processes across departments and provides specific recommendations on procurement code amendments that will increase purchasing of locally produced food.

- b) Provide tax credits as incentives for local food production. Access to capital is a barrier to the expansion of agriculture for food production in Hawai‘i. Tax credits for agriculture businesses that produce food for local consumption, and for food manufacturers will help to offset capitalization barriers for these small businesses.

Proposal: State Legislature – Legislation that authorizes tax credits for agriculture producers that grow food for local consumption, and food manufacturers who produce value-add products with locally grown crops.

- c) Support expansion of limu, shellfish and fish hatcheries in Hawai‘i. A report on fishponds in Hawai‘i commissioned in 1993 provided that a state-run hatchery for stock production was a key component to the development of an aquaculture industry in Hawai‘i. There is now a thriving community of loko i‘a (fishpond) practitioners and operators across Hawai‘i. Investment in this 30 year-old concept is needed now as we aim to diversify Hawai‘i’s economy.

Proposal: State Legislature – Legislation that provides CIP allocation for the planning and development of a hatchery to enhance stock at loko i‘a across Hawai‘i.

- d) Fully implement the [2027 Hawai‘i Interagency Biosecurity Plan](#). The Hawai‘i Interagency Biosecurity Plan (HIBP) identified gaps in Hawai‘i’s network of biosecurity programs across various agencies. From 2017-2027 the HIBP includes 147 actions to create a safer, more sustainable Hawai‘i. As of June 2020, 62% were initiated or completed. This playbook is calling for fully implementing the remaining recommendations.

Proposal: State Legislature – Legislation that allocates necessary inter-agency funding to continue and complete the remaining recommendations.

- e) Address historical injustice rooted in the diversions of water for former plantation agriculture. Restore all of Hawai‘i’s streams by 2030 and enable kalo farmers, practitioners of traditional customary rights, DHHL, and domestic users priority access to water while balancing the needs for regenerative agriculture and sustainable development.

Proposal: State Legislature – Legislation that amends the State Water Code and authorizes the Commission on Water Resource Management to adopt a 2030 target to restore Hawai‘i’s streams.

4. PRIORITIZE COMMUNITY AND ‘ĀINA WELL-BEING IN DECISION MAKING

The core objectives of AAEF center on community and ‘āina well being. To achieve well-being we must invest in the areas of ‘āina based education, housing, healthcare, arts and culture, and community agency.

- a) Provide parity funding for all public school students in Hawai‘i, to bolster the viability of public charter schools whose education missions and curricula are strongly aligned to AAEF goals. Currently the per pupil allotment to public charter school students is significantly less than their DOE public school counterparts because the funding equations used exclude key variables from the calculation for charter schools. If even the facilities maintenance allotments (as opposed to funding for new facilities) were to be equally divided among DOE and charter public schools students, such a change would be more equitable and offer public charter schools the support the communities they serve deserve.

Proposal: State Legislature – Legislation that affords an equivalent per pupil allotment of facilities maintenance funding to DOE and Charter Schools.

- b) Since 1988, the Native Hawaiian Education Act (NHEA) has provided funding for a competitive grant program administered by the U.S. Department of Education to support innovative education for Native Hawaiians. In addition to funding, this legislation recognized the impact of historical trauma on Native Hawaiian academic persistence and attainment, and thus acknowledging the role and trust relationship of the federal government in empowering Hawaiian organizations to address such needs. At this time, approximately seventy-five percent of programs

under this grant are community-based organizations with a focus on early learning and digital literacy, teacher development, college and career readiness, expanding workforce opportunities where Native Hawaiians are under-represented, as well as providing critical services such as education for homeless youth and more. We strongly support reauthorization of the Native Hawaiian Education Act via Title VI, Part B of the Every Student Succeeds Act (ESSA) to ensure a continuum of funding and support of priority areas of education for Native Hawaiian learners.

Proposal: State Legislature – Legislation that reaffirms NHEA funding for Native Hawaiian education priority areas of early learning, digital literacy, STEM education, Hawaiian medium instruction teacher recruitment and development, workforce development and career technical education, college and career readiness, and Hawaiian language and culture-based education.

Proposal: Administrative – Department of Education policy amendments that codify ‘Āina Aloha Economic agenda items as part of required curricula.

- c) Fulfill the State’s constitutional mandate to administer the Hawaiian Homes Commission Act. This includes adequately funding the Department of Hawaiian Homelands (“DHHL”) for infrastructure and housing development projects to serve the DHHL waitlist. DHHL is well positioned to help solve the housing crisis Hawai‘i faces. If properly funded and implemented, the Hawaiian Homelands model is a proven affordable housing option. While the department must develop strategies to generate revenue, the State of Hawai‘i must not neglect its mandate to fulfill obligations outlined in the Hawaiian Homes Commission Act and the State of Hawai‘i Admissions Act. As the State considers affordable housing

development and potential solutions to the crisis, DHHL should be prioritized as a collaborator and development of housing that addresses the DHHL waitlist must be funded.

Proposal: State Legislature – Legislation that provides funding for DHHL infrastructural development for purposes of building homes.

- d) Eliminate disparities for Native Hawaiians & Pacific Islanders. Achieve healthy futures for people and place by investing in prevention and health promotion programs that seek to eliminate disparities experienced by Native Hawaiians and Pacific Islanders. Aligned with the legacy and philosophy of maui ola, investments should prioritize multi-generational ‘āina-based and culture-based programs grounded in aloha. In the face of global health crises, Hawai‘i can be a leader in this field if appropriate commitments are made.

Proposal: State Legislature – Legislative action that requires the Director of Health to create a State Action Plan for the Elimination of Health Disparities and Social Inequities Experienced by Native Hawaiians and Pacific Islanders and to report outcomes, success metrics, and community impact to scale initiatives annually.

- e) Create a State Action Plan for the Elimination of Health Disparities and Social Inequities Experienced by Native Hawaiians and Pacific Islanders by 2023. This action should be inserted into the functional statement of the Office of the Director and be the duty and responsibility of the Director of Health. Report outcomes, success metrics, and community impact to scale initiatives annually with disparity reduction targets to be achieved by 2036.

Proposal: State Legislature – Legislative action that requires the Director of Health to create a State Action Plan for the Elimination of Health Disparities and Social Inequities Experienced by Native Hawaiians and Pacific Islanders and to report outcomes, success metrics, and community impact to scale initiatives annually.

5. EMPOWER COMMUNITY-BASED RESOURCE MANAGEMENT

In order to make ‘āina-based efforts a key driver for our economic recovery we must expand community based resource management & governance. This will require building and strengthening new and existing frameworks for community-based governance. This will empower communities to more effectively participate and engage in decisions that affect them.

- a)** Increase co-management agreements (i.e. curatorships and other shared governance agreements, administrative rule packages, empowered fishpond leases) for critically important resource areas between government agencies and Local community organizations. The framework that codifies Community Based Subsistence Fishing Areas (“CBSFA”) is an effective model and great step toward substantive and increased collaboration in support of community-based resource management. With the Hā‘ena, Kaua‘i CBSFA as a lead example, this model is now a proven strategy to better and more efficiently manage resources and support civic stewardship. Pending CBSFA approvals across the State must be expedited. This framework should be built upon as a foundation for management of watersheds and forest-reserves, along with community leases and curatorship of wahi pana across Hawai‘i .

Proposal: Administrative – DLNR adoption of pending CBSFA regional administrative rules; Introduction of rulemaking process for community-based management areas for watersheds and forest reserves; and adoption of additional curatorship agreements with community organization for state lands on every mokuuni.

- b) Increase infrastructural investments in mālama ‘āina, kilo ‘āina, and aloha ‘āina projects. Conservation and resource management is a critical sector in our economy and can provide stability in a turbulent recovery process. Projections show that we should be spending approximately \$900,000,000 (public and private sector combined) to maintain and enhance our natural environment in Hawai‘i. Making such investments creates opportunities for regenerative businesses to thrive and spending in the conservation and agricultural fields supports a balanced rebuild of the tourism industry. When categorized as infrastructure projects, “Aloha ‘Āina” or “Green” workforce jobs can and should be supported through implementation of a “Green Fee”, Capital Improvement funding, special revenue bonds, and other funding mechanisms available to the State.

Proposal: State and County budgets to provide infrastructure investments in mālama ‘āina, kilo ‘āina and aloha ‘āina projects.

- c) Amend HRS § 226, the Hawai‘i State Planning Act, to include prioritization of community-based participatory frameworks informed by ‘āina-based governance systems. Additionally, the language should require all state agencies to consider ancestral and existing ‘āina-based and community-based participatory frameworks in their decision making processes, and to consult with such entities.

Proposal: State Legislature – Legislation that amends HRS § 226-8 to prioritize community participatory frameworks

- d) Establish community-based entities similar to neighborhood boards for Hawai‘i, Maui and Kaua‘i counties to provide a process for increased community participation in government decision-making and funding processes.

Proposal: Counties - Charter Amendments to authorize community-based engagement entities

6. ADVANCE ECONOMIC EQUITY IN HAWAI‘I

The COVID-19 pandemic has exasperated economic inequalities that hinder the economic mobility of Native Hawaiians and other historically marginalized and disempowered populations in Hawai‘i. This particular goal is intended to address these economic inequities, provide legitimate opportunities for Native Hawaiians and other kama‘āina to remain in Hawai‘i, or for those who have left Hawai‘i, to return home.

The State of Hawai‘i’s significant COVID-19 prompted budget shortfalls will continue for years. Rather than focus on austerity as a means to balance the budget, the State must consider alternative revenue generating options that require wealthy residents and corporations of Hawai‘i to pay their fair share. The following would enact such approaches:

- a) Raise the minimum hourly wage to meet the self-sufficiency income standards in Hawai‘i. The current minimum wage in Hawai‘i is \$10.10 an hour, or \$21,000 per year for full-time work, not enough to make ends meet in the [highest cost-of-living state in the Nation](#). This is far below the Hawai‘i Department of Business,

Economic Development & Tourism’s (DBEDT) [self-sufficiency income standards](#), or “the amount of money that individuals and families require to meet their basic needs.” DBEDT quietly released new self-sufficiency income standards at the end of 2019 without fanfare. According to these new calculations, Hawai‘i’s own state department charged with governing our economic landscape found that a single adult with no keiki needed to earn \$16.90 an hour in 2018 in Hawai‘i to be self-sufficient. After adjusting for inflation, that means \$17.63 per hour in 2020 to meet their basic needs.⁴

Proposal: State Legislature - Legislation that increases the minimum wage to \$17.63/hour

- b) Increase the Mansion Tax Rate. This increase will apply to sales of non-owner occupied real property (second homes). The mansion tax is based on a sliding scale that calculates a fee based on the value of the home being sold. The current rate for homes valued at \$1 million + is 0.4%, as sum far below many of the other 39 States that apply a mansion transfer tax. The median home price in Hawai‘i is extremely high (on O‘ahu the median home value is \$870,000), and a \$1 million home is not likely a “mansion” by any means in Hawai‘i. Thus, only a modest increase should apply to properties valued between \$1 and \$2 million, while very significant increases to this transfer tax should be applied to those homes valued over \$2 million. This Mansion Tax would impact those who can afford to bear the tax and who are generating passive income on their investments.

⁴ [Source: <https://www.raiseuphawaii.org/media/living-wage-standards-hawaii-2020>]

Proposal: State Legislature - Legislation that increases percentages on the sliding scale for this transfer tax.

- c) Increase property taxes on non-owner/occupied homes worth over \$2 million dollars. This initiative aims to increase revenue for counties while trying to stabilize the spike in the price of homes. Hawai'i has some of the lowest property tax rates in the country. While property taxes are a significant burden for many local residents, this recommendation would only apply to investment properties, and to those who can afford paying an increase. It does not apply to owner occupied, primary residences. Each county must consider drastic increases to high value properties that are not owner occupied.

Proposal: Counties – Amendments to property tax codes.

- d) Implement a visitor “Green Fee” to support “aloha ‘āina/green” workforce development and the field of conservation across the state. A recent study conducted by Conservation International shows that Hawai'i should be investing approximately \$900,000,000 in our ecosystems and biocultural resources, we currently spend approximately \$535,000,000 resulting in a 40% shortfall. Green fee programs exist around the world to connect a revenue stream between visitors and the conservation of ecosystems that visitors and local communities depend on. These programs are more than a fee, they are systems that typically include:
1. A robust conservation fund and associated management system, and
 2. Visitor education and engagement strategies.

Proposal: State Legislature – Bill that enacts the “Green Fee” and subsequent programs to administer these funds for purposes of aloha ‘āina and ecosystem restoration and management.

7. ADDRESS INJUSTICES AGAINST NATIVE HAWAIIANS – LAND BACK INITIATIVES

Historical, cumulative, and ongoing intergenerational injustices committed against the aboriginal people of Hawai‘i have left a legacy of negative impacts on Native Hawaiians for multiple generations. The root of these injustices are grounded in breaches of international law and cultural colonialism that resulted in occupation of a Native Hawaiian-led and internally recognized sovereign nation, the theft of ancestral land rights for aboriginal Hawaiians guaranteed under the Hawaiian Kingdom constitution, the purposeful dismantling of indigenous forms of subsistence (e.g., by cutting off access trails and water sources), and the overall loss of self-governance.

As we currently strive to rebuild our economy, the State of Hawai‘i and U.S. governments must consider redress for these historical injustices to include repatriation of ancestral lands to Native Hawaiian control.

- a)** Commission a Land Back study on the status of U.S. military use of lands in Hawai‘i. The study should identify: 1) Processes by which lands will be returned to a Native Hawaiian entity when military leases expire, 2) Funding mechanisms for land remediation, and 3) Process for acquisition of U.S. military controlled land that was taken from the Kingdom of Hawai‘i and never transferred to the Territory or State of Hawai‘i (e.g., portions of Pōhakuloa.)

Proposal: State Legislature – Resolution that authorizes and assigns funding for the study to be completed within 12 months

- b) Release Public Land Trust (PLT) revenues that are currently held in an overage account for the purpose of economic recovery and development efforts in the Native Hawaiian community. A mere \$15.1 million of PLT revenues are paid to the Office of Hawaiian Affairs (OHA) each year, which falls far below the 20% amount that is outlined in statute. While some departments pay 20% of the PLT revenue collected, because the amount paid to OHA is currently capped at \$15.1 million annually, the additional funds are accumulating annually in an overage account. There is no entity that is currently able to access these funds. These are funds that are paid towards the Native Hawaiian trust and should be made accessible and applied to the constitutionally mandated specific trust purpose: the betterment of the conditions of Native Hawaiians. These funds should be released to OHA immediately and OHA should allocate the funds towards economic recovery immediately.

Proposal: State Legislature – Legislation that provides for these funds to be released to OHA immediately; OHA - To allocate these funds for specific purposes of land acquisition, increasing Native Hawaiian access to affordable housing; and small business development.

- c) Require that the Department of Hawaiian Homelands (DHHL) and/or OHA have first right of refusal to purchase remnant parcels. Remnant parcels are the unused portions of parcels of land that the State acquires for specific projects. In some instances these remnant parcels may have cultural significance or can have significant revenue generating potential in close proximity to new developments.

If and when the State seeks to sell remnant parcels, an opportunity should be provided to DHHL or OHA to increase Native Hawaiian landbases.

Proposal: State Legislature – Legislation that amends HRS § 172-52(c), which defines remnant parcels.

- d) The “Great Māhele” that created the system for private ownership of land in Hawai‘i provided multiple mechanisms of land ownership. One of the most notable mechanisms was the “Kuleana Act” that provided a process for kānaka ‘ōiwi to attain ownership of land they resided on when these laws were enacted by the Hawaiian Kingdom. After more than a century of kānaka ‘ōiwi losing ownership of their ‘āina kupuna (ancestral land) attained through this process, in an effort to provide some relief and give these ‘ohana a fighting chance to retain their ‘āina kupuna, the counties enacted a property tax exemption for those ‘ohana who can trace lineage and ownership of their land back to the Kuleana Act of 1850. However, there were other mechanisms by which kānaka ‘ōiwi gained ownership of land after the Māhele, e.g. through purchase of Land Commission Awards and Royal Patents, and there are ‘ohana who have maintained ownership of these ancestral lands presently. Unfortunately, many of these ‘ohana are also being “priced out” as a result of skyrocketing property values that in turn cause property taxes to also skyrocket. More must be done to protect these ‘ohana and these ancestral lands from continuing to dwindle due to increasing pressure from outside forces.

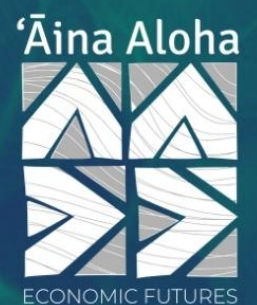
Recognizing the invaluable relationship kānaka ‘ōiwi have to the ‘āina, and in particular to their ‘āina kupuna, this resolution encourages the counties to

expand property tax protections to include lands purchased under section 4 of the Kuleana Act and Royal patents purchased by kānaka ʻōiwi.

Proposal: Counties — Charter amendments that will provide tax exemptions to owners of parcels that can trace continued ownership by lineal descendants to original purchasers under the Kuleana Act. State Legislature – Resolution that encourages and supports Counties’ to expand the Kuleana tax exemption.

For more information about AAEF
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10

Presentation, Discussion and Action on
2023 Los Angeles Clippers Partnership

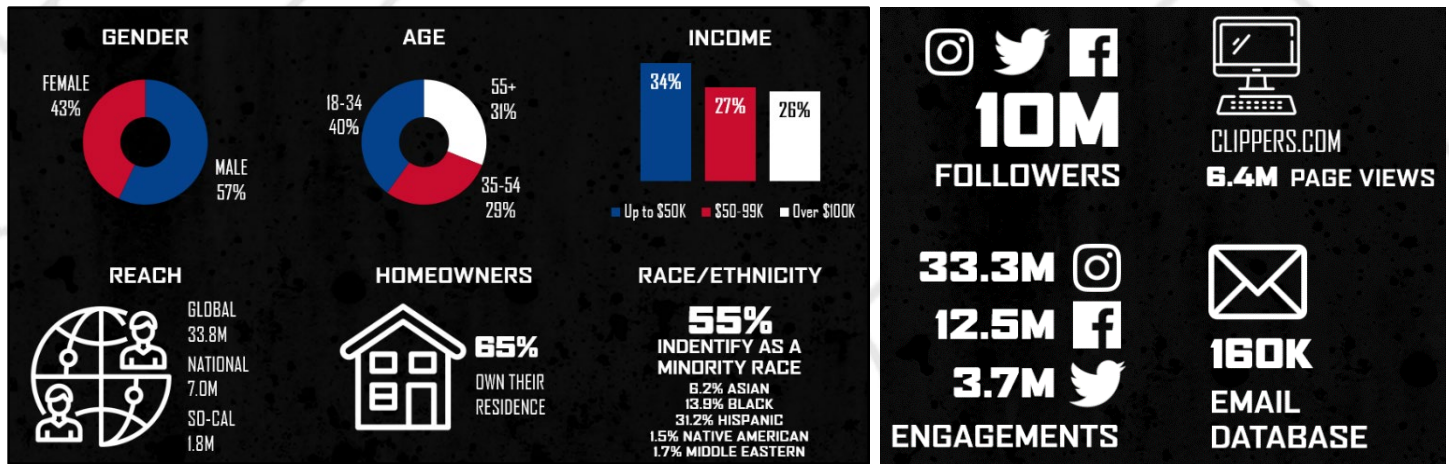
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Los Angeles Clippers Proposal

HAWAII TOURISM AUTHORITY x LA CLIPPERS PARTNERSHIP OPPORTUNITY

The LA Clippers are thrilled to return to the Hawaiian Islands for a week of training camp and a preseason game against the Utah Jazz to kick off the 2023-24 season. With fan excitement building as the Clippers and their star players prepare for a new season, Hawai'i Tourism Authority will be able to draw visitors to experience an NBA preseason game in Hawai'i. The partnership between the LA Clippers and Hawai'i Tourism Authority will launch during the 2022-23 season with activations focused on promoting Hawai'i's travel destinations and tourism activities and the return of Clippers basketball to the Islands.

LA CLIPPERS FAN DEMO & INSIGHTS



Source: YouGov Profiles+ USA 2022-06-12

IP, MARKS & DESIGNATIONS

Use of Marks & Logos

- Hawai'i Tourism Authority will have the rights to utilize the LA Clippers marks and logos in all Hawai'i Tourism Authority-related marketing within a 150-mile radius of Crypto.com Arena including OOH, Television, Radio, Print, POS, and targeted digital and social usage (pending LA Clippers and NBA approval)

Official Designation

- Hawai'i Tourism Authority will receive the designation *Official Partner of the LA Clippers* which can also be used in regional marketing efforts, pending team and NBA approval

PRESENTING SPONSOR OF CLIPPERS TRAINING CAMP AND PRESEASON

Training Camp and Preseason

- The LA Clippers will host a week of training camp and play one (1) 2023-24 preseason game on O'ahu at the Stan Sheriff Center at the University of Hawai'i against the Utah Jazz
- HTA will be integrated into one (1) press announcement associated with the Clippers traveling to Hawai'i for training camp and the preseason game and will be included in any media and marketing promotions related to ticket sales leading up to the game
- Clippers will extend invitations to team partners and season ticketholders to attend the preseason game
- HTA will receive 200 game tickets to use at their discretion

Amplify Exposure of the Clippers in Hawai'i

- Hawai'i Tourism Authority will serve as the presenting sponsor of all Clippers Training Camp and Preseason content during the team's stay in Hawai'i, including:
 - Creation of a logo lockup featuring the Clippers logo and Hawai'i Tourism Authority's logo
 - Inclusion in all pre-promotional marketing materials including social, web and email communication
 - Inclusion of the logo-lockup watermark in all image and video content featuring training camp and preseason content of the Clippers in Hawai'i across the team's owned social and digital channels
 - This can include content featuring the team's practices and training, highlights from the preseason game, and coverage of Clippers players during off-days as they explore the island and tourism activities
 - During the preseason game in Hawai'i, HTA will also receive the following promotional assets to expand reach:
 - Relevant TV-visible branding for Hawai'i Tourism Authority and the Hawaiian Islands throughout the game broadcast such as Courtside and Arm Stanchion LED signage, broadcast integrations (cut-ins of scenic views around O'ahu, content of team activities on the island, etc.), additional TV Broadcast drop-ins, and other agreed-upon branding elements
 - These assets will receive expanded reach across social and digital media from highlights posted across Clippers team-owned social accounts (10M+ followers), Utah Jazz social accounts (5M+ followers), official NBA league accounts (160M+ followers), and additional earned media social channels in the sports industry
 - Two (2) full-screen interstitial ad placements to be placed within game content on the team's Instagram and Facebook Stories
 - One (1) 24-hour homepage takeover on the Clippers.com and Clippers mobile app

Community Impact

- The Clippers will collaborate with Hawai'i Tourism Authority on a community-centric activation while the team is in Hawai'i. Possibilities include youth basketball clinics, school computer lab refurbishments, VIP meet & greets with players or staff, etc.

ENGAGE CLIPPERS FANS AND PROMOTE TRAVEL TO HAWAIIAN ISLANDS

Hawai'i Tourism Authority will receive the following Clippers gameday and media assets for the remainder of the 2022-23 NBA Season to reestablish the relationship between HTA and Clippers amongst our fans. These activations will expand brand reach and drive excitement for Clippers fans to travel and attend the preseason games in Hawai'i.

LED Courtside and Arm Stanchion Signage

- HTA will receive two (2) minutes of LED Courtside and Arm Stanchion signage during all remaining regionally televised Clippers home games during the 2022-23 season. This signage also receives exposure on the opposing team's RSN, NBA TV during simulcasts, and highlights shared across team-owned and sports industry social channels

On-Court Promotion

- During three (3) games, Hawai'i Tourism Authority will be integrated into the Clippers gameday experience with an on-court contest that will engage fans and promote Hawaii's destinations with exciting prize opportunities
- Hawai'i Tourism Authority and the Clippers will collaborate on exact details and execution to best meet HTA's objectives but will include the following elements:
 - Clippers to provide trip to Hawai'i and tickets to the Clippers preseason games as the prize for the winner of the on-court promotion (ex. Halfcourt Shot promotion)
 - Hawai'i Tourism Authority will receive branding on the main videoboard and LED rings for the duration of each promotion

Videoboard Spot

- Hawai'i Tourism Authority will receive one (1) pre-game OR halftime videoboard spot to promote Hawaii's destinations in the remainder of Clippers regular season home games during the 2022-23 season
- The spot can run for a maximum of :30 seconds and includes corresponding LED signage for the duration of the spot

ClipperVision

- Hawai'i Tourism Authority will have the opportunity to align its brand with ClipperVision, the first-ever, direct-to-consumer streaming platform for an NBA team. The innovative product features six different live streams, including ClipperVision en Español, ClipperVision in Korean, and BallerVision, which features live commentary from Clipper Nation fan-favorite personalities.
 - HTA will receive three (3) spots in each stream for all remaining ClipperVision games this season, seamlessly integrating HTA's reach to passionate Clippers fans throughout Southern California.

Bally Sports SoCal TV Spots

- Hawai'i Tourism Authority will have the opportunity to extend its reach across Bally Sports SoCal, the team's regional broadcast partner, that reaches 5.8 million households throughout their network
- HTA will receive one (1) :30 second in-game commercial spot in all remaining Bally Sports SoCal regional telecasts of Clippers home games during the 2022-23 season

Radio

- Hawai'i Tourism Authority will receive the following radio inventory during the remainder of Clippers 2022-23 regular season games:
 - One (1) :30 second in-game spot
 - One (1) opening or closing billboard

Digital Sweepstakes

- HTA will be the presenting sponsor of one (1) four-week sweepstakes that that will live on Clippers.com, wherein one (1) lucky fan will win a trip to Hawai'i in September and tickets to the Clippers preseason games. The goal of the sweepstakes will be to drive excitement for the Clippers training camp and preseason in Hawai'i while also allowing HTA to garner viable travel leads.
 - Clippers to work with HTA on all creative assets
 - Clippers to execute sweepstakes and select winners
 - Clippers to cover cost of trip, including airfare, hotel and a meal credit for one winner + guests
 - HTA to provide add-ons to trip as desired (excursions, etc.)
 - Clippers to support sweepstakes with a paid social media campaign on Instagram and Facebook that will deliver approximately 500,000 impressions

Newsletter Inclusions

- Hawai'i Tourism Authority will receive a sponsored inclusion in three (3) Full Court Press e-newsletters sent to LA Clippers opt-in database of more than 160,000 recipients
- Each inclusion features a Hawai'i Tourism Authority-branded image, a headline and supporting copy, and a click-through to a webpage of Hawai'i Tourism Authority's choosing
- The e-newsletter inclusions allow HTA to gain further exposure to Clippers fans through digital outreach and can be used to promote Hawaii's destinations and special offers or events for Clippers fans



PARTNERSHIP TERMS & INVESTMENT

- Term:
 - 2022-23 Remaining NBA Regular Season (February through April)
 - 2023 NBA Training Camp and Preseason (Late September through early October)
- Investment: \$500,000 net



10.2

Los Angeles Clippers YouGov Sport Event Evaluation Report

HAWAII TOURISM AUTHORITY

EVENT EVALUATION REPORT: LA CLIPPERS



GAME-CHANGING INSIGHT

01	Introduction	3
02	Event Recap	7
03	Community Impact	9
04	Event Satisfaction	14
05	Economic Impact	21
06	LA Clippers Custom Questions	28
07	Appendix	31



1

INTRODUCTION

EVENT BACKGROUND

In 2017 the LA Clippers played two games against the Toronto Raptors at the Stan Sheriff Center in O'ahu on the campus of the University of Hawai'i.

This year the LA Clippers headed back to Hawai'i for the third time to kick off the 2019 NBA Preseason. The LA Clippers were scheduled to play in two games: Thursday, October 3rd against the Houston Rockets and Sunday, October 6th against the Shanghai Sharks.

The LA Clippers Hawai'i Classic provided a rare opportunity for sports fans in Hawai'i to see two talented NBA teams in-person.

OBJECTIVES OF THE STUDY

In 2018, YouGov Sport was commissioned by the Hawai'i Tourism Authority (HTA) to conduct quantitative research on related events and report the key findings from the analysis back to HTA.

The research program started in 2015 and YouGov Sport is continuing with the same methodology to maintain as much consistency as possible. Results will be benchmarked against the prior years' results.

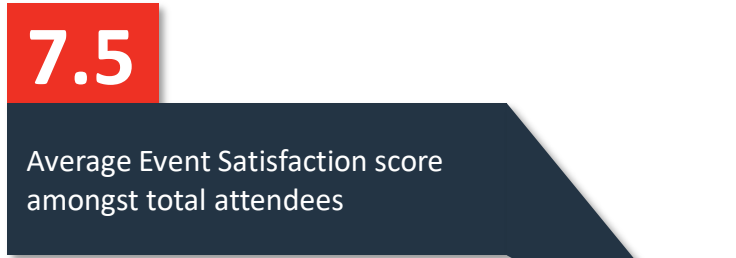
This report contains key findings from YouGov Sport's research and analysis across the following areas:

- 1. Economic Impact**
- 2. Event Satisfaction**
- 3. Community Impact**

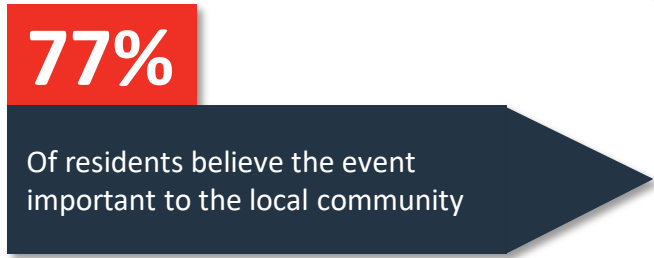
Note: Tourism Impact not included as sample is n=5

INTRODUCTION

Key Figures



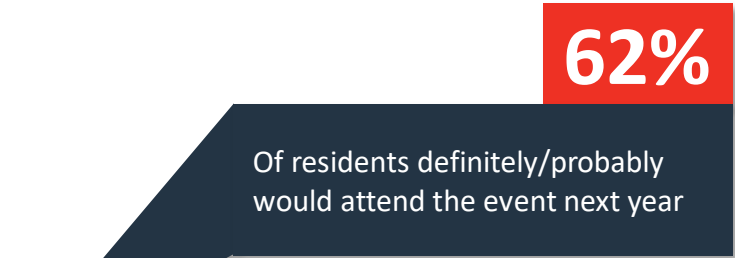
Event Satisfaction



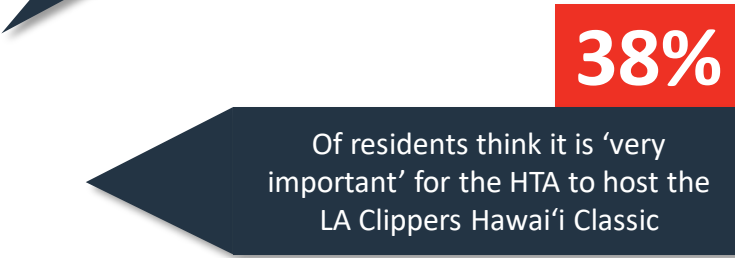
Community Impact



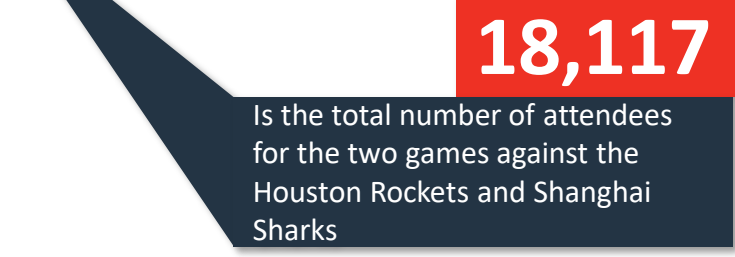
Economic Impact



Event Satisfaction



Community Impact



Event Satisfaction

COMPARISON TO PREVIOUS REPORTS

LA Clippers Hawai'i Classic

EVENT SATISFACTION (AVERAGE SCORE OUT OF 10)

2016	2018	2019
8.1	8.8	7.5

Among Total Attendees

COMMUNITY IMPACT

2016	2018	2019
29%	35%	38%

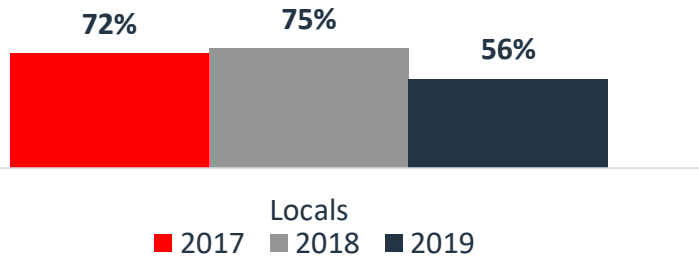
Of residents believe it is 'very important' for the HTA to host the LA Clippers Hawai'i Classic

COMMUNITY IMPACT

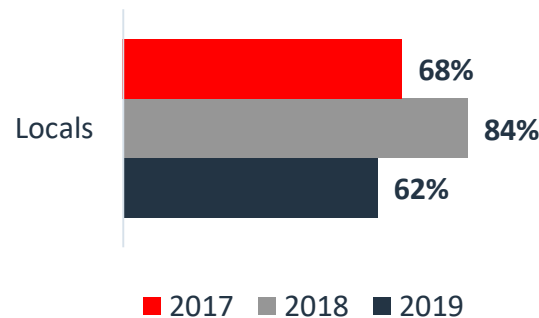
2016	2018	2019
75%	77%	77%

Of residents believe the event is important to the local community

LIKELIHOOD TO RECOMMEND EVENT % EXTREMELY LIKELY (8 – 10 on a scale of 0 – 10)



LIKELIHOOD TO ATTEND NEXT YEAR % DEFINITELY/PROBABLY WILL ATTEND



ECONOMIC IMPACT*

	2017	2018	2019
Visitor Spend	\$574K	\$352K	\$99K
Media Impact (iQ Media and Meltwater)	N/A	\$446K	\$449K
Total Economic Impact	\$574K	\$799K	\$548K

*Values in table rounded



2

EVENT RECAP

EVENT RECAP

- No on-site team was used for this event. Survey distribution was completed through the LA Clippers' ticketbuyer database.

Event	Date	People Recruited for Follow-Up Survey	*Estimated Attendance
2019 LA Clippers Hawai'i Classic	October 3 rd , 2019 vs. Houston Rockets	N/A – Survey was sent through LA Clippers' ticketbuyer database	10,300
	October 6 th , 2019 vs. Shanghai Sharks		8,117

*Attendance based on ESPN reported numbers for the October 3rd game against the Rockets and FOX Sports reported numbers for the October, 6th game against the Shanghai Sharks



3

COMMUNITY IMPACT

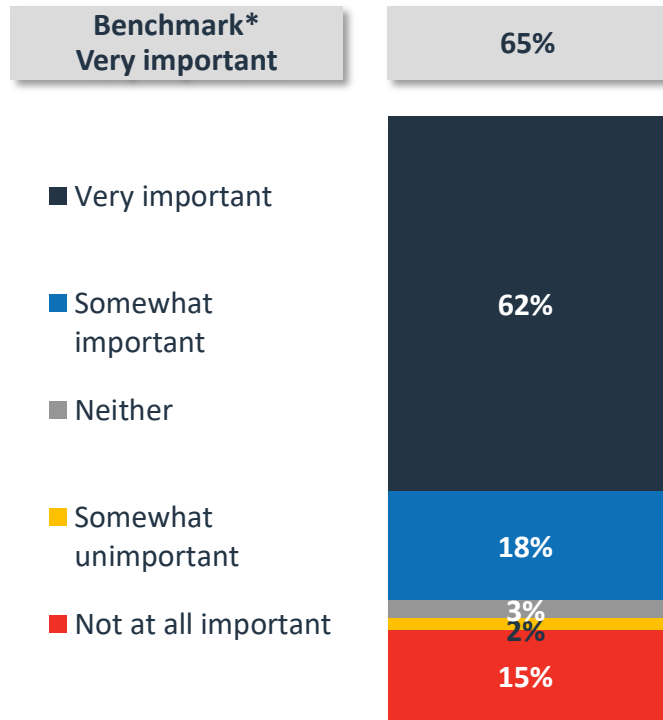
COMMUNITY IMPACT

- Locals scored close to benchmarks in importance for the Hawai'i government to attract/secure major events.
- Similar to all events so far this year, locals placed a high value on the event helping enhance the community spirit, pride and enjoyment.



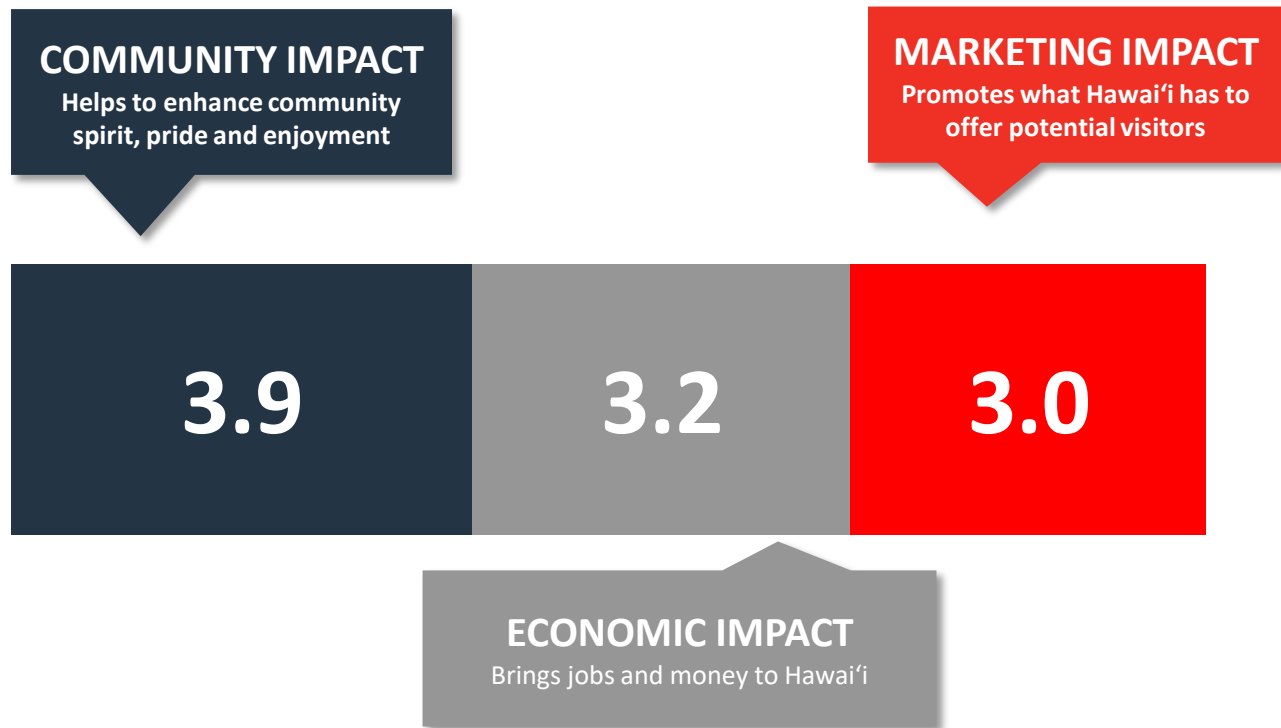
Importance for Hawai'i Gov't to Attract/Secure Major Events

Showing % Selecting Among Locals



Ranking of Major Benefits From Staging Events

Showing Average Score Among Locals



Q14: How important or unimportant do you think it is for the Hawai'i state and county government to be involved in the attracting and securing of major events across the Hawaiian Islands?
 Q15: Below are three major benefits derived from staging events. Please allocate 10 points across the three benefits to reflect the extent to which you believe each is important. The more points you allocate to a specific benefit, the more important you think that benefit is.
 Base: 271 Locals

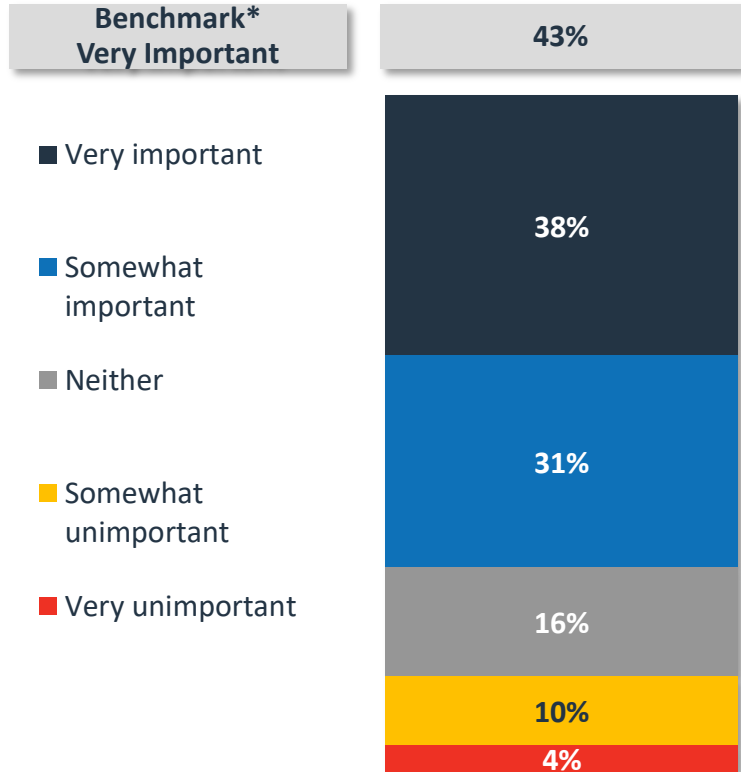
COMMUNITY IMPACT

- Residents who attended the sporting event scored under benchmarks for both importance for HTA to host the LA Clippers Hawai'i Classic (-5 points) and the reasonability of tourist-based taxes to fund the event (-12 points).



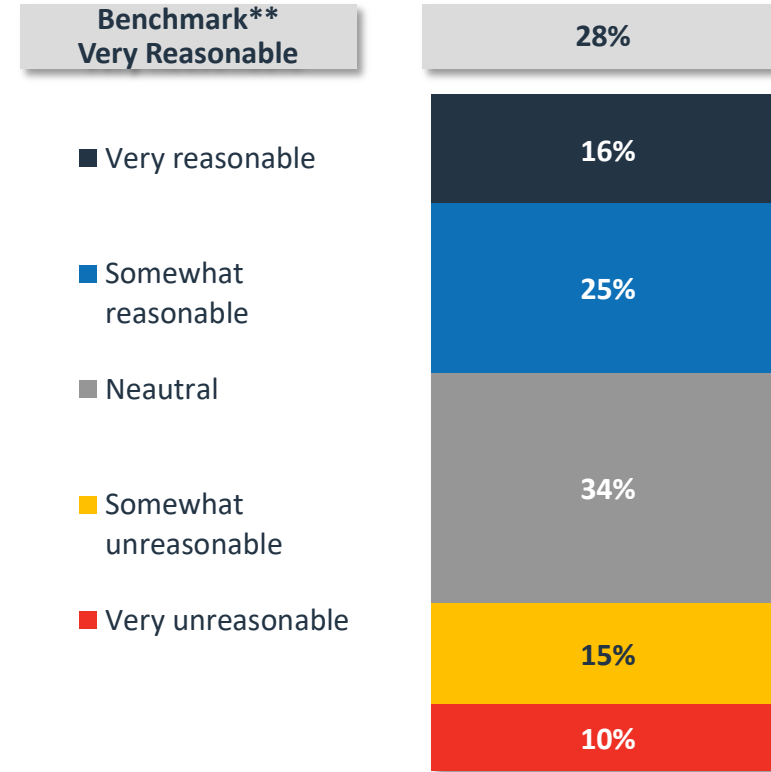
Importance for HTA to Host the LA Clippers Hawai'i Classic

Showing % Selecting Among Locals



Reasonability of Tourist Paid Hotel Taxes to Fund the LA Clippers Hawai'i Classic

Showing % Selecting Among Locals



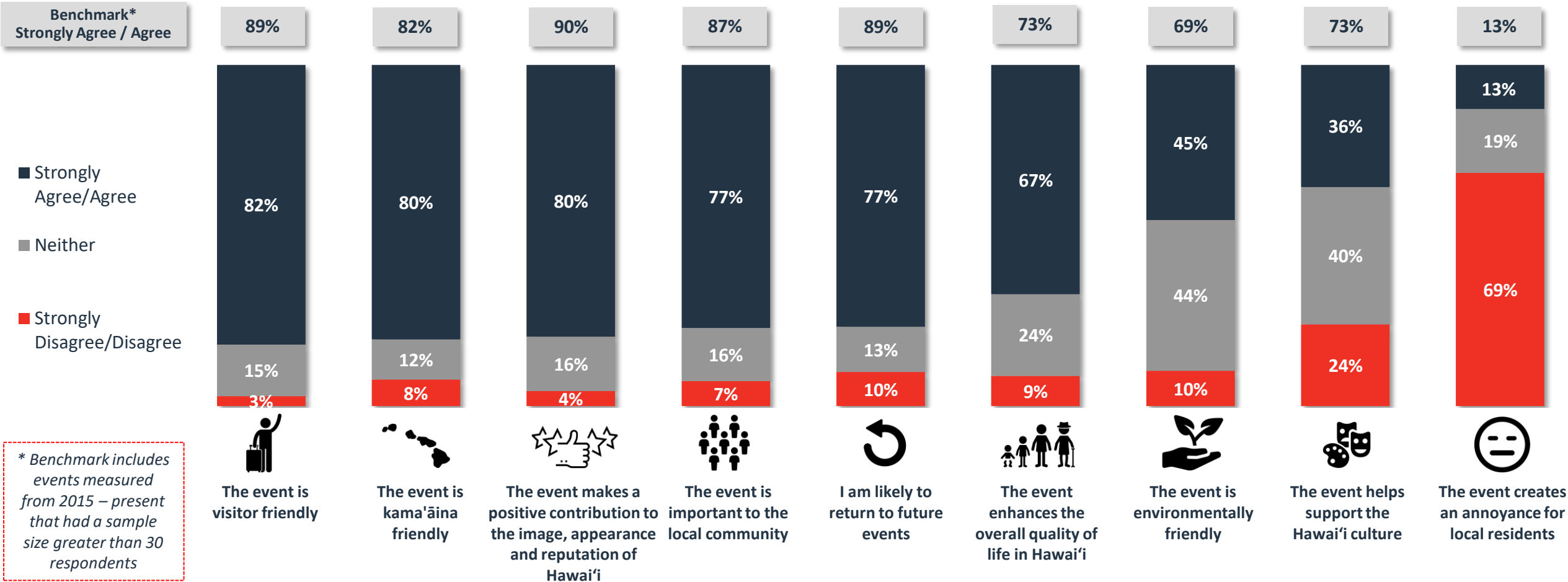
* Question changed to scale and only includes 2018-2019 events

COMMUNITY IMPACT

- LA Clippers Hawai'i Classic scored lower than other events this year, but kama'āina friendly and visitor friendly scored close to benchmarks.
- While lower, the scores for the Hawai'i Classic are still strong.

*Community Impact

Showing % Selecting Among Locals, Ranked by Strongly Agree/Agree



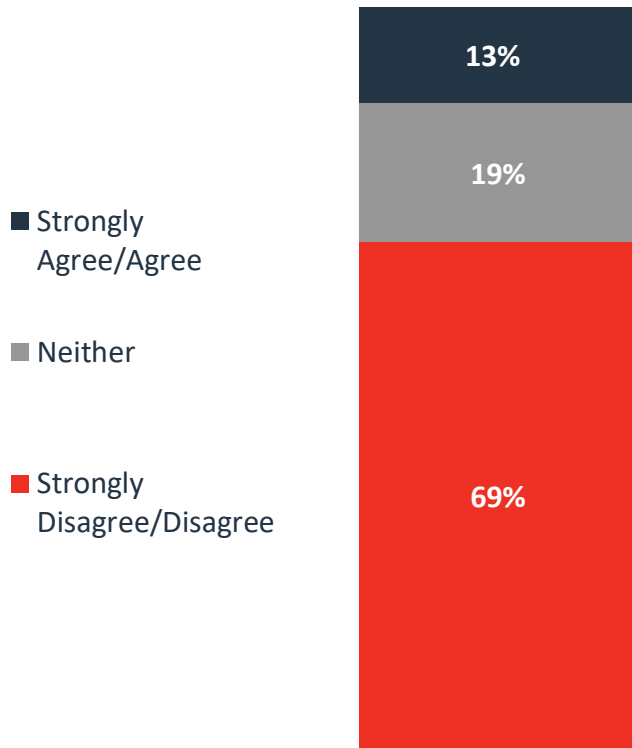
COMMUNITY IMPACT

- Around 1 in 10 (13%) of Residents thought the event created an inconvenience for the local population. As is typical, most residents complained about traffic, but some mentioned how the game against the Rockets did not include many NBA all-stars as promoted in advertising.



Agreement With Event Creating Inconvenience For Local Residents

Showing % Selecting Among Locals



Reasons For Believing That The Event Created An Inconvenience For Local Residents*

Traffic for people who did not attend the event

The game was advertised as a chance for locals to see two extremely popular players in an NBA pre-season game. They didn't play.

Traffic congestion

Traffic jams for both events and irritated fans who paid for tickets and not getting to see the stars play.

Q18: Please indicate your agreement with the following statements regarding the [INSERT EVENT NAME]. Please select one option on each row.
 Q18A: What were the reasons for you agreeing that the [INSERT EVENT NAME] created an inconvenience for local residents? Please be as specific as possible.
 Base: 271 Locals
 *Base: 35 residents who believed the event caused an inconvenience for locals

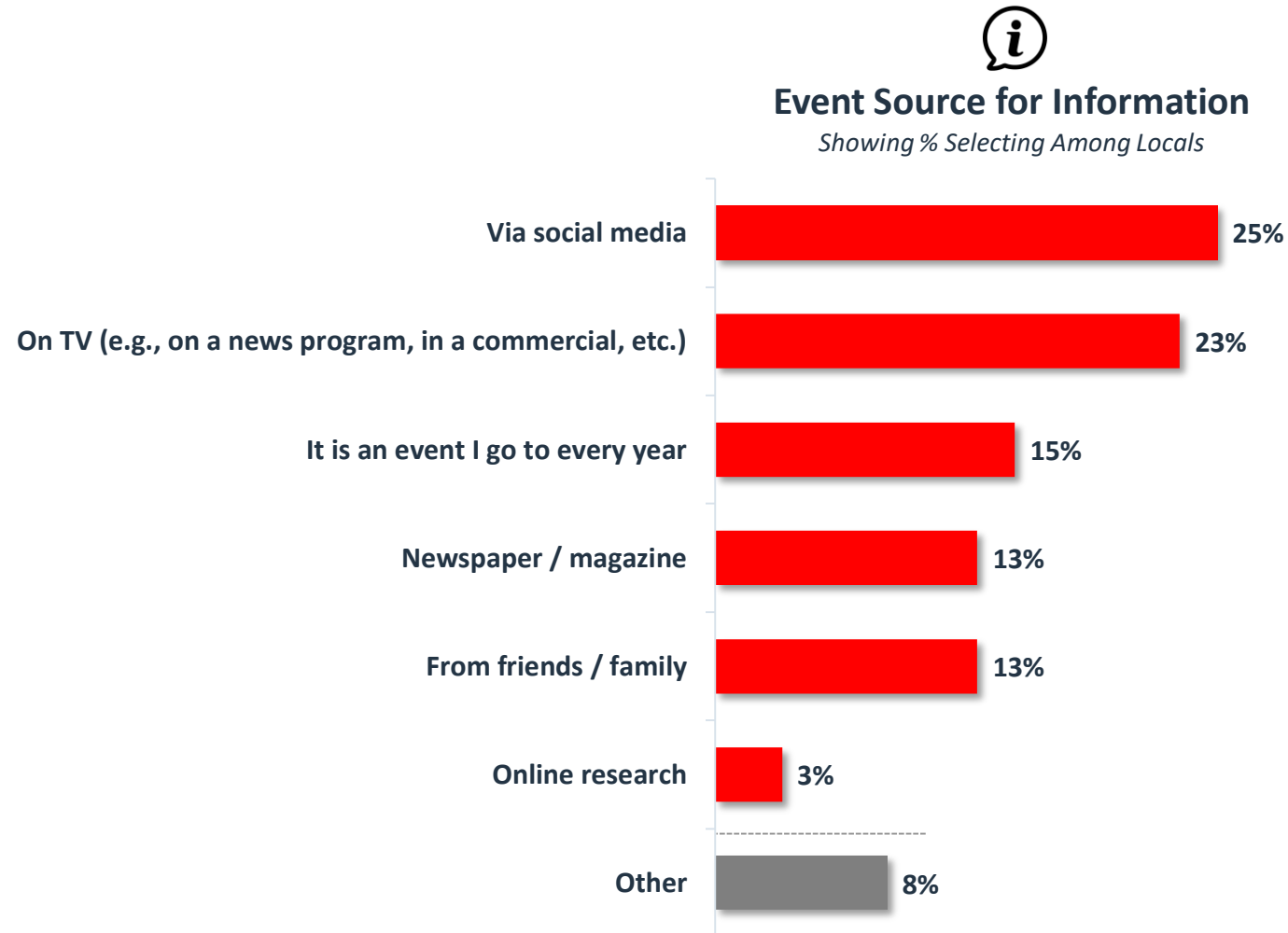


4

EVENT SATISFACTION

EVENT SATISFACTION

- Most Locals learned about the event through social media (25%) and on TV (23%).



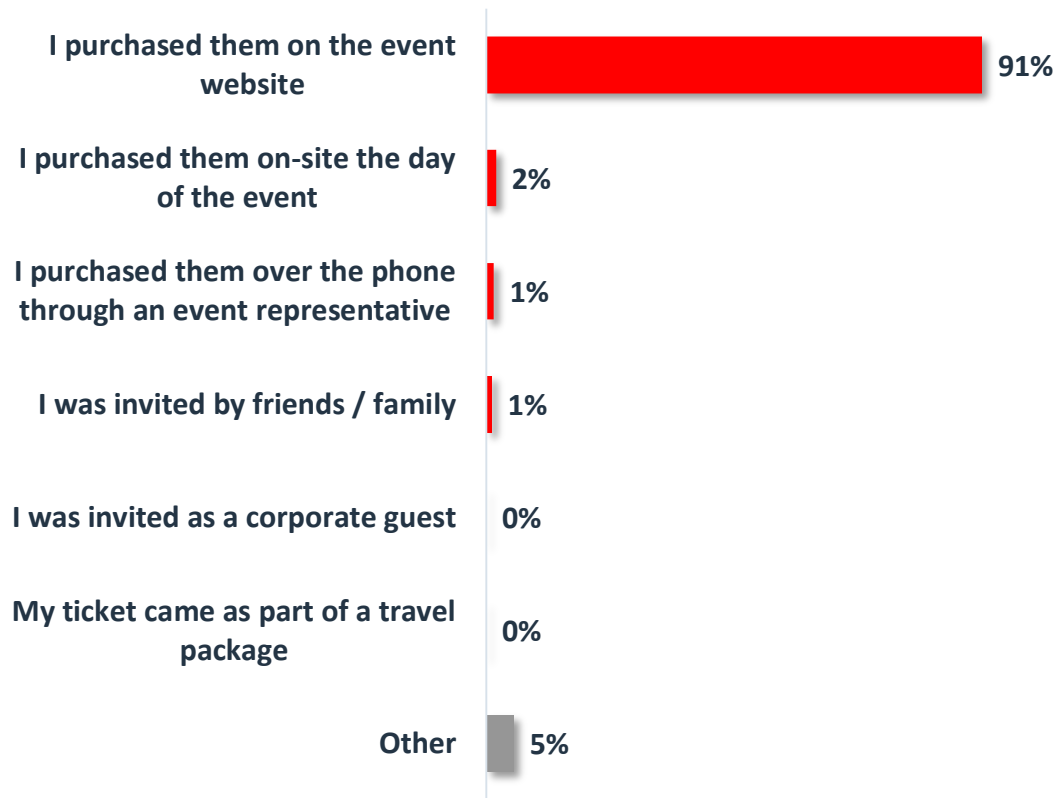
EVENT SATISFACTION

- Nearly all Attendees (91%) purchased tickets for the LA Clippers Hawai'i Classic on the event website.
- Nearly three-quarters of Attendees bought tickets 1-2 months before the games.



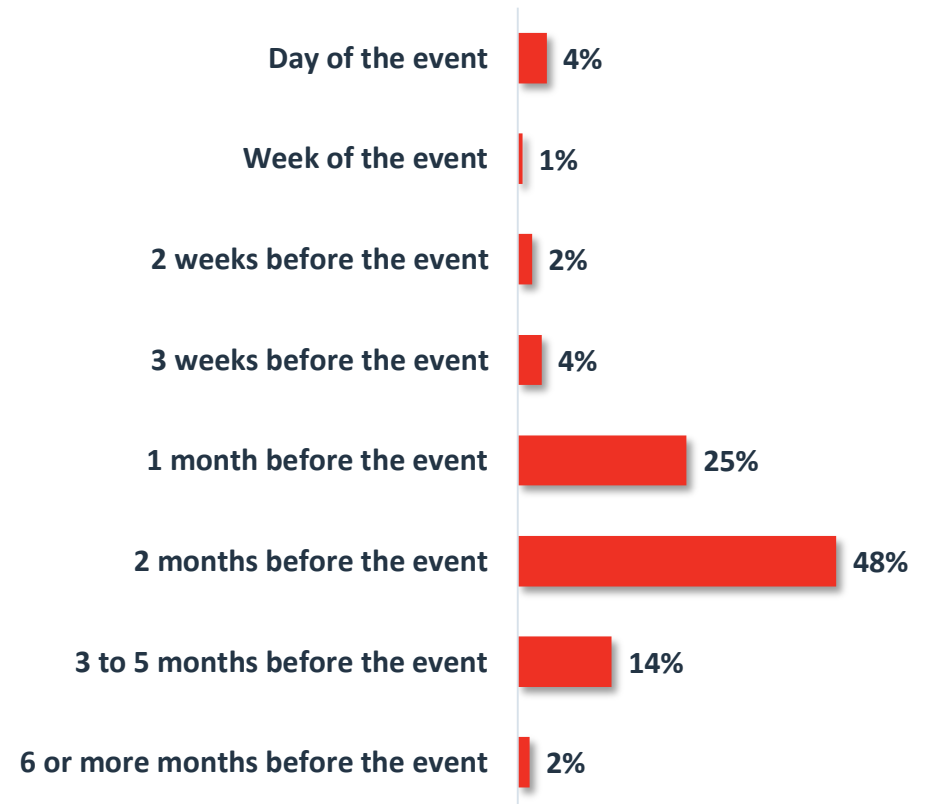
Ticket Source

Showing % Selecting Among Total Attendees



Ticket Purchase Date

Showing % Selecting Among Total Attendees



EVENT SATISFACTION

- Although 61% of Attendees were 'extremely satisfied' with the event, overall event satisfaction was lower than most events this year.
- Negativity towards the event is attributed to the Houston Rockets benching James Harden and Russell Westbrook.

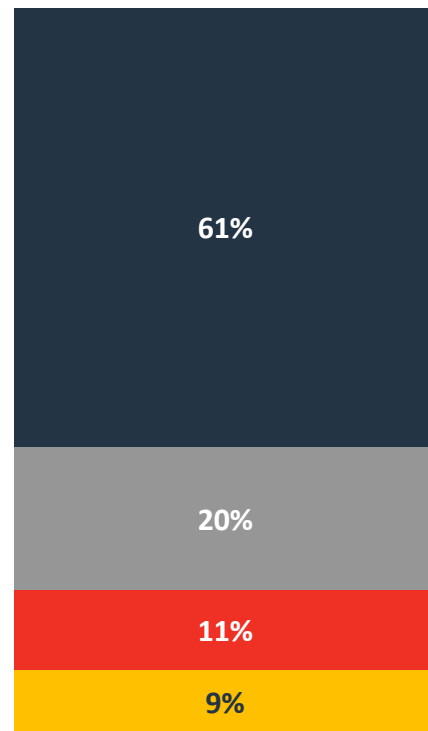
Overall
Score
7.5



Event Satisfaction

Showing % Selecting Among Total Attendees

- Extremely Satisfied (8-10)
- Satisfied (6-7)
- Mixed (3-5)
- Unsatisfied (0-2)



Total Attendees

IN THEIR OWN WORDS: THOUGHTS & IMPRESSIONS

Only reason I didn't give a 10 was because **not all of the stars were playing.**
Score: 9

It was unfortunate that **Kawhi Leonard and other big players did not participate in the game.** Fans were not notified of this until a few days before the game.
Score: 9

Fun atmosphere. Affordable way to see an NBA game. There really is **no bad seat** at the Stan Sherrif center arena.
Score: 8

Enjoyable, yet some stars did not play. And **traffic** getting into parking.
Score: 7

I expected that the majority of the stars will be playing. **I paid to see Kawhi Leonard, Paul George, and Russell Westbrook to play.**
Score: 6

It is such a great opportunity to be able to see NBA teams! Cons: dealing with **parking lines, lines to purchase food.** Lack of excitement because **many stars were not playing.**
Score: 6

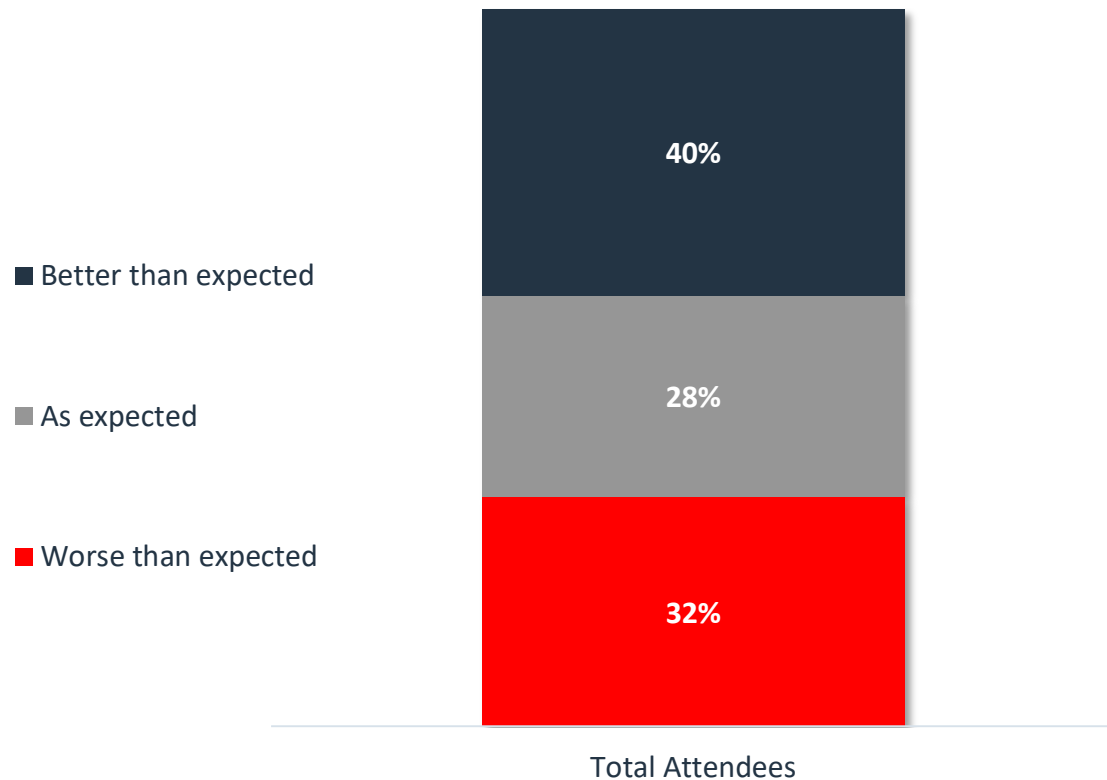
EVENT SATISFACTION

- Similar to event satisfaction, comparison to expectations/other events is lower than other events this year, but still more positive than negative.
- Around 4 in 10 Attendees thought the games were better than expected (40%) and better than other events they've attended this year (43%).



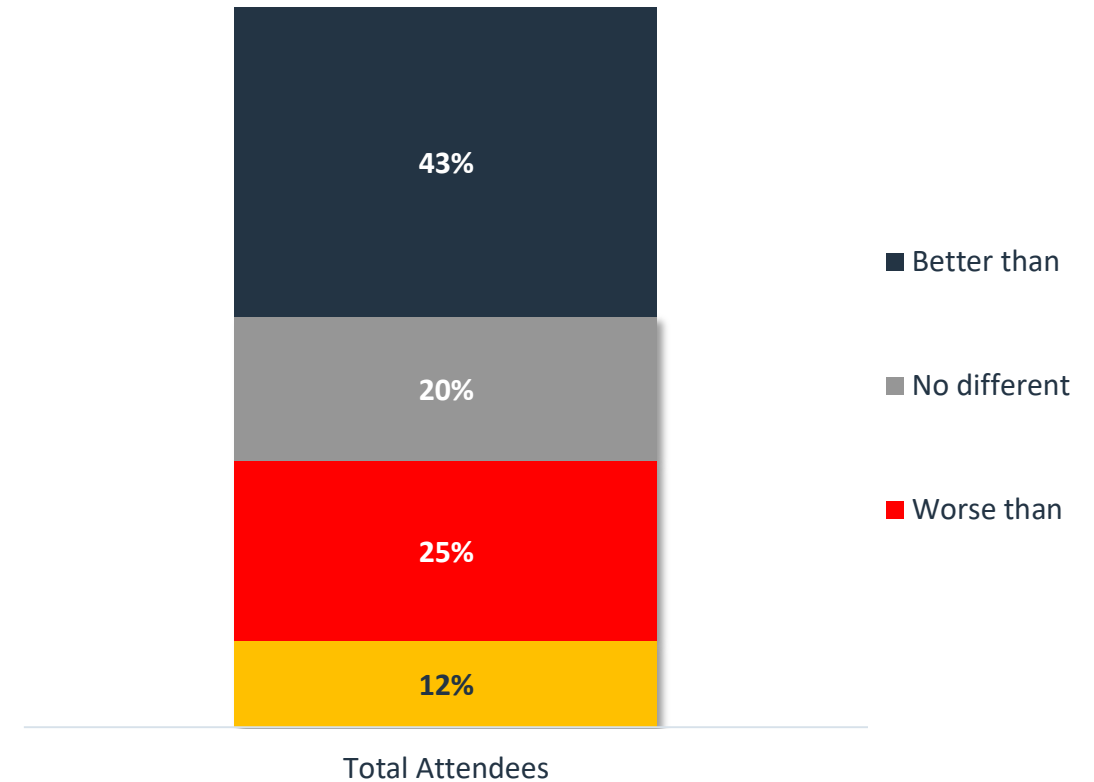
Comparison to Expectations of the Event

Showing % Selecting Among Total Attendees



Comparison to Other Events

Showing % Selecting Among Total Attendees



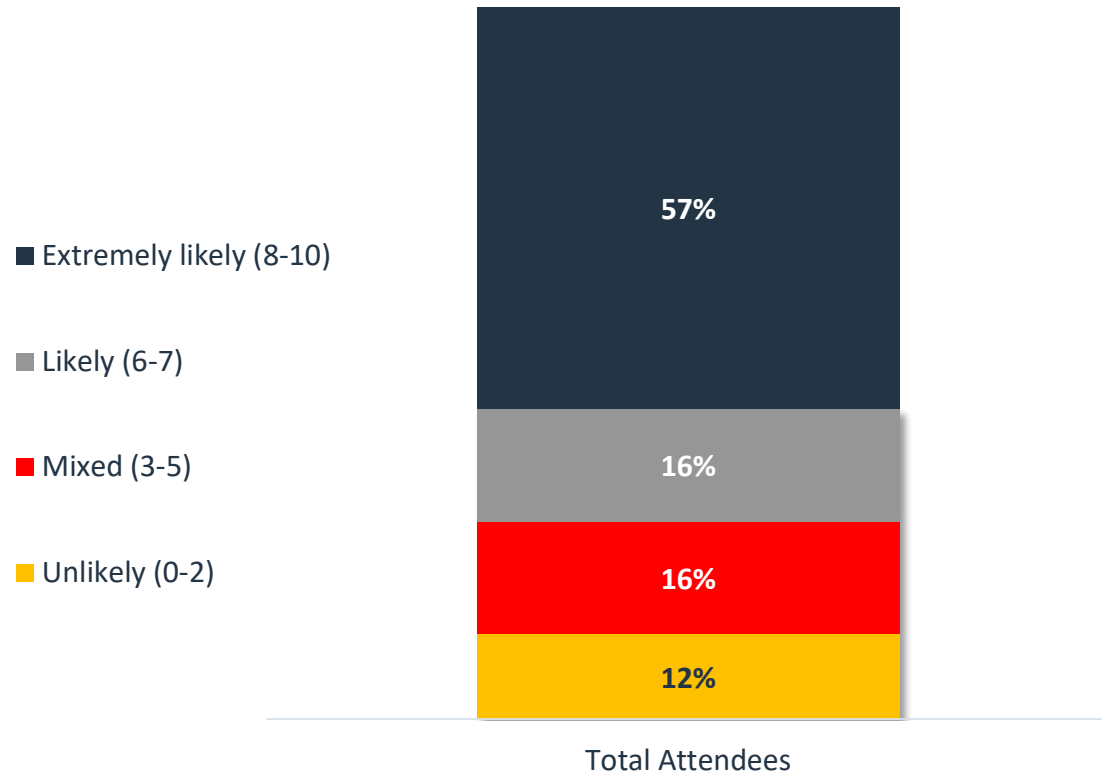
EVENT SATISFACTION

- Around 6 in 10 Attendees said they were ‘extremely likely’ to recommend the event and definitely/probably attend next year.



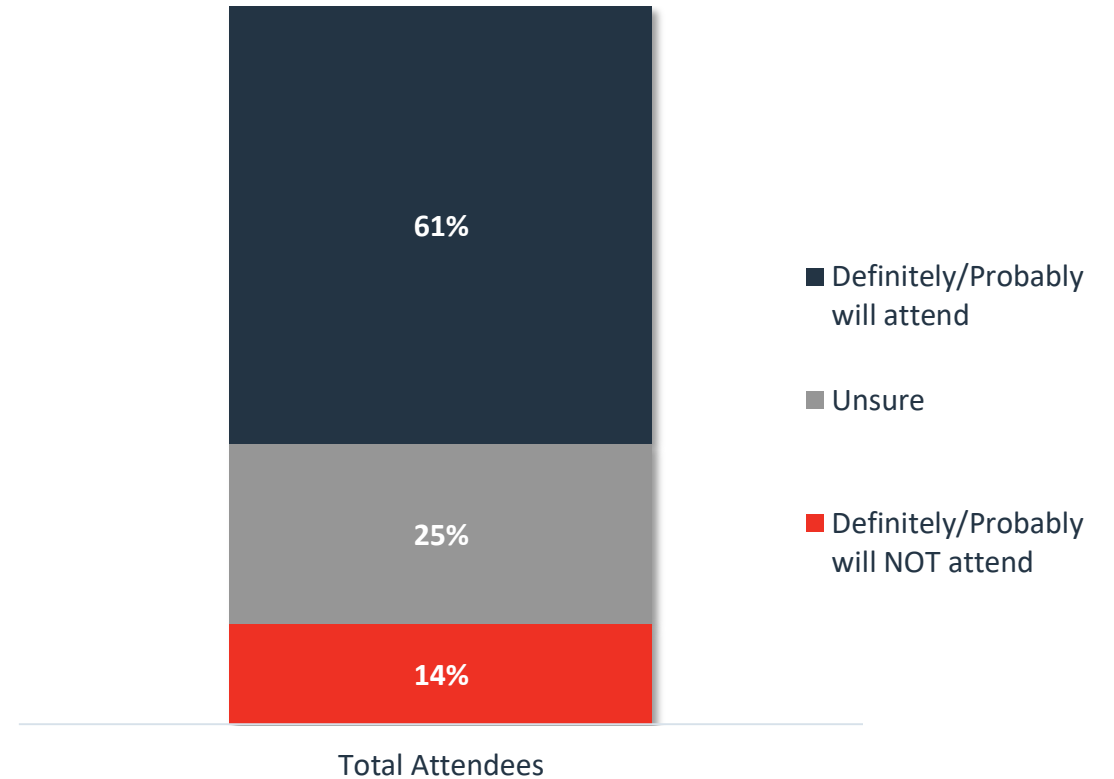
Likelihood to Recommend

Showing % Selecting Among Total Attendees



Likelihood to Attend Next Year

Showing % Selecting Among Total Attendees



Q12: On a scale of 0 to 10, where 0 = Extremely unlikely, to 10 = Extremely likely, please indicate how likely you are to recommend attending the [INSERT EVENT NAME] to your friends and colleagues in the future.

Q13: How likely are you to attend next year's [INSERT EVENT NAME]?

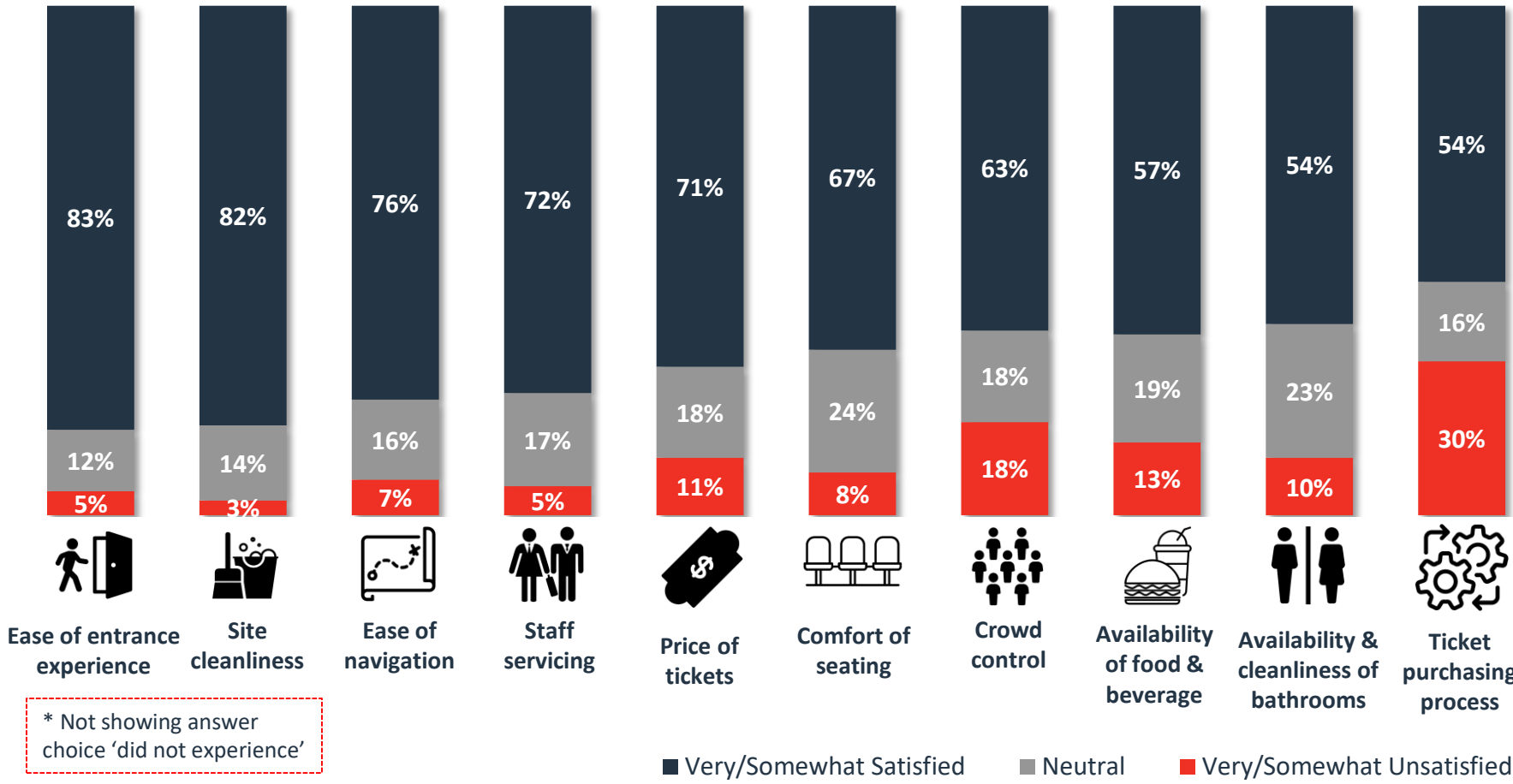
Base: 276 Attendees

EVENT SATISFACTION

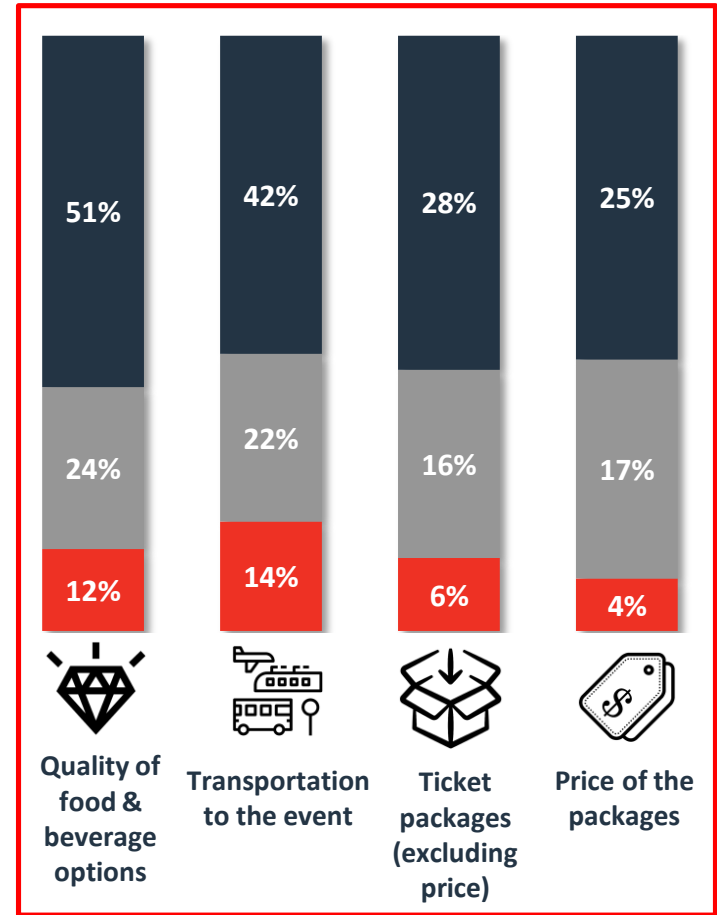
- About one-third of event satisfaction metrics generated a satisfaction greater than 70%.
- Attendees were satisfied the most with the ease of entrance experience and site cleanliness. Similar to other ticketed events, price of the ticket packages was lower than other event satisfaction metrics.

*Event Satisfaction

Showing % Selecting Among Total Attendees, Ranked by Strongly Agree/Agree



Bottom 4 based on positive agreement



* Not showing answer choice 'did not experience'

■ Very/Somewhat Satisfied ■ Neutral ■ Very/Somewhat Unsatisfied



5

ECONOMIC IMPACT

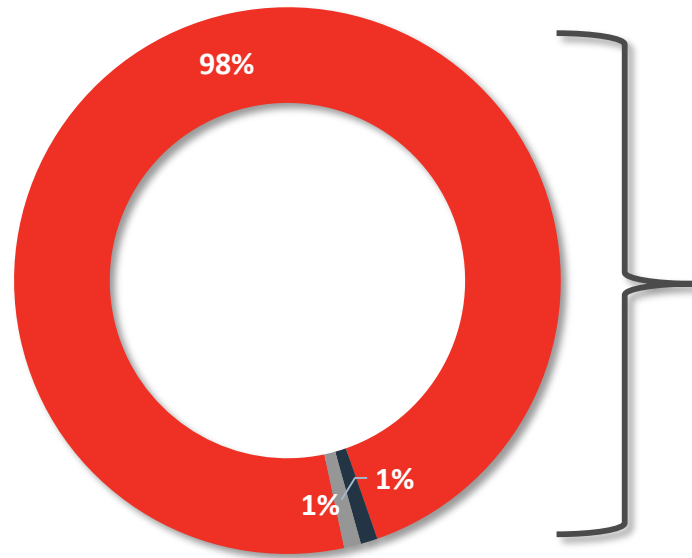
ECONOMIC IMPACT

- About 7 in 10 attendees were from the local community.
- 88% of Visitors said the event was not a reason for the trip.



% of Attendees Who Live in the Following Places

Showing % Selecting Among Total Attendees



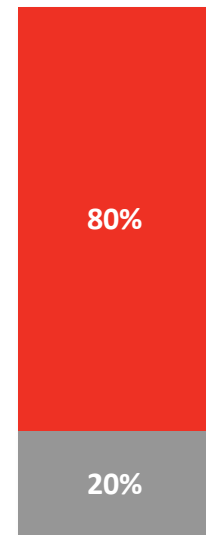
■ Locals
 ■ US (Excluding Hawai'i)
 ■ Overseas

Net Attendance**	14,566	149	149
------------------	--------	-----	-----



*Reason for Trip

Showing % Selecting Among Visitors



- Event was not a reason for the trip
- Event was a reason for trip
- Event was only reason for the trip

59

in-scope visitors

Q1: Where do you usually live? | Q20: Which of the following applies to the way you planned your trip to Hawai'i?

Base: 75 Total Attendees

*Base 5 Visitors

**Net Attendance calculated by taking total estimated attendance and dividing by the average number of days people attended the event (from survey)

ECONOMIC IMPACT

Visitor Spend:

We estimate a total of **59** in-scope visitors from Continental US and overseas.

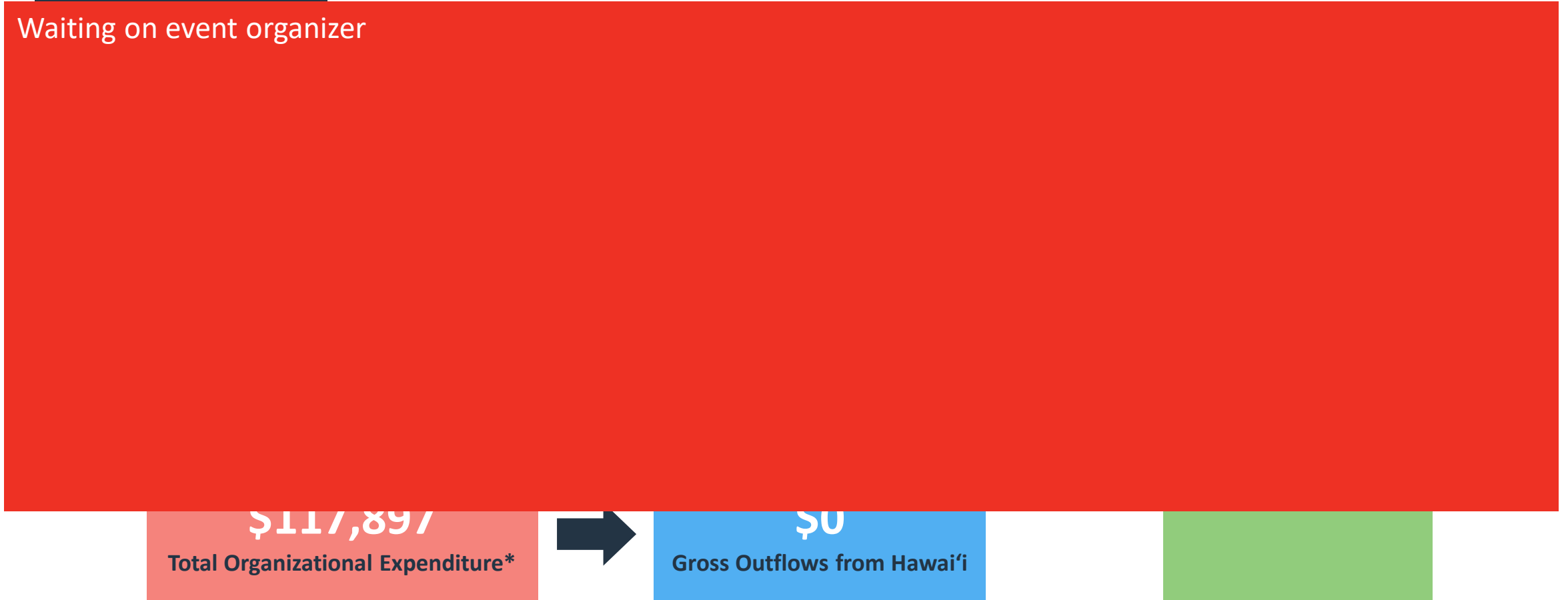
These visitors stayed **8.43 days*** on average and spent an average of **\$199.1 per day***, leading to direct spend by attendees of **\$831,382**.



*Due to low sample, average visitor stay and average expenditure per day are from the HTA September, 2019 Report

Organizational Spend:

Waiting on event organizer



ECONOMIC IMPACT

Total Direct Economic Impact:

\$98,953

+

Waiting on event organizer

+

Waiting on event organizer

+

\$449,167

=

\$548,120
Direct Expenditure into
Hawai'i Economy

Gross Economic Impact:

Every time there is an injection of funds into the circular flow of an economy, a multiplier effect can occur. This extra income leads to more spending, which then creates more income, and so on. The multiplier effect refers to the increase in final income arising from any new injection of spending.

Total Direct Expenditure	Category	Multiplier*	Result
\$98,953	Sales generated (direct, indirect, and induced)	1.81	\$0.18M
	Household income generated (direct, indirect, and induced)	0.51	\$0.05M
	Number of jobs supported (direct, indirect, and induced)	12.2	1 Job
	State government tax revenue generated (direct, indirect, and induced)	0.117	\$0.01M

ECONOMIC IMPACT

- Although the 2019 LA Clippers Hawai'i Classic had 166% more attendance than last year (2018 estimated attendance based on one game, 2019 estimated attendance based on two games), 43% of Visitors in 2018 said the game was a reason for their trip (vs. 20% in 2019). Consequently, 2019 had 82% less In-Scope Visitors.

	2018	2019	% Change From 2018
Estimated Attendance	6,911*	18,417**	166%
% Visitors	11%	2%	-82%
% Came for Event	43%	20%	-53%
In-Scope Visitors	329	59	-82%
Entourage	0	0	-
Total In-Scope Visitors	329	59	-82%
Average Nights Stayed	6.00	8.43	41%
Average Spend per Day	\$178.47	\$199.1	12%
Total Visitor Spend	\$352,389	\$98,953	-72%

*Provided by ESPN

**Provided by ESPN and Fox Sports



6

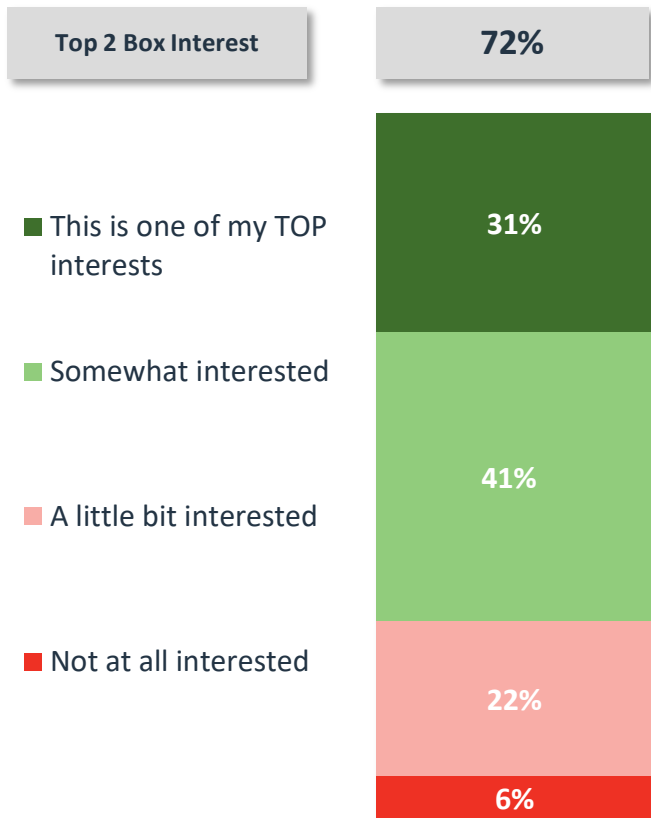
LA CLIPPERS CUSTOM QUESTIONS

CLIPPERS CUSTOM QUESTIONS

- Over 3 in 10 Attendees said the LA Clippers is one of their TOP interests – overall interest is 72%.
- Energetic, inclusive and Determined are the three attributes that garnered the strongest agreement as descriptors for the LA Clippers brand.

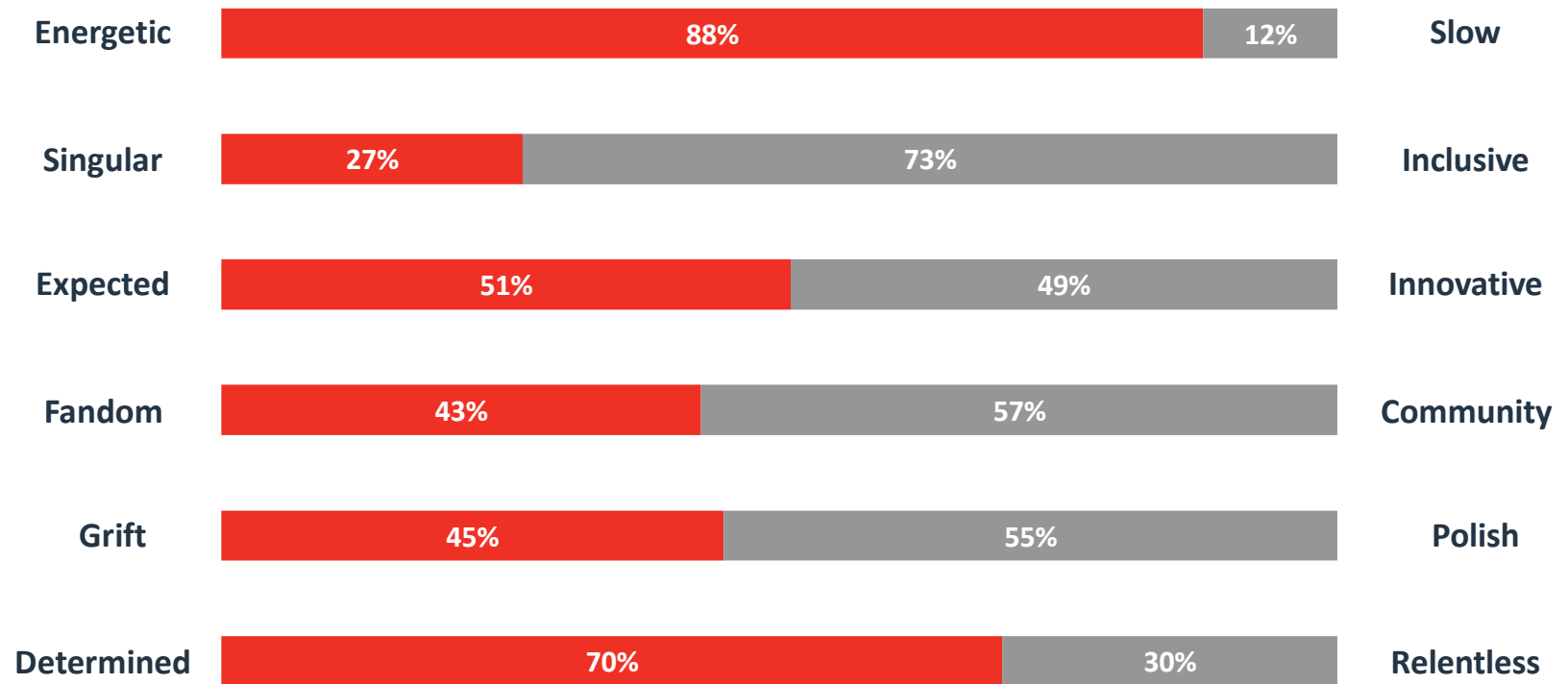
Interest in LA Clippers

Showing % Selecting Among Total Attendees



LA Clippers Brand Attributes

Showing % Selecting Among Total Attendees

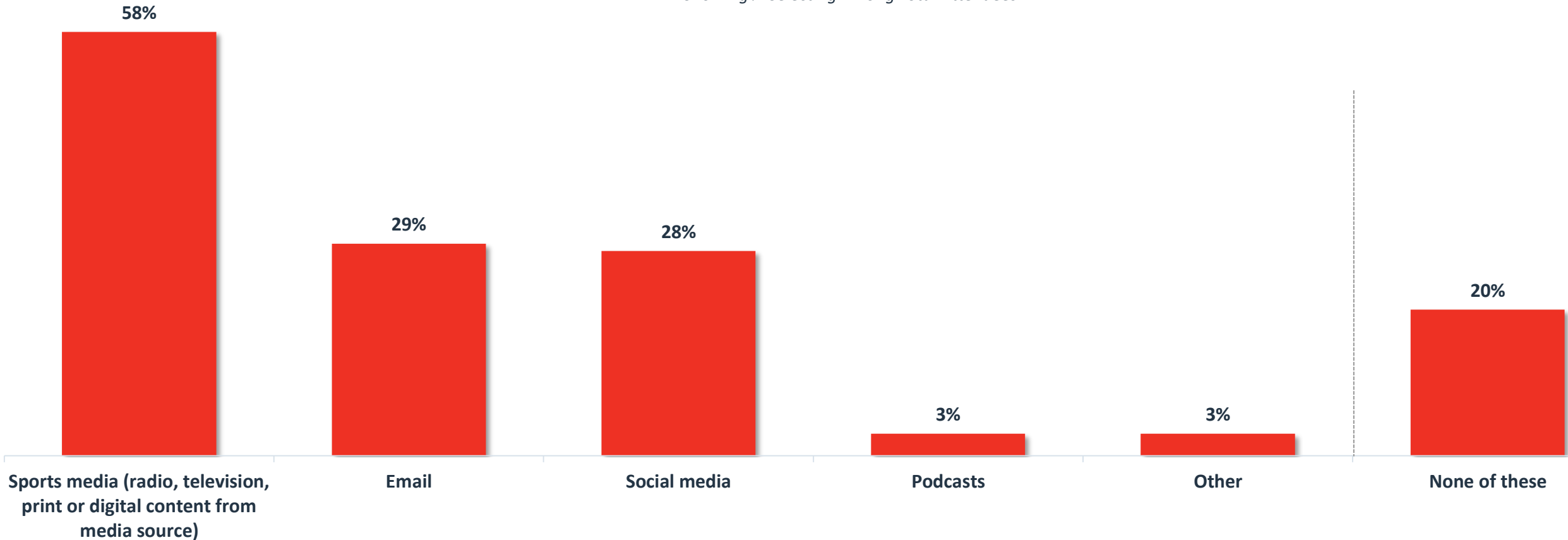


CLIPPERS CUSTOM QUESTIONS

- The majority of Attendees (58%) use sports media as their primary information source for the LA Clippers.
- About 3 in 10 use Email (29%) and Social media (28%) and very few use podcasts (3%).

LA Clippers Information Source

Showing % Selecting Among Total Attendees





APPENDIX

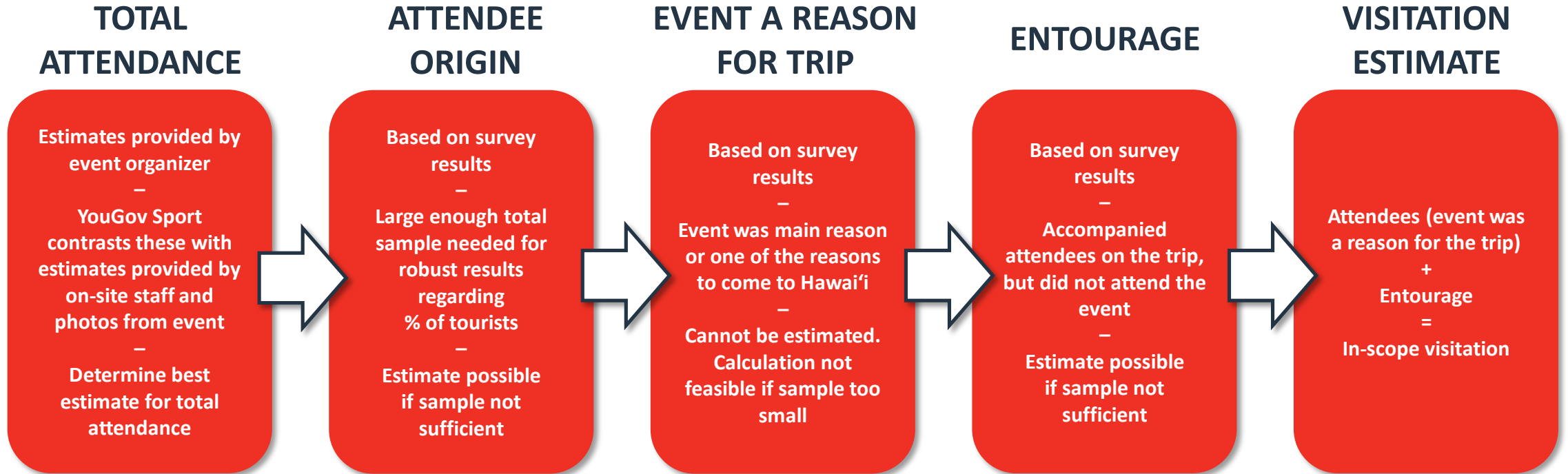
APPENDIX

Survey Methodology Overview

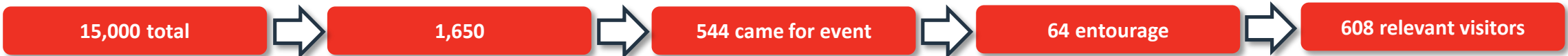
MARKET:	Hawai'i
METHOD:	On-site recruitment – followed-up by an online survey
LENGTH OF INTERVIEW:	10 minutes
SELECTION PROCEDURE:	All event attendees
SAMPLE SIZE:	Locals: n = 271 Visitors: n = 5 Total: n = 276
FIELDWORK DATES:	October 5 th , 2019 – October 21 st , 2019

APPENDIX

Process Of Estimating Visitation For Economic Impact Analysis



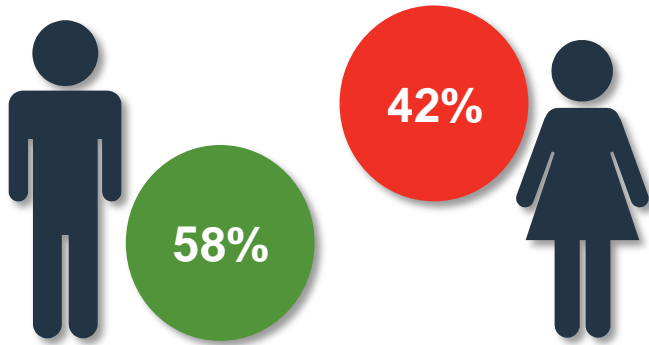
EXAMPLE



APPENDIX

Demographic Overview Of Survey Respondents

GENDER



AGE



EDUCATION

Less than high school	0%
High school	8%
Vocational or technical school	4%
Undergraduate degree	45%
Graduate school	37%
Prefer not to answer	6%



EMPLOYMENT

Student	3%
Employed full-time	75%
Employed part-time	5%
Unemployed	1%
Homemaker	2%
Retired	8%
Prefer not to answer	6%

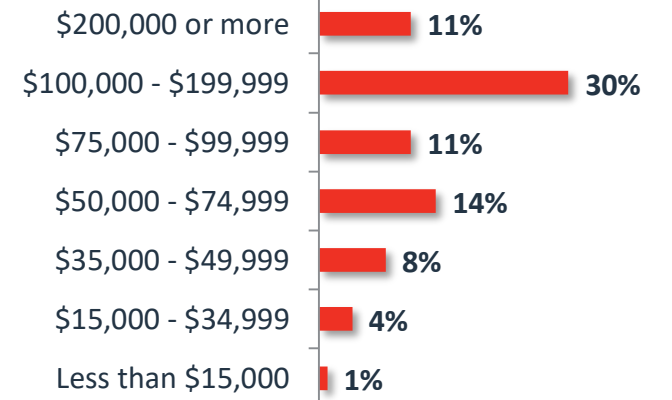


MARITAL STATUS

Married	55%
Living with a partner	8%
Single, never married	23%
Divorced / separated	6%
Widowed	0%
Prefer not to answer	8%



INCOME



We are a research consultancy, specialising in the business of sports, sponsorship and entertainment.

REGIONAL OFFICES

UK	LONDON, GLASGOW
US	NEW YORK, PHOENIX, DALLAS
MIDDLE EAST	DUBAI
INDIA	MUMBAI
AUSTRALIA	MELBOURNE

GLOBAL NETWORK IN 30 COUNTRIES

Email : scott.horowitz@smg-insight.com

Email : georgie.webb@smg-insight.com

GAME-CHANGING INSIGHT

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11

**Report and Update by the Budget, Finance and
Convention Center Standing Committee of their
Meeting held on January 25, 2023**

11a

Discussion and Action on the Recommendation
by the Budget, Finance, and Convention Center
Standing Committee on the **HTA's Financial
Report for December 2022**

11a.1

Financial Statements – Executive Summary
as of December 31, 2022



AUTHORITY

Financial Statements – Executive Summary
As of December 31, 2022

Foreword:

- Fund Accounts. HTA’s major funds are the following:
 - Tourism Federal Fund FY2023 (ARPA TFF) – Official Name: HTA CSFRF Subaward
 - Tourism Federal Fund FY2022 (ARPA TFF) – Official Name: HTA CSFRF Subaward
 - Tourism Special Fund (TSF)
 - Convention Center Federal Fund (ARPA CCFF) – Official Name: Convention Center CSFRF Subaward
 - Convention Center Enterprise Special Fund (CCESF)
 - Economic Development Administration (EDA) Grant – Official Name: ARPA-EDA Tourism Grant (Non-Competitive ARPA State Tourism Grant for State of Hawaii)
- Remaining FY 2022 Budget. HTA currently can continue encumbering its FY 2022 ARPA funds until June 2023.
- Tracking of Cross-Year Encumbrances. The formatting of the financial statements has changed from prior years because we are now working with Federal funds that can be encumbered in more than one fiscal year. The change in format reflects the need to track such cross-year transactions.
- FY23 Funding. HTA’s Board of Directors approved a \$60M FY 2023 budget. Then-Governor Ige vetoed HB1147, 2022 Legislature, on concerns of the legality of the mechanism for appropriating those funds. If not vetoed, HB 1147 would have appropriated the \$60M in General funds to HTA for FY 2023. In November 2023, the HTA’s FY 2023 funding issue was resolved and HTA was granted a \$35M ARPA subaward. At its November 2022 meeting, the HTA Board approved a revised \$35M FY 2023 budget. There has been a significant delay in planning and initiating HTA FY 2023 programs due to this and other matters.

Summary of Financial Position – All Funds

		(In Millions)					
		2022 TFF (ARPA)	2023 ARPA	TSF (incl Emergency)	2022 CCFF (ARPA)	CCESF	EDA
Cash at December 31, 2022		29.1	-	25.2	10.2	34.9	-
Increase (Decrease) due to							
Revenue		-	-	-	-	-	-
Program/Op Expenses		(2.6)	-	(3.4)	-	-	-
Encumbered Funds		20.1	-	14.9	10.0	5.9	-
Unencumbered Funds		9.0	-	10.3	0.2	29.0	-

Tourism Federal Fund FY 2022 (ARPA TFF):

1. \$29.1M in cash (remaining from amount that has been allotted to HTA so far). Cash decreased by \$2.6M from November 30, 2022 due to disbursements related to program expenditures.
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 (CSFRF)	B&F Funds Release		Board Approved Amount	Encumbered
		Requested	Approved *		
Hawaiian Culture	-	1,565,500	1,565,500	4,544,845	1,234,292
Natural Resources	-	665,000	665,000	1,915,000	100,000
Community	27,289,500	735,500	735,500	3,685,500	120,000
Branding	28,500,000	33,563,000	33,563,000	31,673,655	29,792,497
Sports	-	4,344,889	4,344,889	6,311,889	2,844,889
Safety & Security	-	900,000	900,000	700,000	152,044
Research	-	60,000	60,000	60,000	-
Planning	-	2,005,200	2,005,200	2,005,200	780,330
Admin	648,700	1,199,111	1,199,111	1,199,111	432,202
Governance and Org-Wide	351,800	529,001	529,001	572,001	263,299
Payroll	3,210,000	7,132,799	7,132,799	7,332,799	6,505,669
	60,000,000	52,700,000	52,700,000	60,000,000	42,225,222

B&F has approved HTA’s extension request to allow the encumbering and expenditure of the \$60M ARPA funds by June 30, 2023. HTA is in the process of seeking an extension through December 31, 2023.

- Over several meetings, the HTA Board approved the FY 2022 budget of \$60M, 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	43,075,000	Most other programs
December 2021 Meeting	5,300,000	48,375,000	Programs previously identified as needing further clarification to Board's questions.
January 2022 Meeting	475,000	48,850,000	NAHHA FY23
June 2022 Meeting	4,300,000	53,150,000	Release of funds for FY23 payroll, admin and governance costs, bringing to current.
July 2022 Meeting	6,400,000	59,550,000	Release of funds for KO, AA, and CEP programs
September 2022 Meeting	450,000	60,000,000	Release of remaining funds as part of staff's budget reallocation request.

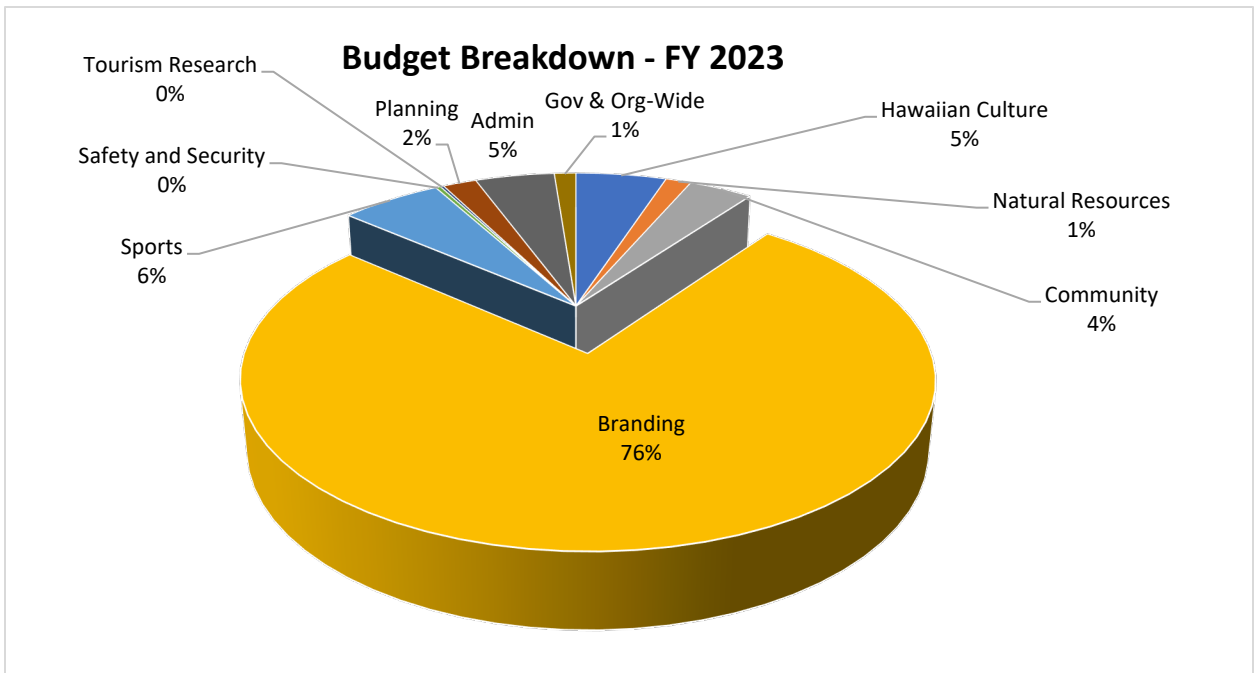
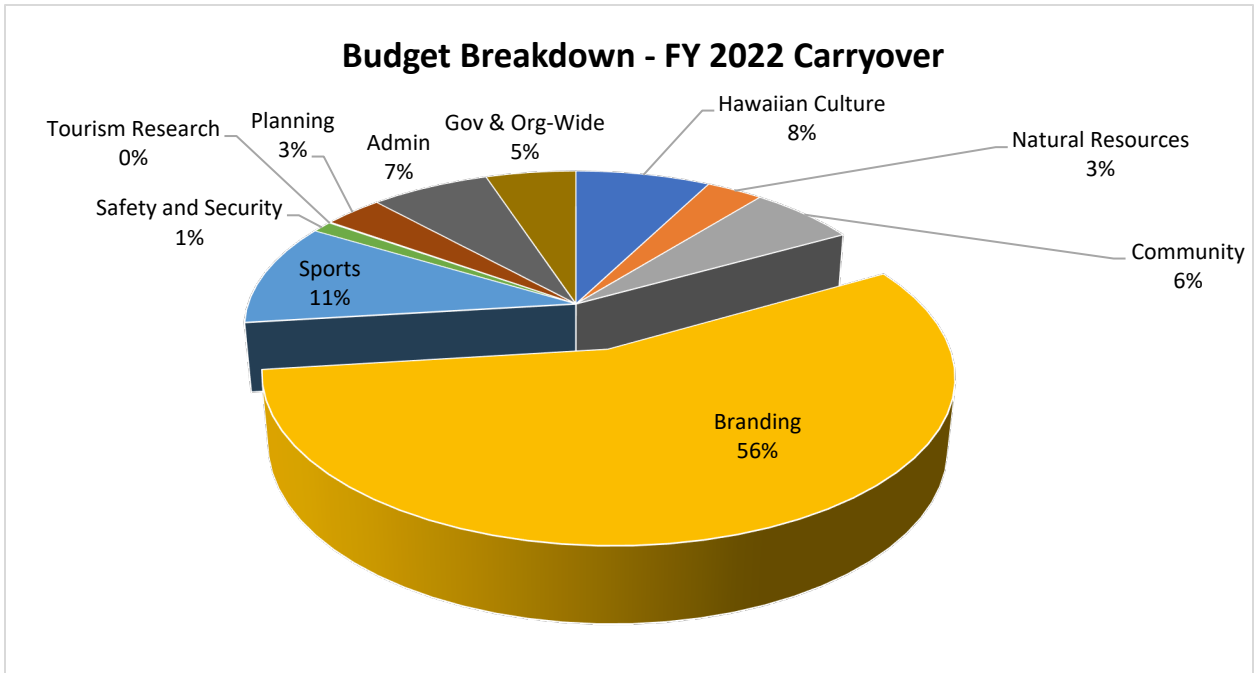
As of December 31, 2022, \$42.2M of the \$60.0M FY2022 budget was utilized/encumbered, or 70%.

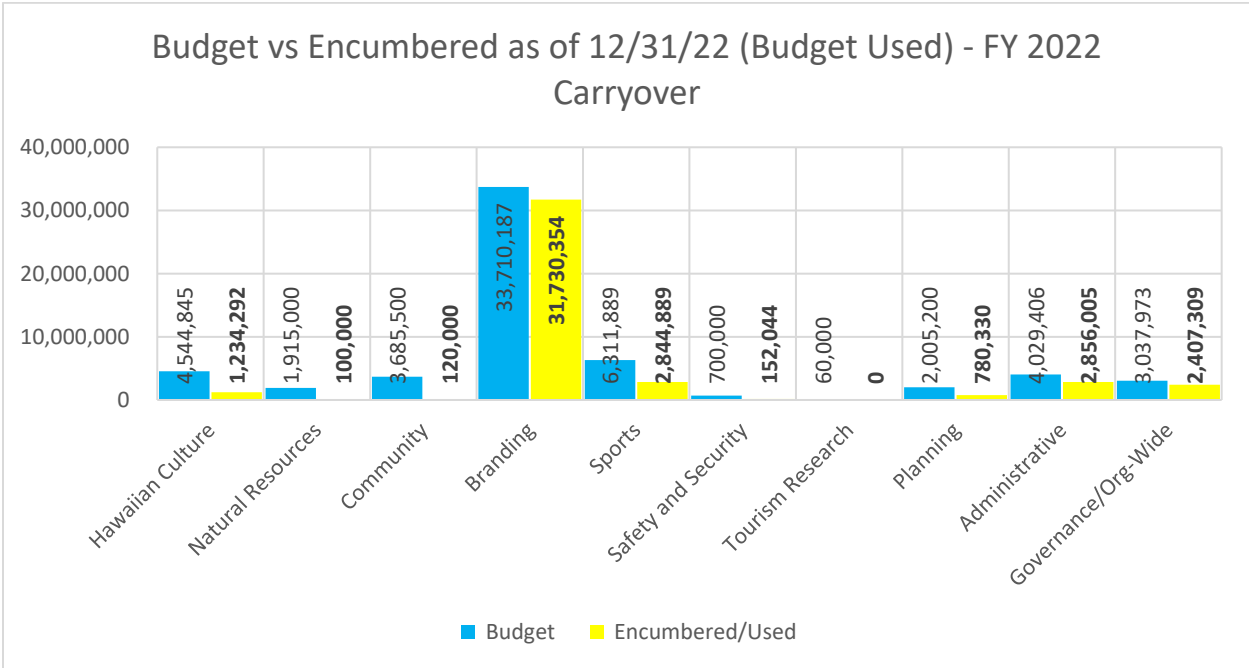
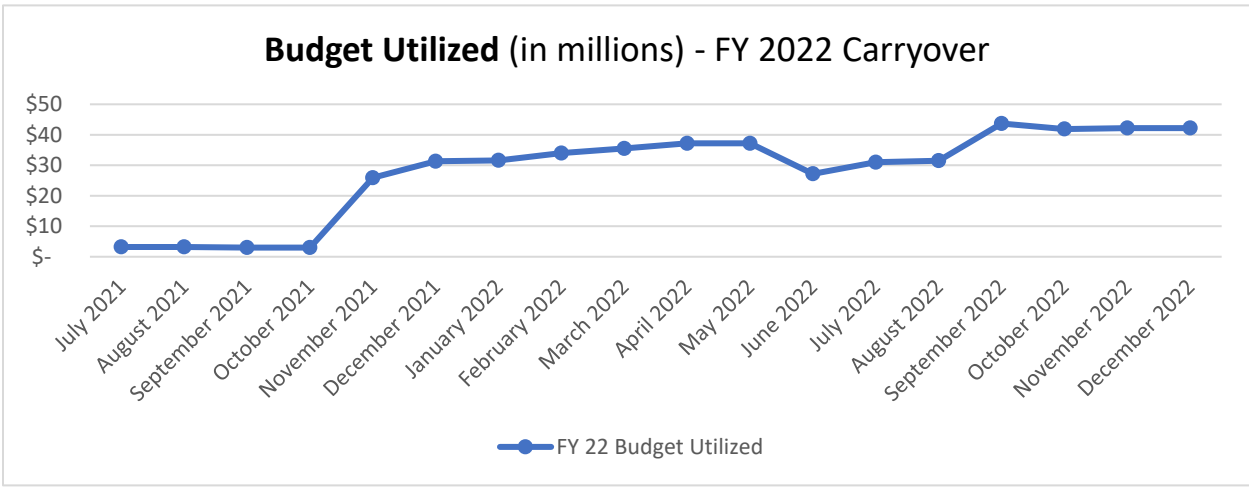
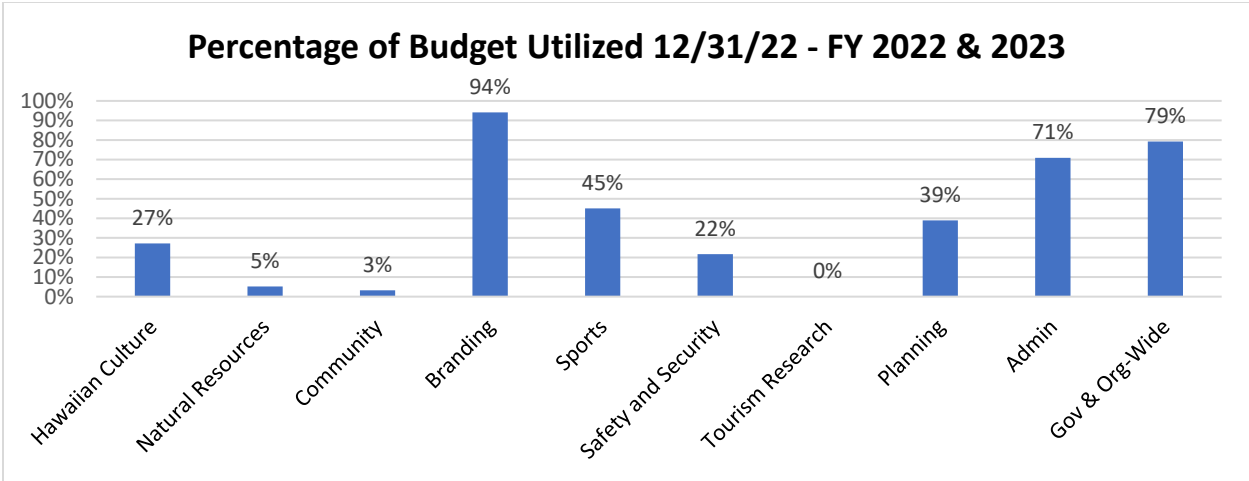
Below is a summary of the FY 2022 budget based upon Federal reporting categories (titles were paraphrased). In April 2022, B&F approved HTA’s request to reclassify Federal eligibility categories from “Negative Economic Impacts” to “Revenue Loss (Revenue Replacement).”

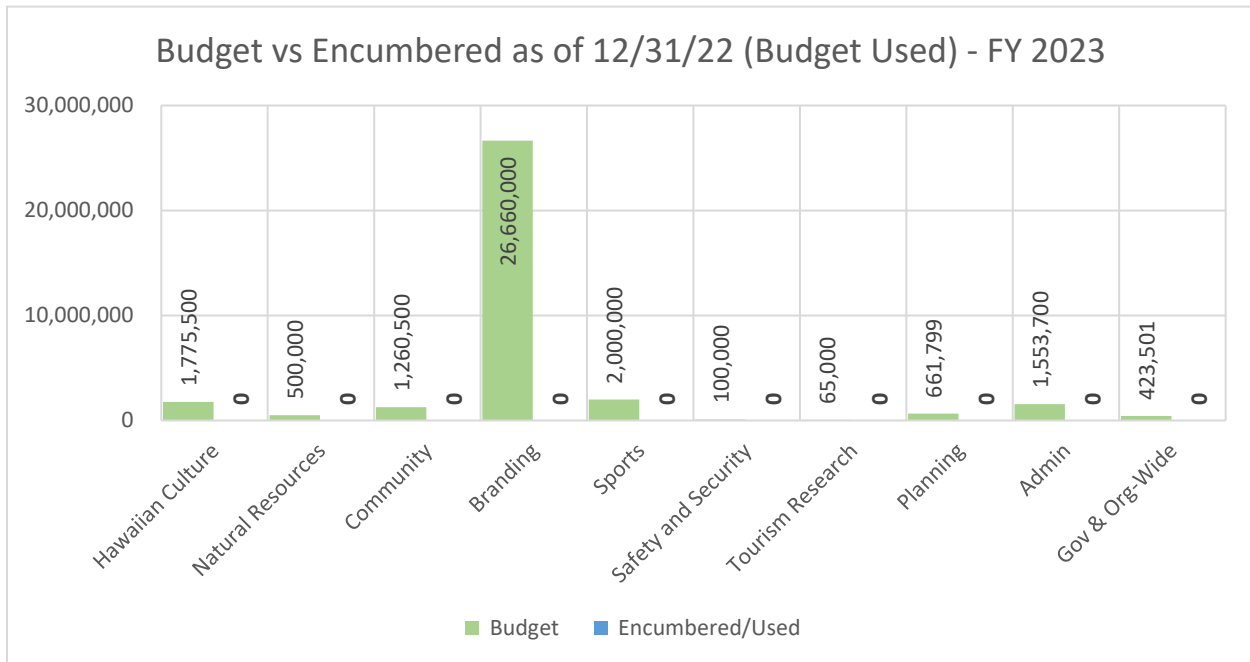
	Budget	Encumbered	Remaining
Revenue Replacement	52,667,201.00	35,719,553	16,947,648
Continuation of Government Services			
Payroll	7,332,799.00	6,505,669	827,130
	60,000,000	42,225,222	17,774,778

The following are various charts to depict our FY 2022 budget, budget utilization and trends. Additionally, these charts reflect the funding of FY 2023 community-type programs that were originally planned to be funded by the FY 2023 budget. Such programs were instead funded by FY 2022’s budget to fulfill HTA’s commitment toward

community, in consideration of cash flow needs of those programs while HTA's FY 2023 funding is being resolved. Further, the majority of Major Market Area contracts within the Branding budget are to be used toward Branding Education programs to promote responsible and regenerative tourism.







4. No significant budget reallocations were made during the month. A detail of the budget reallocations made for the reporting period and cumulatively for the fiscal year is provided on the accompanying Budget Reallocation Summary.

5. \$20.2M in encumbrances outstanding.

6. Operating Income (Loss):

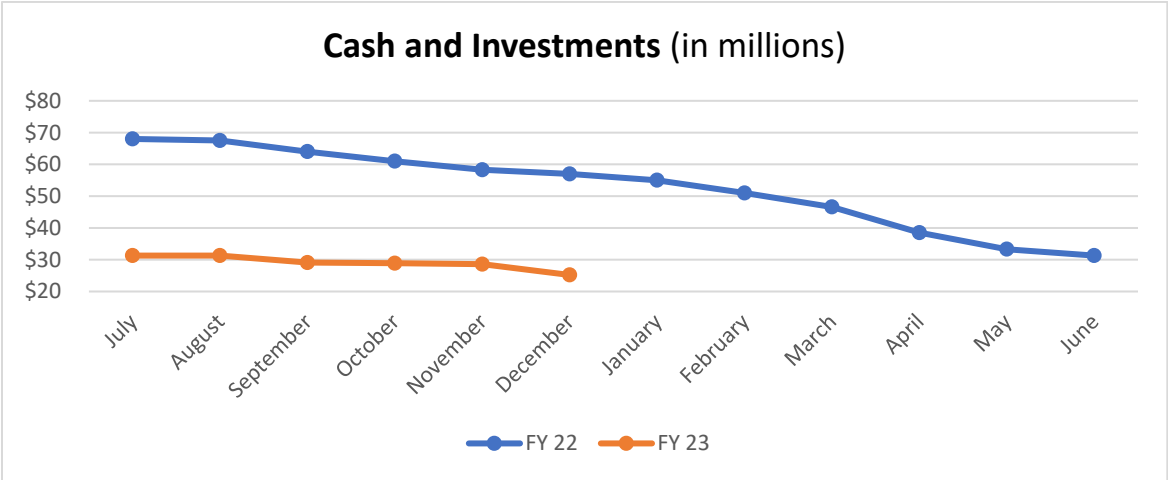
- a. Cumulatively from the beginning of FY 2022 (prior year), \$52.7M has been allotted to HTA through December 31, 2022, which represents ARPA funds HTA is using for staff's payroll (FY 2022 and FY 2023), program, admin and governance costs.
- b. Cumulatively, \$23.6M has been expended through December 2022 from the beginning of FY 2022 (prior year).
- c. Since HTA can continue to encumber off the FY 2022 budget in FY 2023, a single Statement of Revenues and Expenditures is presented, which displays both current year and cumulative activity. Typically, separate statements would be presented for current year and prior year funds.

Tourism Federal Fund FY 2023 (ARPA TFF):

- 7. At its November 2022 meeting, the HTA Board approved a \$35M FY 2023 ARPA funds budget upon the subaward by now former Governor Ige. Staff is currently working on paperwork for the release of funds by B&F.

Tourism Special Fund - (TSF; incl Emergency):

- 8. The Tourism Special Fund sunset on January 1, 2022, pursuant to Act 001, 2021 Legislative Special Session, leaving all unencumbered funds available for remitting to the State’s General Fund. The \$5M Emergency Fund remains with HTA.
- 9. \$25.2M in cash and investments. The cash balance is earmarked primarily for contract encumbrances made from the FY 2021 budget. The FY 2021 budget was funded by HTA’s reserves that were bolstered by cancelled and reduced contracts due to the pausing of TAT distributions to HTA at the onset of the pandemic and a one-time TAT cash distribution in June 2021. In FY 2023, we continue to spend down previously encumbered funds within the TSF.



- a. Includes \$5M in Emergency Fund held as investments.
 - i. Approximately \$1.0M held in money market funds and \$4M held in US Treasury notes laddered in approximately 3-month intervals.
 - ii. Further detail provided in the financial statements

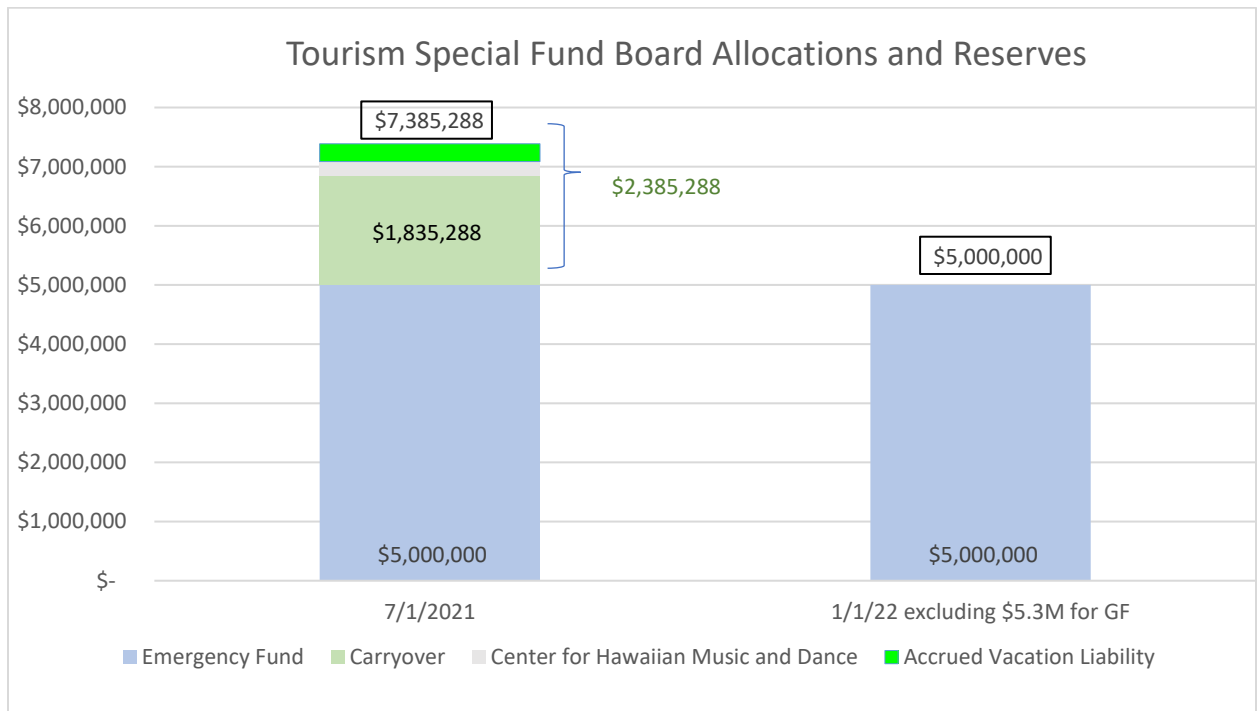
- b. Cash decreased by \$3.4M from November 30, 2022, primarily due to disbursements for program expenditures.
- c. We anticipate the cash balance to decrease to \$0 over time once all encumbered funds are expended, except for the \$5M Emergency Fund.

10. HTA's outstanding encumbrances are summarized as follows:

\$14.9M	Prior year encumbrances currently being spent down
\$0.00	Current year encumbrances remaining
\$14.9M	Total encumbrances outstanding as of December 31, 2022

Staff routinely makes a concerted effort to liquidate older encumbrances that should no longer be encumbered and that is reflected here.

11. In addition to HTA's \$5M Emergency Fund, approximately \$5.3M in unencumbered funds is available to return to the State's General Fund as a result of the sunset of the Tourism Special Fund, Pursuant to Act 001, Special Session 2021 (HB 862). This balance has grown from the \$2.3M on July 1, 2021 (start of FY22) to the current amount due to efficiencies realized from unspent contracts that were previously encumbered.



12. With its sunset, there is no budget for the Tourism Special Fund in FY 2023.

13. Operating Income (Loss):

- a. Pursuant to Act 001, Legislative Special Session 2021, HTA is no longer included in the TAT allocation.
- b. \$50.2K of investment income earned year-to-date.
- c. \$6.1M in expenditures year-to-date primarily relating to program costs.

Convention Center Federal Fund (ARPA CCFF):

14. \$10.2M in cash (remaining from amount that has been allotted to HTA). Cash remained consistent from November 30, 2022.

15. Over several meetings, the HTA Board approved the \$11M budget for FY 2022’s Convention Center ARPA funds, further detailed below.

	Incremental Approved at Meeting	Cumulative Budget Approved	
June 2021 Meeting	162,000	162,000	Interim Payroll funding
July 2021 Meeting	328,000	490,000	Payroll for remainder of year
February 2022 Meeting	10,510,000	11,000,000	Remainder of budget, primarily for R&M
June 2022 Meeting	0	11,000,000	Reallocated to fund FY23 operations due to HB1147 (2022) veto, bringing to current

In April 2022, B&F approved HTA’s request to extend the period of performance from June 2022 to June 2023, as anticipated from prior discussions. HTA is currently in the process of seeking an extension through December 2023.

16. No budget reallocations were made in December 2022.

17. Operating Income:

- a. Cumulatively from the beginning of FY 2022 (prior year), \$11M of ARPA funds has been allotted, which represents ARPA funds HTA used in FY 2022 for staff’s

payroll and, provided the earlier-noted budget reallocation, that will fund FY 2023 expenditures of the Convention Center.

- b. Cumulatively, \$751K has been expended from the beginning of FY 2022 (prior year).
- c. Since HTA can continue to encumber off the FY 2022 budget in FY 2023, a single Statement of Revenues and Expenditures is presented, which displays both current year and cumulative activity. Typically, separate statements would be presented for current year and prior year funds.

Convention Center Enterprise Special Fund (CCESF):

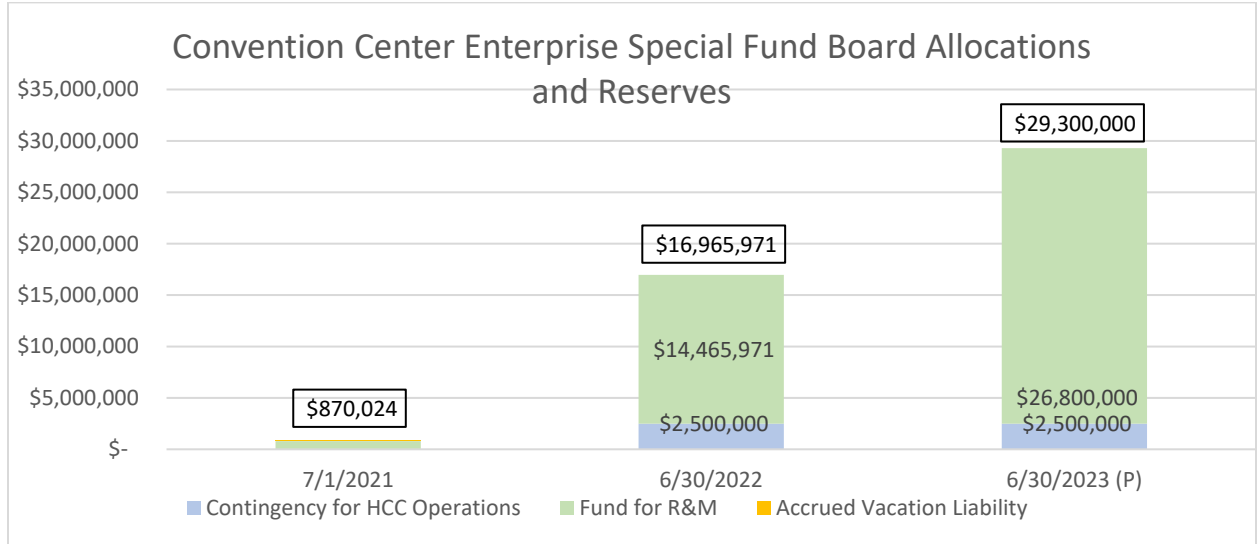
18. \$34.9M in cash. Cash remained consistent from November 30, 2022.

19. \$37.3M in cash with contractor or with DAGS, for R&M projects (as of November 2022).

- 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, house audio upgrades, ballroom gutter and transom glass repair, chiller replacement, and various equipment purchases and upgrades. Of the \$37.3M, approximately \$2.7M has been contracted (as of November 2022).
- c. The amount of cash remaining with the contractor already accounts for \$2.5M expended on current and future projects (in-progress costs or preliminary work).

20. \$29M reserved as Board allocations as of December 31, 2022, of which \$2.5M is earmarked as a facility operations contingency reserve and \$26.5M is earmarked for the Convention Center's major R&M program as supported by specific projects under its 6-Year Plan. This \$29M compares to a reserve balance of \$16.9M as of June 30, 2022. The increase is due to the approximate \$1.1M in revenue recorded in July 2022 and \$11M in TAT revenue that was deposited into the CCESF in August 2022, pursuant to HRS 237D, as amended by Act 1 of the 2021 Legislative Special Session, which allowed for the continued deposit of TAT into the CCESF. Without the ability to spend these funds due to the CCESF not having an appropriation ceiling in FY 2023, we forecast the amount reserved as Board allocations to remain around \$29M through June 2023. No significant Convention Center revenues will be collected due to a change in the management contract with AEG/ASM that will require the contractor's use of revenues to

pay for costs (netting cash flow). This contract change is particularly necessary with no CCESF expenditure ceiling for the second consecutive year. HTA’s 2023 legislative initiatives include seeking the restoration of the CCESF expenditure ceiling.



21. \$5.9M of prior year outstanding encumbrances currently being spent down.

22. Budget:

- a. No budget has been established for the CCESF in FY 2023, as no expenditure ceiling was appropriated, as discussed earlier.

23. Operating Income:

- a. HTA collected \$11M in TAT funds cumulatively for FY 2023.
- b. Current Year Convention Center Operations
 - i. Note: HTA’s FY 2023 operating subsidy to the Convention Center cumulatively through December 2022 was \$1.8M per HCC financial statements. We budgeted for a \$5.4M operating subsidy for FY 2023. Funded by FY22’s encumbrance as discussed above.
- d. \$10.1M in year-to-date expenditures paid from the CCESF, primarily from prior year encumbrances to fund the Convention Center’s major repair and maintenance program.

EDA Grant:

24. The Board’s \$14M budget was approved in June 2022 and we are working with the EDA to approve HTA’s Grant Administration Plan.

Hawaii Tourism Authority
Balance Sheet
Tourism Federal (ARPA) Fund
As of 12/31/22

	Current Year
Assets	
Current Assets	
Checking	29,086,299.39
Total Current Assets	29,086,299.39
Total Assets	29,086,299.39
Fund Balance	
Current year payables	
Accounts Payable	601.45
Total Current year payables	601.45
Encumbered Funds	
FY 2022 Funds	20,110,710.56
Total Encumbered Funds	20,110,710.56
Unencumbered Funds	
Total Unencumbered Funds	8,974,987.38
Total Fund Balance	29,086,299.39

Hawaii Tourism Authority

Balance Sheet

Tourism Special Fund

As of 12/31/22

	<u>Current Year</u>
Assets	
Current Assets	
Checking	20,213,173.95
Total Current Assets	<u>20,213,173.95</u>
Total Assets	<u><u>20,213,173.95</u></u>
Fund Balance	
Encumbered Funds	
FY 2015 Funds	6,830.35
FY 2016 Funds	6,047.12
FY 2017 Funds	15,706.80
FY 2018 Funds	4,137.03
FY 2019 Funds	18,274.11
FY 2020 Funds	652,379.62
FY 2021 Funds	14,148,484.02
Total Encumbered Funds	<u>14,851,859.05</u>
Unencumbered Funds	
Total Unencumbered Funds	5,361,314.90
Total Fund Balance	<u><u>20,213,173.95</u></u>

Hawaii Tourism Authority
Balance Sheet
Convention Center Federal (ARPA) Fund
As of 12/31/22

	<u>Current Year</u>
Assets	
Current Assets	
Checking	10,248,890.96
Total Current Assets	<u>10,248,890.96</u>
 Total Assets	 <u><u>10,248,890.96</u></u>
 Fund Balance	
Encumbered Funds	
FY 2022 Funds	10,070,285.27
Total Encumbered Funds	<u>10,070,285.27</u>
Unencumbered Funds	
Total Unencumbered Funds	178,605.69
 Total Fund Balance	 <u><u>10,248,890.96</u></u>

Hawaii Tourism Authority
Balance Sheet
Convention Center Enterprise Special Fund
As of 12/31/22

	Current Year
Assets	
Current Assets	
Checking	34,921,672.05
Total Current Assets	34,921,672.05
Total Assets	34,921,672.05
Fund Balance	
Encumbered Funds	
FY 2019 Funds	110,894.39
FY 2021 Funds	5,771,724.93
Total Encumbered Funds	5,882,619.32
Unencumbered Funds	
Total Unencumbered Funds	29,039,052.73
Total Fund Balance	34,921,672.05

Hawaii Tourism Authority

Balance Sheet

Emergency Trust Fund

As of 12/31/22

	<u>Current Year</u>
Assets	
Current Assets	
Investments	5,074,852.64
Total Current Assets	<u>5,074,852.64</u>
 Total Assets	 <u><u>5,074,852.64</u></u>
 Fund Balance	
Current year net assets	
Total Current year net assets	<u>60,827.92</u>
Prior years	
Total Prior years	5,014,024.72
 Total Fund Balance	 <u><u>5,074,852.64</u></u>

HTA Allocations
FY 2022 and FY 2023

HTA Allocations:

Annual Budgets:

-\$60M FY 2023 HTA ARPA Funds (subject to release by Governor)

-No FY23 budget for Convention Center (\$11M TAT, however no expenditure ceiling appropriation)

\$5M Emergency Funds

\$5M Emergency Fund Reserve (Established by Statute as a separate fund, to be used upon declaration of a tourism emergency by the Governor)

\$0M Mandated by Board (designated for use in the event of a significant economic downturn upon Board approval; used to fund FY 21 budget)

Convention Center Enterprise Special Fund:

	7/1/2021	6/30/2022	Projected 6/30/2023
Carryover for HCC Operations	-	2,500,000	2,500,000
Reserve for Funding Year 21 Transactions	-	-	-
Funds for 6-Year R&M Plan	790,024	14,465,972	26,800,000
Accrued Vacation Liability	80,000	-	-
	<u>870,024</u>	<u>16,965,972</u>	<u>29,300,000</u> *

*With no expenditure ceiling appropriated in FYs 2022 and 2023, HTA is currently unable to spend these funds.

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Fiscal Year 2022 Funds - Tourism Federal Fund
From 7/1/2021 Through 12/31/2022

	<u>Budget</u>	<u>Cumulative Actual</u>	<u>Budget Variance</u>	<u>Current Period Actual</u>	<u>FY 2023 Actual</u>
Revenue					
Alloted Federal Funds	60,000,000.00	52,700,000.00	(7,300,000.00)	0.00	4,360,000.00
Total Revenue	<u>60,000,000.00</u>	<u>52,700,000.00</u>	<u>(7,300,000.00)</u>	<u>0.00</u>	<u>4,360,000.00</u>
Expense					
Perpetuating Hawaiian Culture	4,544,845.00	8,214.75	4,536,630.25	7,000.00	8,214.75
Natural Resources	1,915,000.00	40,000.00	1,875,000.00	40,000.00	40,000.00
Community	3,685,500.00	100,000.00	3,585,500.00	0.00	0.00
Branding	33,710,187.00	18,486,705.03	15,223,481.97	2,278,514.15	7,491,387.24
Sports	6,311,889.00	2,669,889.00	3,642,000.00	200,000.00	325,000.00
Safety and Security	700,000.00	136,944.92	563,055.08	0.00	90,000.00
Tourism Research	60,000.00	0.00	60,000.00	0.00	0.00
Planning	2,005,200.00	117,974.05	1,887,225.95	0.00	82,940.82
Administrative	4,029,406.00	1,128,665.16	2,900,740.84	72,000.00	163,062.52
Governance and Org-Wide	3,037,973.00	925,909.15	2,112,063.85	16,282.81	21,244.85
Total Expense	<u>60,000,000.00</u>	<u>23,614,302.06</u>	<u>36,385,697.94</u>	<u>2,613,796.96</u>	<u>8,221,850.18</u>
Net Income	<u>0.00</u>	<u>29,085,697.94</u>	<u>29,085,697.94</u>	<u>(2,613,796.96)</u>	<u>(3,861,850.18)</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Prior Year Funds - Tourism Special Fund
From 12/1/2022 Through 12/31/2022

	<u>Budget</u>	<u>Current Year Actual</u>	<u>Budget Variance</u>	<u>Current Period Actual</u>
Revenue				
Interest and Dividends	0.00	50,207.67	50,207.67	0.00
Total Revenue	<u>0.00</u>	<u>50,207.67</u>	<u>50,207.67</u>	<u>0.00</u>
Expense				
Perpetuating Hawaiian Culture	6,809,550.50	200,000.00	6,609,550.50	200,000.00
Natural Resources	1,781,000.00	0.00	1,781,000.00	0.00
Community	1,192,966.00	699,274.89	493,691.11	233,299.00
Branding	10,397,551.18	5,160,554.65	5,236,996.53	2,964,601.90
Sports	18,000.00	0.00	18,000.00	0.00
Safety and Security	92,094.23	0.00	92,094.23	0.00
Tourism Research	455,211.72	36,231.52	418,980.20	22,356.52
Administrative	253,219.23	51,672.75	201,546.48	5,087.26
Total Expense	<u>20,999,592.86</u>	<u>6,147,733.81</u>	<u>14,851,859.05</u>	<u>3,425,344.68</u>
Net Income	<u>(20,999,592.86)</u>	<u>(6,097,526.14)</u>	<u>14,902,066.72</u>	<u>(3,425,344.68)</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Fiscal Year 2022 Funds - Convention Center Federal Fund
From 7/1/2021 Through 12/31/2022

	<u>Budget</u>	<u>Cumulative Actual</u>	<u>Budget Variance</u>	<u>Current Period Actual</u>	<u>FY 2023 Actual</u>
Revenue					
Alloted Federal Funds	11,000,000.00	11,000,000.00	0.00	0.00	0.00
Total Revenue	<u>11,000,000.00</u>	<u>11,000,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Expense					
Branding	72,458.00	6,079.86	66,378.14	0.00	0.00
Administrative	247,042.00	207,964.14	39,077.86	0.00	0.00
Governance and Org-Wide	1,334,845.00	537,065.04	797,779.96	0.00	0.00
HCC Operating Expense	5,406,900.00	0.00	5,406,900.00	0.00	0.00
HCC Repair and Maintenance	2,970,455.00	0.00	2,970,455.00	0.00	0.00
HCC Sales and Marketing / MFi	968,300.00	0.00	968,300.00	0.00	0.00
Total Expense	<u>11,000,000.00</u>	<u>751,109.04</u>	<u>10,248,890.96</u>	<u>0.00</u>	<u>0.00</u>
Net Income	<u>0.00</u>	<u>10,248,890.96</u>	<u>10,248,890.96</u>	<u>0.00</u>	<u>0.00</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Fiscal Year 2023 Funds - Convention Center Enterprise Special Fund
From 12/1/2022 Through 12/31/2022

	<u>Budget</u>	<u>Current Year Actual</u>	<u>Budget Variance</u>	<u>Current Period Actual</u>
Revenue				
Transient Accomodations Tax	11,000,000.00	11,000,000.00	0.00	0.00
Total Revenue	<u>11,000,000.00</u>	<u>11,000,000.00</u>	<u>0.00</u>	<u>0.00</u>
 Net Income	 <u>11,000,000.00</u>	 <u>11,000,000.00</u>	 <u>0.00</u>	 <u>0.00</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Prior Year Funds - Convention Center Enterprise Special Fund
From 12/1/2022 Through 12/31/2022

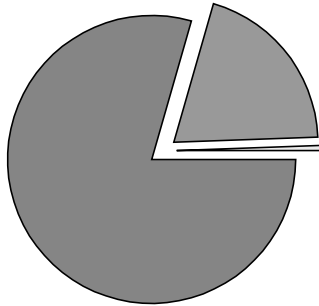
	<u>Budget</u>	<u>Current Year Actual</u>	<u>Budget Variance</u>	<u>Current Period Actual</u>
Revenue				
Interest and Dividends	0.00	32,377.55	32,377.55	0.00
HCC Revenue	0.00	1,040,703.47	1,040,703.47	0.00
Total Revenue	<u>0.00</u>	<u>1,073,081.02</u>	<u>1,073,081.02</u>	<u>0.00</u>
Expense				
Governance and Org-Wide	296.52	0.00	296.52	0.00
HCC Operating Expense	5,512,649.87	0.00	5,512,649.87	0.00
HCC Repair and Maintenance	10,129,600.00	10,129,600.00	0.00	0.00
HCC Sales and Marketing / MFI	369,672.93	0.00	369,672.93	0.00
Total Expense	<u>16,012,219.32</u>	<u>10,129,600.00</u>	<u>5,882,619.32</u>	<u>0.00</u>
Net Income	<u>(16,012,219.32)</u>	<u>(9,056,518.98)</u>	<u>6,955,700.34</u>	<u>0.00</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Fiscal Year 2022 Funds - EDA Tourism Grant Fund
From 12/1/2022 Through 12/31/2022

	<u>Budget</u>	<u>Current Year Actual</u>	<u>Budget Variance</u>	<u>Current Period Actual</u>
Revenue				
Alloted Federal Funds	14,024,372.00	0.00	(14,024,372.00)	0.00
Total Revenue	<u>14,024,372.00</u>	<u>0.00</u>	<u>(14,024,372.00)</u>	<u>0.00</u>
Expense				
Natural Resources	7,950,000.00	0.00	7,950,000.00	0.00
Community	20,000.00	0.00	20,000.00	0.00
Branding	4,540,000.00	0.00	4,540,000.00	0.00
Planning	770,000.00	0.00	770,000.00	0.00
Administrative	331,907.00	0.00	331,907.00	0.00
Governance and Org-Wide	412,465.00	0.00	412,465.00	0.00
Total Expense	<u>14,024,372.00</u>	<u>0.00</u>	<u>14,024,372.00</u>	<u>0.00</u>
Net Income	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

Summary Of Investments

Investment Allocation



0.7%	CASH	33,057.27
19.9%	CASH EQUIVALENTS	1,001,635.56
79.4%	FIXED INCOME	4,000,792.60
100.0%	TOTAL	5,035,485.43

Investment Summary

	Market Value	%	Estimated Income	Current Yield
CASH	33,057.27	0.66	0	0.00
CASH EQUIVALENTS	1,001,635.56	19.89	39,765	3.97
FIXED INCOME	4,000,792.60	79.45	101,500	2.54
Total Fund	5,035,485.43	100.00	141,265	2.81

Schedule Of Investments

UNITS	DESCRIPTION	BOOK VALUE	MARKET VALUE	% OF CATEGORY
	CASH	3,374.70	3,374.70	10.21
	ACCRUED INCOME	29,682.57	29,682.57	89.79
	TOTAL CASH	33,057.27*	33,057.27*	100.00*
	CASH EQUIVALENTS			
	CASH MANAGEMENT			
1,001,635.56	DREYFUS TREASURY OBLIGATIONS CASH MANAGEMENT FUND	1,001,635.56	1,001,635.56	100.00
	FIXED INCOME			
	U S TREASURY OBLIGATIONS			
500,000	US TREASURY NOTES 2.375% 01/31/2023	499,513.31	499,330.00	12.48



Statement Period
Account Number

12/01/2022 through 12/31/2022
BANK OF HAWAII
AGENT U/A DATED 10/31/2018 FOR
HAWAII TOURISM AUTHORITY -
TOURISM EMERGENCY TRUST
FUND

Schedule Of Investments

UNITS	DESCRIPTION	BOOK VALUE	MARKET VALUE	% OF CATEGORY
500,000	US TREASURY NOTES 2.75% 04/30/2023	499,732.12	497,205.00	12.43
500,000	US TREASURY NOTES 2.75% 07/31/2023	498,868.51	494,570.00	12.36
500,000	US TREASURY NOTES 2.875% 10/31/2023	498,900.95	492,520.00	12.31
585,000	US TREASURY NOTES 2.5% 01/31/2024	578,244.89	571,287.60	14.28
500,000	US TREASURY NOTES 2.25% 04/30/2024	493,357.06	484,295.00	12.10
500,000	US TREASURY NOTES NOTE 2.125% 07/31/2024	492,617.19	481,095.00	12.02
500,000	US TREASURY NOTES 2.25% 10/31/2024	478,925.78	480,490.00	12.01
	TOTAL U S TREASURY OBLIGATIONS	4,040,159.81*	4,000,792.60*	100.00*
	Total Fund	5,074,852.64*	5,035,485.43*	100.00*

Hawaii Convention Center
Facility
Income Statement
From 12/01/2022 Through 12/31/2022
(In Whole Numbers)

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
Direct Event Income								
Rental Income (Net)	229,467	221,214	8,254	282,895	1,293,950	1,729,626	(435,676)	1,093,518
Service Revenue	129,710	31,956	97,754	24,940	665,165	412,382	252,783	683,527
Total Direct Event Income	359,177	253,170	106,008	307,835	1,959,114	2,142,008	(182,893)	1,777,044
Direct Service Expenses	158,837	158,631	(207)	89,209	1,029,598	1,205,069	175,470	753,913
Net Direct Event Income	200,340	94,539	105,801	218,626	929,516	936,939	(7,423)	1,023,131
Ancillary Income								
Food and Beverage (Net)	170,533	278,200	(107,667)	19,822	2,321,509	2,379,350	(57,841)	42,655
Event Parking (Net)	95,510	50,600	44,910	20,294	428,591	563,620	(135,029)	359,861
Electrical Services	1,000	1,920	(920)	2,000	25,905	24,760	1,145	2,000
Audio Visual	30,185	5,800	24,385	3,911	247,028	58,920	188,108	14,792
Internet Services	493	0	493	0	1,831	0	1,831	0
Rigging Services	480	240	240	82,661	50,117	66,240	(16,124)	84,003
First Aid Commissions	0	0	0	0	0	0	0	0
Total Ancillary Income	298,202	336,760	(38,558)	128,687	3,074,982	3,092,890	(17,908)	503,312
Total Event Income	498,541	431,299	67,242	347,313	4,004,498	4,029,829	(25,331)	1,526,443
Other Operating Income								
Non-Event Parking	828	583	245	0	2,672	3,498	(826)	3,480
Other Income	9,396	4,875	4,521	8,628	62,546	29,250	33,296	41,391
Total Other Operating Income	10,224	5,458	4,766	8,628	65,218	32,748	32,470	44,871
Total Gross Income	508,766	436,757	72,008	355,941	4,069,716	4,062,577	7,139	1,571,314
Net Salaries & Benefits								
Salaries & Wages	359,175	438,730	79,555	322,109	2,162,367	2,668,355	505,988	1,879,902
Payroll Taxes & Benefits	135,613	139,866	4,253	76,495	628,771	839,196	210,425	491,073
Labor Allocations to Events	(35,299)	(49,881)	(14,582)	(33,791)	(319,263)	(403,575)	(84,312)	(484,638)
Total Net Salaries & Benefits	459,489	528,715	69,226	364,814	2,471,876	3,103,976	632,100	1,886,338
Other Indirect Expenses								
Net Contracted Services	59,032	31,109	(27,923)	28,249	359,610	192,140	(167,470)	103,238
Operations	10,914	11,533	619	17,484	64,372	69,198	4,826	46,407
Repair & Maintenance	131,372	107,300	(24,072)	99,085	517,597	571,800	54,203	421,908
Operational Supplies	54,560	50,928	(3,632)	37,490	279,949	332,086	52,136	127,797
Insurance	20,021	18,185	(1,836)	11,345	125,684	117,153	(8,531)	71,078
Utilities	218,695	183,302	(35,393)	178,716	1,505,591	1,273,574	(232,017)	1,004,727
Meetings & Conventions	3,783	1,642	(2,141)	0	10,224	13,352	3,128	3,396
Promotions & Communications	2,887	4,550	1,663	2,565	16,362	27,300	10,938	(98)
General & Administrative	29,474	20,966	(8,508)	12,372	187,837	130,091	(57,746)	69,898
Management Fees	19,033	19,033	(0)	18,633	114,200	114,198	(2)	111,800
Other	17,899	10,983	(6,916)	6,343	74,200	65,898	(8,302)	12,493
Total Other Indirect	567,670	459,530	(108,139)	412,282	3,255,626	2,906,789	(348,837)	1,972,644
Net Income (Loss) before CIP Funded Expenses	(518,393)	(551,488)	33,095	(421,155)	(1,657,786)	(1,948,188)	290,402	(2,287,668)
CIP Funded Expenses	0	0	0	0	384	0	384	0
Net Income (Loss) from Operations	(518,393)	(551,488)	33,095	(421,155)	(1,657,401)	(1,948,188)	290,787	(2,287,668)
Fixed Asset Purchases	0	25,000	25,000	261,326	100,969	150,000	49,031	300,126
Net Income (Loss) After Fixed Asset Purchases	(518,393)	(576,488)	58,095	(682,481)	(1,758,371)	(2,098,188)	339,818	(2,587,794)

Hawaii Convention Center
Facility
Income Statement
From 12/01/2022 Through 12/31/2022
(In Whole Numbers)

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
Revenues								
Food & Beverage	497,097	481,655	15,442	34,582	3,994,688	4,099,061	(104,373)	266,770
Facility	508,851	326,488	182,363	428,849	2,865,970	2,975,536	(109,566)	2,327,602
Total Revenues	1,005,948	808,143	197,805	463,431	6,860,658	7,074,597	(213,939)	2,594,372
Expenses								
Food & Beverage	487,001	336,232	(150,769)	93,583	2,490,896	2,561,859	70,964	707,333
Facility	1,037,339	1,023,399	(13,940)	791,003	6,027,548	6,460,926	433,378	4,174,708
Total Expenses	1,524,340	1,359,631	(164,709)	884,586	8,518,444	9,022,785	504,341	4,882,040
Net Income (Loss) before CIP Funded Expenses	(518,393)	(551,488)	33,095	(421,155)	(1,657,786)	(1,948,188)	290,402	(2,287,668)
CIP Funded Expenses	0	0	0	0	384	0	384	0
Net Income (Loss) from Operations	(518,393)	(551,488)	33,095	(421,155)	(1,657,402)	(1,948,188)	290,786	(2,287,668)
Fixed Asset Purchases	0	25,000	25,000	261,326	100,969	150,000	49,031	300,126
Net Income (Loss) after Fixed Asset Purchases	(518,393)	(576,488)	58,095	(682,481)	(1,758,371)	(2,098,188)	339,817	(2,587,794)

11a.2

Budget Reallocation Summary
FY2022 ARPA Funds (TFF)
Through December 31, 2022

Budget Reallocation Summary
 FY 2022 ARPA Funds (TFF)
 Through December 31, 2022

Budget Line Item	Program Code	Original Budget	Reallocation	Budget After Reallocations	December 2022 Activity
gohawaii.com	318	2,500,000	(1,725,500)	774,500	
Campaig Effectiveness Study	010	270,000	(10,000)	260,000	
Island Chapters Staffing and Admin	320	-	-	-	
Rebranding the Hawaiian Islands	012	1,000,000	(1,000,000)	-	
Creative Agency	013	250,000	(250,000)	-	
Marketing Opportunity Fund	380	250,000	(202,345)	47,655	
			(3,437,845)		-
To:					
US MMA	321	22,500,000	-	22,500,000	-
Pono Travel Education Program	014	175,000	225,000	400,000	-
Hawaii Tourism Updates	102	125,000	106,000	231,000	-
Cruise Industry Consulting Services	004	100,000	100,000	200,000	-
Global Mkt Shared Resces (formerly Intellect Prop Data f	350	787,000	200,500	987,500	-
			631,500		-
Sports					
From:					
					-
To:					
UH Athletics Branding Partnership	378	-	334,000	334,000	-
Sports Programs - Unallocated	379	1,500,000	(1,500,000)	-	-
LPGA	343	-	500,000	500,000	-
WTC - Ironman Worrld Championships	340	-	250,000	250,000	-
Sports RFP or Other Procurement	385	-	1,250,000	1,250,000	-
PGA Tour Contracts	312	2,177,889	1,800,000	3,977,889	-
			2,634,000		-
Safety and Security					
From:					
Lifeguard Program	603	200,000	(200,000)	-	-
			(200,000)		-
To:					
					-
					-
					-

Budget Reallocation Summary
 FY 2022 ARPA Funds (TFF)
 Through December 31, 2022

Budget Line Item	Program Code	Original Budget	Reallocation	Budget After Reallocations	December 2022 Activity
Tourism Research					
<i>From:</i>					
None				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
			-		-
Planning					
<i>From:</i>					
None				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
			-		-
Administration					
<i>From:</i>					
None				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
			-		-

Budget Reallocation Summary
 FY 2022 ARPA Funds (TFF)
 Through December 31, 2022

Budget Line Item	Program Code	Original Budget	Reallocation	Budget After Reallocations	December 2022 Activity
Governance and Organization-Wide					
<i>From:</i>					
Organization-Wide	915	230,000	(10,000)	220,000	
				-	
			(10,000)		-
<i>To:</i>					
Governance - Gen Board/Others	919	121,800	53,000	174,800	
				-	
			53,000		-
Board Allocations					
<i>From:</i>					
None				-	
			-		-
			-		-

*Excluded \$450,000 that was a release of funds for availability by the Board, as opposed to a reallocation.

11a.3

Budget Statement Summary
FY 2023 as of December 31, 2022

Hawaii Tourism Authority
 Budget Statement - Summary
 FY 2023
 As of December 31, 2022

Category	2022 Tourism Federal Fund - ARPA [TFF]				2023 ARPA Funding				2022 EDA Grant			
	Fiscal Year 2022 and FY 2023				Fiscal Year 2023				Fiscal Year 2022 and FY 2023			
	Budget	Cumulative Budget Used	Balance	Activity for December 2022	Budget	Cumulative Budget Used	Balance	Activity for December 2022	Budget	Cumulative Budget Used	Balance	Activity for December 2022
Revenues												
TAT Revenue Allocation			-	-	35,000,000	-	35,000,000	-	-	-	-	-
Federal Funds	60,000,000	52,700,000	7,300,000	-	-	-	-	-	14,024,372	-	14,024,372	-
Prior Year Carryover	-	-	-	-	-	-	-	-	-	-	-	-
Availability of \$5M Emergency Fund (Subject to Governor Approval)	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	210	(210)	-	-	-	-	-	-	-	-	-
Total Revenues	60,000,000	52,700,210	7,299,790	-	35,000,000	-	35,000,000	-	14,024,372	-	14,024,372	-
Encumbrances												
Perpetuating Hawaiian Culture												
Hawaiian Culture Programs	4,544,845	1,234,292	3,310,553	-	1,775,500	-	1,775,500	-	-	-	-	-
In-House Contracted Staff - Hawaiian Culture	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	4,544,845	1,234,292	3,310,553	-	1,775,500	-	1,775,500	-	-	-	-	-
Natural Resources												
Natural Resources Programs	1,915,000	100,000	1,815,000	-	500,000	-	500,000	-	7,200,000	-	7,200,000	-
In-House Contracted Staff - Natural Resources	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	1,915,000	100,000	1,815,000	-	500,000	-	500,000	-	7,200,000	-	7,200,000	-
Community												
Community Programs	3,685,500	120,000	3,565,500	-	1,260,500	-	1,260,500	-	1,520,000	-	1,520,000	-
In-House Contracted Staff - Community	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	3,685,500	120,000	3,565,500	-	1,260,500	-	1,260,500	-	1,520,000	-	1,520,000	-
Branding												
Branding Programs	31,673,655	29,792,497	1,881,158	391	25,360,000	-	25,360,000	-	4,000,000	-	4,000,000	-
In-House Contracted Staff - Branding	-	-	-	-	-	-	-	-	-	-	-	-
State Employee Salaries - Branding	2,036,532	1,937,857	98,675	-	-	-	-	-	540,000	-	540,000	-
Subtotal	33,710,187	31,730,354	1,979,833	391	25,360,000	-	25,360,000	-	4,540,000	-	4,540,000	-
Sports												
Sports Programs	6,311,889	2,844,889	3,467,000	-	2,000,000	-	2,000,000	-	-	-	-	-
Subtotal	6,311,889	2,844,889	3,467,000	-	2,000,000	-	2,000,000	-	-	-	-	-
Safety and Security												
Safety and Security Programs	700,000	152,044	547,956	-	100,000	-	100,000	-	-	-	-	-
Subtotal	700,000	152,044	547,956	-	100,000	-	100,000	-	-	-	-	-
Tourism Research												
Tourism Research Programs	60,000	-	60,000	-	65,000	-	65,000	-	-	-	-	-
In-House Contracted Staff - Tourism Research	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	60,000	-	60,000	-	65,000	-	65,000	-	-	-	-	-
Planning												
Planning Programs	2,005,200	780,330	1,224,870	-	661,799	-	661,799	-	20,000	-	20,000	-
In-House Contracted Staff - Planning	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	2,005,200	780,330	1,224,870	-	661,799	-	661,799	-	20,000	-	20,000	-
Administrative												
Operations	1,199,111	432,201	766,910	-	653,700	-	653,700	-	214,907	-	214,907	-
In-House Contracted Staff - Admin	-	-	-	-	-	-	-	-	-	-	-	-
State Employee Salaries - Admin	2,830,295	2,423,804	406,491	-	-	-	-	-	117,000	-	117,000	-
Subtotal	4,029,406	2,856,005	1,173,401	-	653,700	-	653,700	-	331,907	-	331,907	-
Organizationwide Costs												
State Employee Fringe	2,465,972	2,144,010	321,962	-	-	-	-	-	412,465	-	412,465	-
Organization-Wide	220,000	105,000	115,000	-	250,583	-	250,583	-	-	-	-	-
Governance - Board/Others	352,001	158,299	193,702	1,656	172,918	-	172,918	-	-	-	-	-
Subtotal	3,037,973	2,407,309	630,664	1,656	423,501	-	423,501	-	412,465	-	412,465	-
Payroll												
State Employee Fringe	-	-	-	-	-	-	-	-	20,000	-	20,000	-
State Employee Salaries - All Employees	-	-	-	-	2,200,000	-	2,200,000	-	-	-	-	-
Subtotal	-	-	-	-	2,200,000	-	2,200,000	-	20,000	-	20,000	-
Total Encumbrances	60,000,000	42,225,223	17,774,777	2,047	35,000,000	-	35,000,000	-	14,024,372	-	14,024,372	-
Revenues vs Encumbrances	-	10,474,987			-	-			-	-		

11a.4

Budget Statement

FY 2023

As of December 31, 2022 (2023)

Program Code	Program Title	Budget FY23	Encumbered - Budget Used (Cumulative)	Remaining Balance	December 2022 Activity
<i>Tourism Federal Fund - FY 23</i>					
Perpetuating Hawaiian Culture					
203	Ma'ema'e HTA	50,000.00	0.00	50,000.00	0.00
204	Market Support	75,000.00	0.00	75,000.00	0.00
216	Olelo Hawaii	700,000.00	0.00	700,000.00	0.00
219	Hookipa Malihini Initiative	450,000.00	0.00	450,000.00	0.00
297	Memberships and Dues - Hawaiian Culture	500.00	0.00	500.00	0.00
374	Surfing	250,000.00	0.00	250,000.00	0.00
718	Resort Area Hawaiian Cultural Initiative	250,000.00	0.00	250,000.00	0.00
Subtotal	Perpetuating Hawaiian Culture	1,775,500.00	0.00	1,775,500.00	0.00
Natural Resources					
409	Tour Guide Certification Licensure Program	500,000.00	0.00	500,000.00	0.00
Subtotal	Natural Resources	500,000.00	0.00	500,000.00	0.00
Community					
702	Community Product Capacity Building (forn	300,000.00	0.00	300,000.00	0.00
731	Community-Based Tourism - Oahu	200,000.00	0.00	200,000.00	0.00
732	Community-Based Tourism - Maui County	200,000.00	0.00	200,000.00	0.00
733	Community-Based Tourism - Hawaii Island	200,000.00	0.00	200,000.00	0.00
734	Community-Based Tourism - Kauai	200,000.00	0.00	200,000.00	0.00
797	Memberships and Dues - Community	500.00	0.00	500.00	0.00
798	Travel - Community	10,000.00	0.00	10,000.00	0.00
802	Current Workforce Development (Industry	150,000.00	0.00	150,000.00	0.00
Subtotal	Community	1,260,500.00	0.00	1,260,500.00	0.00
Branding					
14	Pono Travel Education Program	500,000.00	0.00	500,000.00	0.00
102	Hawai'i Tourism Summit	100,000.00	0.00	100,000.00	0.00
317	Convention Center Sales & Marketing - City	2,600,000.00	0.00	2,600,000.00	0.00
318	gohawaii.com (formerly Online Website Co	500,000.00	0.00	500,000.00	0.00
319	MCI MFF	850,000.00	0.00	850,000.00	0.00
320	Island Chapters Staffing and Admin	1,200,000.00	0.00	1,200,000.00	0.00
321	US (formerly North America)	7,000,000.00	0.00	7,000,000.00	0.00
322	Canada	800,000.00	0.00	800,000.00	0.00
323	Japan	6,500,000.00	0.00	6,500,000.00	0.00
324	Korea	630,000.00	0.00	630,000.00	0.00
325	Oceania	950,000.00	0.00	950,000.00	0.00
329	China	120,000.00	0.00	120,000.00	0.00
331	Meetings, Convention & Incentives	1,900,000.00	0.00	1,900,000.00	0.00
350	Global Mkt Shared Resces (formerly Intelle	1,500,000.00	0.00	1,500,000.00	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	1,300,000.00	0.00	1,300,000.00	0.00
Subtotal	Branding	26,660,000.00	0.00	26,660,000.00	0.00
Sports					
385	Sports RFP or Other Procurement	2,000,000.00	0.00	2,000,000.00	0.00
Subtotal	Sports	2,000,000.00	0.00	2,000,000.00	0.00
Safety and Security					
602	Crisis Management	100,000.00	0.00	100,000.00	0.00
Subtotal	Safety and Security	100,000.00	0.00	100,000.00	0.00
Tourism Research					
506	Infrastructure Research (Accomodations ar	65,000.00	0.00	65,000.00	0.00
Subtotal	Tourism Research	65,000.00	0.00	65,000.00	0.00
Planning					
653	Hotspot Mitigation	200,000.00	0.00	200,000.00	0.00
657	Tourism Excellence Accreditation	450,000.00	0.00	450,000.00	0.00
698	Travel - Planning	11,799.00	0.00	11,799.00	0.00
Subtotal	Planning	661,799.00	0.00	661,799.00	0.00
Administrative					
101	Community-Industry Outreach & Public Rel	200,000.00	0.00	200,000.00	0.00
103	hawaiiauthority.org (formerly HTA \	50,000.00	0.00	50,000.00	0.00
901	General and Administrative	333,700.00	0.00	333,700.00	0.00
930	State Employee Salaries - Admin	900,000.00	0.00	900,000.00	0.00
998	Travel - Admin	70,000.00	0.00	70,000.00	0.00
Subtotal	Administrative	1,553,700.00	0.00	1,553,700.00	0.00
Governance and Org-Wide					
915	Organization-Wide	250,583.00	0.00	250,583.00	0.00
919	Governance - Gen Board/Others	172,918.00	0.00	172,918.00	0.00
Subtotal	Governance and Org-Wide	423,501.00	0.00	423,501.00	0.00
Total	FY 2023 Funds	35,000,000.00	0.00	35,000,000.00	0.00

11a.5

Budget Statement

FY 2023

As of December 31, 2022 (2022)

Program Code	Program Title	Budget FY22	Encumbered - Budget Used (Cumulative)	Remaining Balance	December 2022 Activity	FY 2023 Activity
<i>Tourism Federal Fund</i>						
Perpetuating Hawaiian Culture						
201	Kūkulu Ola: Living Hawaiian Cultural Prog	1,500,000.00	0.00	1,500,000.00	0.00	0.00
202	Hawaiian Culture Initiative	475,000.00	0.00	475,000.00	0.00	0.00
203	Ma'ema'e HTA	50,000.00	0.00	50,000.00	0.00	0.00
204	Market Support	50,000.00	7,000.00	43,000.00	0.00	7,000.00
207	Kahea Program - Airport Greetings	700,000.00	700,000.00	0.00	0.00	700,000.00
214	Legacy Award Program	75,000.00	25,000.00	50,000.00	0.00	25,000.00
216	Olelo Hawaii	500,000.00	500,000.00	0.00	0.00	0.00
217	FESTPAC	250,000.00	0.00	250,000.00	0.00	0.00
218	Hawaiian Culture Festivals and Events	780,000.00	0.00	780,000.00	0.00	0.00
297	Memberships and Dues - Hawaiian Culture	500.00	300.00	200.00	0.00	300.00
298	Travel - Hawaiian Culture	14,345.00	1,991.84	12,353.16	0.00	1,991.84
718	Resort Area Hawaiian Cultural Initiative	150,000.00	0.00	150,000.00	0.00	0.00
Subtotal	Perpetuating Hawaiian Culture	4,544,845.00	1,234,291.84	3,310,553.16	0.00	734,291.84
Natural Resources						
402	Aloha Aina (formerly NR and Leg Prov NR)	1,500,000.00	0.00	1,500,000.00	0.00	0.00
406	Visitor Impact Program	350,000.00	50,000.00	300,000.00	0.00	0.00
407	Hawaii Eco Tourism Association	50,000.00	50,000.00	0.00	0.00	0.00
498	Travel - Natural Resources	15,000.00	0.00	15,000.00	0.00	0.00
Subtotal	Natural Resources	1,915,000.00	100,000.00	1,815,000.00	0.00	0.00
Community						
700	Community Opportunity	1,700,000.00	0.00	1,700,000.00	0.00	0.00
701	Community Enrichment Program	1,700,000.00	0.00	1,700,000.00	0.00	0.00
797	Memberships and Dues - Community	500.00	0.00	500.00	0.00	0.00
798	Travel - Community	15,000.00	0.00	15,000.00	0.00	0.00
803	Future Workforce Development (LEI)	270,000.00	120,000.00	150,000.00	0.00	0.00
Subtotal	Community	3,685,500.00	120,000.00	3,565,500.00	0.00	0.00
Branding						
004	Cruise Infrastructure Improvements and A	200,000.00	194,223.19	5,776.81	0.00	94,223.19
010	HTUS/HTJ Campaign Effectiveness Study	260,000.00	260,000.00	0.00	0.00	0.00
014	Pono Travel Education Program	400,000.00	400,000.00	0.00	0.00	0.00
102	Hawai'i Tourism Summit	231,000.00	230,999.30	0.70	0.00	225,748.00
317	Convention Center Sales & Marketing - City	2,600,000.00	2,600,000.00	0.00	0.00	0.00
318	gohawaii.com (formerly Online Website Co	774,500.00	387,500.00	387,000.00	0.00	155,000.00
319	MCI MFF	850,000.00	850,000.00	0.00	0.00	0.00
321	US (formerly North America)	22,500,000.00	21,250,000.00	1,250,000.00	0.00	8,500,000.00
331	Meetings, Convention & Incentives	1,900,000.00	1,900,000.00	0.00	0.00	0.00
339	Global Digital Marketing Strategy (former I	713,000.00	500,000.00	213,000.00	0.00	200,000.00
350	Global Mkt Shared Resces (formerly Intelle	987,500.00	987,500.00	0.00	0.00	395,000.00
380	Marketing Opportunity Fund	47,655.00	47,655.00	0.00	0.00	15,000.00
397	Memberships and Dues - Branding	160,000.00	137,265.00	22,735.00	0.00	0.00
398	Travel - Branding	50,000.00	47,354.09	2,645.91	391.22	31,371.05
934	State Employee Salaries - Branding	2,036,532.00	1,937,857.48	98,674.52	0.00	1,116,310.00
Subtotal	Branding	33,710,187.00	31,730,354.06	1,979,832.94	391.22	10,732,652.24
Sports						
312	PGA Tour Contracts	3,977,889.00	2,177,889.00	1,800,000.00	0.00	0.00
340	WTC - Ironman World Championships	250,000.00	250,000.00	0.00	0.00	250,000.00
343	LPGA	500,000.00	250,000.00	250,000.00	0.00	0.00
378	UH Athletics Branding Partnership	334,000.00	167,000.00	167,000.00	0.00	0.00
385	Sports RFP or Other Procurement	1,250,000.00	0.00	1,250,000.00	0.00	0.00
Subtotal	Sports	6,311,889.00	2,844,889.00	3,467,000.00	0.00	250,000.00
Safety and Security						
601	Visitor Assistance Programs	500,000.00	0.00	500,000.00	0.00	0.00
602	Crisis Management	100,000.00	52,043.88	47,956.12	0.00	5,098.96
604	Preventative Programs	100,000.00	100,000.00	0.00	0.00	0.00
Subtotal	Safety and Security	700,000.00	152,043.88	547,956.12	0.00	5,098.96
Tourism Research						
506	Infrastructure Research (Accomodations ar	60,000.00	0.00	60,000.00	0.00	0.00
Subtotal	Tourism Research	60,000.00	0.00	60,000.00	0.00	0.00
Planning						
652	Planning Tools and Assessments	410,000.00	111,585.32	298,414.68	0.00	0.00
653	Hotspot Mitigation	500,000.00	200,000.00	300,000.00	0.00	200,000.00
654	Program Evaluation	500,000.00	377,584.69	122,415.31	0.00	0.00
655	Community Engagement	175,000.00	4,560.28	170,439.72	0.00	4,560.28
656	Community Tourism Collaborative	400,000.00	75,000.00	325,000.00	0.00	75,000.00
697	Memberships and Dues - Planning	3,200.00	350.00	2,850.00	0.00	350.00
698	Travel - Planning	17,000.00	11,249.46	5,750.54	0.00	8,889.24
Subtotal	Planning	2,005,200.00	780,329.75	1,224,870.25	0.00	288,799.52
Administrative						
101	Community-Industry Outreach & Public Rel	200,000.00	200,000.00	0.00	0.00	0.00
103	hawaiiauthority.org (formerly HTA ')	100,000.00	24,546.80	75,453.20	0.00	0.00
901	General and Administrative	848,700.00	186,930.49	661,769.51	0.00	29,410.44
930	State Employee Salaries - Admin	2,830,295.00	2,423,803.66	406,491.34	0.00	1,450,517.00
998	Travel - Admin	50,411.00	20,724.13	29,686.87	0.00	11,392.18
Subtotal	Administrative	4,029,406.00	2,856,005.08	1,173,400.92	0.00	1,491,319.62
Governance and Org-Wide						
915	Organization-Wide	220,000.00	105,000.00	115,000.00	0.00	0.00
919	Governance - Gen Board/Others	352,001.00	158,299.24	193,701.76	1,656.19	54,246.89
931	State Employees Fringe	2,465,972.00	2,144,009.77	321,962.23	0.00	1,355,972.00
Subtotal	Governance and Org-Wide	3,037,973.00	2,407,309.01	630,663.99	1,656.19	1,410,218.89
Total	FY 2022 Funds	60,000,000.00	42,225,222.62	17,774,777.38	2,047.41	14,912,381.07
<i>Convention Center Federal Fund</i>						
Branding						
934	State Employee Salaries - Branding	72,458.00	12,613.84	59,844.16	0.00	0.00
Subtotal	Branding	72,458.00	12,613.84	59,844.16	0.00	0.00
Administrative						

Program Code	Program Title	Budget FY22	Encumbered - Budget Used (Cumulative)	Remaining Balance	December 2022 Activity	FY 2023 Activity
930	State Employee Salaries - Admin	247,042.00	226,060.43	20,981.57	0.00	0.00
Subtotal	Administrative	247,042.00	226,060.43	20,981.57	0.00	0.00
Governance and Org-Wide						
915	Organization-Wide	1,164,845.00	1,164,845.00	0.00	0.00	0.00
931	State Employees Fringe	170,000.00	72,220.04	97,779.96	0.00	0.00
Subtotal	Governance and Org-Wide	1,334,845.00	1,237,065.04	97,779.96	0.00	0.00
HCC Operating Expense						
850	HCC Operating Expense	5,406,900.00	5,406,900.00	0.00	0.00	0.00
Subtotal	HCC Operating Expense	5,406,900.00	5,406,900.00	0.00	0.00	0.00
HCC Repair and Maintenance						
860	HCC Repair and Maintenance	2,970,455.00	2,970,455.00	0.00	0.00	0.00
Subtotal	HCC Repair and Maintenance	2,970,455.00	2,970,455.00	0.00	0.00	0.00
HCC Local Sales						
871	HCC Local Sales	968,300.00	968,300.00	0.00	0.00	0.00
Subtotal	HCC Local Sales	968,300.00	968,300.00	0.00	0.00	0.00
Total	FY 2022 Funds	11,000,000.00	10,821,394.31	178,605.69	0.00	0.00
EDA Tourism Grant						
Natural Resources						
408	Outdoor Recreation (DLNR)	7,200,000.00	0.00	7,200,000.00	0.00	0.00
Subtotal	Natural Resources	7,200,000.00	0.00	7,200,000.00	0.00	0.00
Community						
656	Community Tourism Collaborative	750,000.00	0.00	750,000.00	0.00	0.00
736	Urban Trails	750,000.00	0.00	750,000.00	0.00	0.00
798	Travel - Community	20,000.00	0.00	20,000.00	0.00	0.00
Subtotal	Community	1,520,000.00	0.00	1,520,000.00	0.00	0.00
Branding						
300	Branding - Unallocated	4,000,000.00	0.00	4,000,000.00	0.00	0.00
934	Salaries - Branding	540,000.00	0.00	540,000.00	0.00	0.00
Subtotal	Branding	4,540,000.00	0.00	4,540,000.00	0.00	0.00
Planning						
698	Travel - Planning	20,000.00	0.00	20,000.00	0.00	0.00
Subtotal	Planning	20,000.00	0.00	20,000.00	0.00	0.00
Administrative						
901	Administrative	214,907.00	0.00	214,907.00	0.00	0.00
930	Salaries - Admin	117,000.00	0.00	117,000.00	0.00	0.00
Subtotal	Administrative	331,907.00	0.00	331,907.00	0.00	0.00
Governance and Org-Wide						
931	Fringe Benefits	412,465.00	0.00	412,465.00	0.00	0.00
Subtotal	Governance and Org-Wide	412,465.00	0.00	412,465.00	0.00	0.00
Total	FY 2022 Funds	14,024,372.00	0.00	14,024,372.00	0.00	0.00

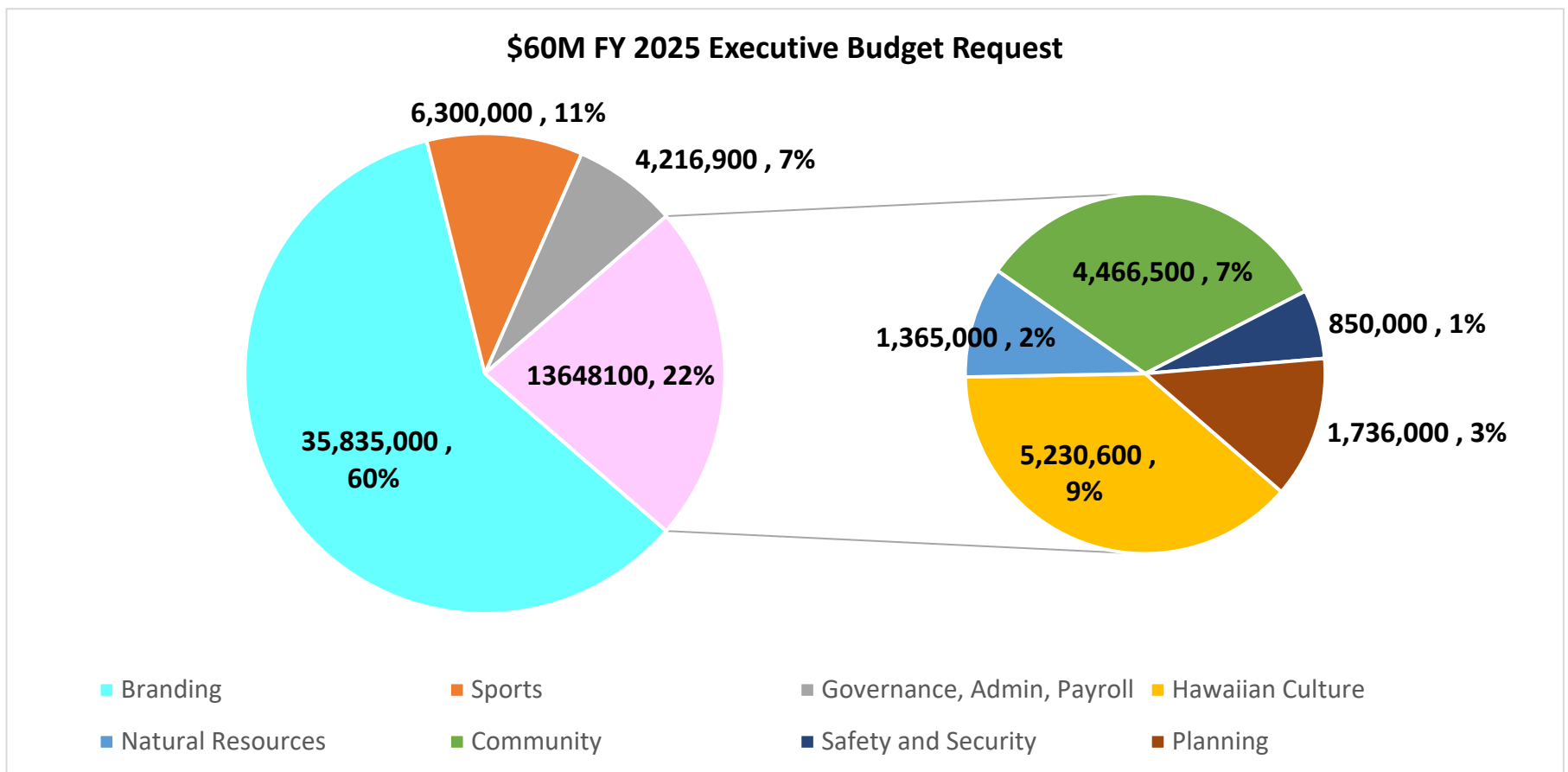
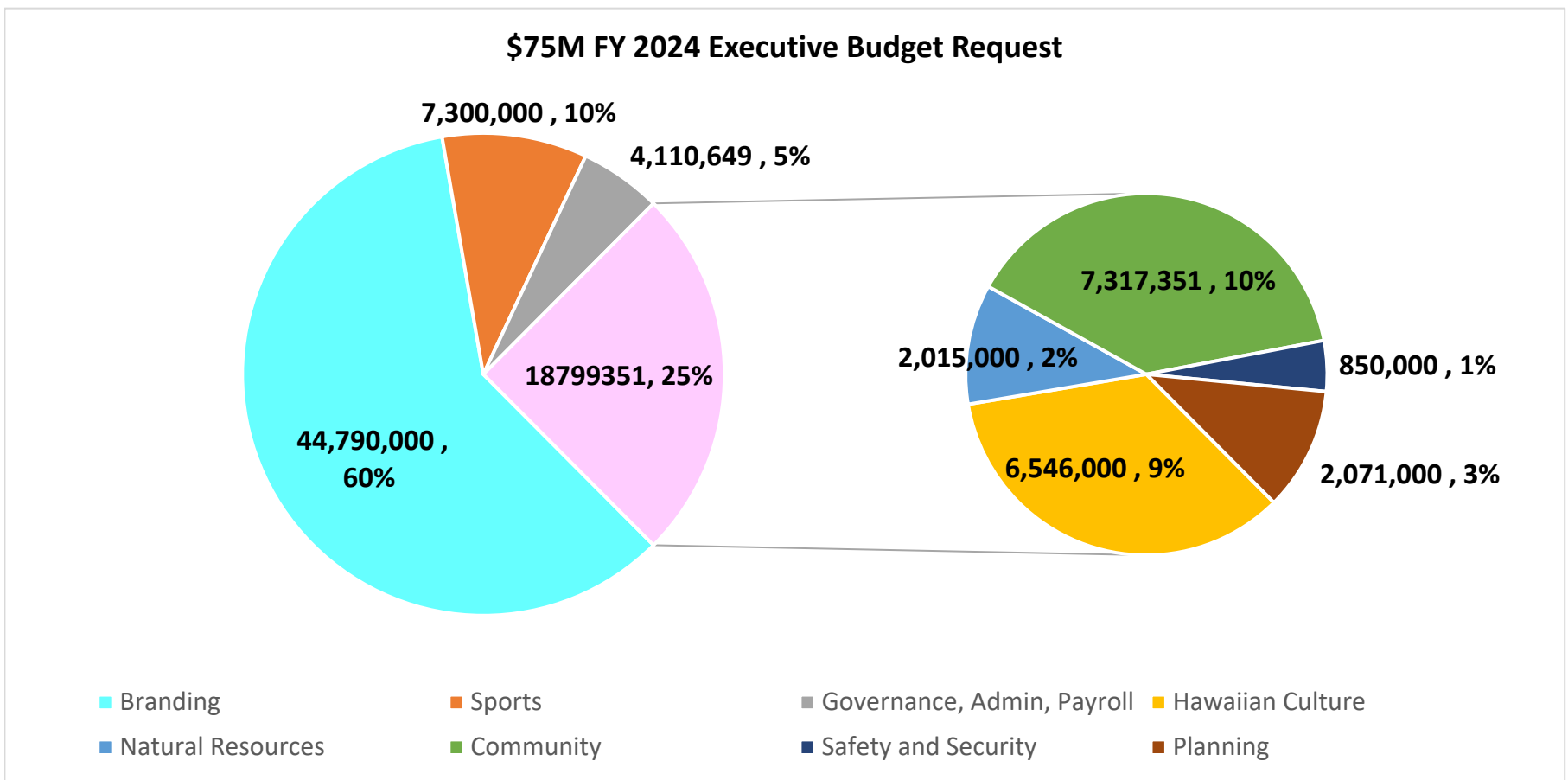
11b

Update and Discussion on the HTA's FY 2024 and
2025 Executive Budget Request to the 2023
Legislature

Hawaii Tourism Authority
Budget Request
FY 2024 and FY 2025

	FY 2024		FY 2025	
Community-Type Programs	18,799,351	25.1%	13,648,100	22.7%
Hawaiian Culture	6,546,000		5,230,600	
Natural Resources	2,015,000		1,365,000	
Community	7,317,351		4,466,500	
Planning	2,071,000		1,736,000	
Safety and Security	850,000		850,000	
Branding	44,790,000	59.7%	35,835,000	59.7%
Sports Marketing	7,300,000	9.7%	6,300,000	10.5%
Administrative and Governance	1,395,500	1.9%	1,396,500	2.3%
Payroll	2,715,149	3.6%	2,820,400	4.7%
	75,000,000	100%	60,000,000	100%

DRAFT



**Hawaii Tourism Authority
FY24-25 BUDGET REQUEST**

Program Code	Program Title	FY24		FY25	
Perpetuating Hawaiian Culture					
201	Kūkulu Ola: Living Hawaiian Cultural Program	1,500,000		1,000,000	
202	Hawaiian Culture Initiative	500,000		500,000	
203	Ma'ema'e HTA	100,000		50,000	
204	Market Support	300,000		109,600	
214	Legacy Award Program	75,000		50,000	
215	Hawaiian Culture Opportunity Fund	100,000		-	
216	'Ōlelo Hawai'i	700,000		700,000	
297	Memberships and Dues - Hawaiian Culture	1,000		1,000	
298	Travel - Hawaiian Culture	20,000		20,000	
374	Surfing	250,000		300,000	
715	Canoe Regatta	100,000		100,000	
716	May Day	150,000		150,000	
717	Monthly Music Series	500,000		500,000	
219	Ho'okipa Malihini Initiative	1,500,000		1,000,000	
218	Hawaiian Culture Festivals & Events	750,000		750,000	
		6,546,000	8.7%	5,230,600	8.7%
Natural Resources					
402	Aloha 'Āina	1,500,000		1,000,000	
406	Visitor Impact Program	400,000		250,000	
407	Sustainable Tourism Association of Hawai'i	100,000		100,000	
498	Travel	15,000		15,000	
		2,015,000	2.7%	1,365,000	2.3%
Community					
700	Signature Events	2,250,000		1,000,000	
701	Community Enrichment Program	2,000,000		1,000,000	
702	Community Tourism Capacity Building	500,000		300,000	
731	Destination Management - O'ahu	525,000		450,000	
732	Destination Management - Maui County	625,000		550,000	
733	Destination Management - Hawai'i Island	475,000		400,000	
734	Destination Management - Kaua'i	475,000		400,000	
797	Memberships and Dues - Community	1,500		1,500	
798	Travel - Community	15,851		15,000	
802	Current Workforce	250,000		200,000	
803	Future Workforce	200,000		150,000	
		7,317,351	9.8%	4,466,500	7.4%
Branding					
4	Cruise Industry Consultant Services	100,000		100,000	
10	Campaign Effectiveness Study	260,000		260,000	
12	Rebrand	2,000,000		-	
13	Creative Agency	100,000		100,000	
102	Hawai'i Tourism Updates	450,000		350,000	
306	Island-Based International Marketing	800,000		500,000	
317	Convention Center Sales & Marketing City Wide	2,900,000		2,500,000	
318	GoHawaii.com	1,500,000		475,000	
319	MFF	850,000		700,000	
320	Island Destination Marketing & Management Services	2,500,000		2,500,000	
321	US (formerly North America)	18,350,000		16,000,000	
322	Canada	800,000		700,000	
323	Japan	7,100,000		6,000,000	
324	Korea	1,000,000		800,000	
325	Oceania	1,200,000		800,000	
329	China	750,000		500,000	
331	MCI - Single Property	1,900,000		1,400,000	
350	Global Mkt Shared Resces	1,500,000		1,500,000	
380	Marketing Opportunity Fund	500,000		500,000	
397	Memberships and Dues - Branding	180,000		100,000	

**Hawaii Tourism Authority
FY24-25 BUDGET REQUEST**

Program Code	Program Title	FY24		FY25	
398	Travel - Branding	50,000		50,000	
		44,790,000	59.7%	35,835,000	59.7%
Sports					
312	PGA Tour Contracts	2,300,000		2,300,000	
379	Sports - Unallocated	5,000,000		4,000,000	
		7,300,000	9.7%	6,300,000	10.5%
Safety and Security					
601	Visitor Assistance Programs	500,000		500,000	
602	Crisis Management	250,000		250,000	
603	Lifeguard Program	100,000		100,000	
		850,000	1.1%	850,000	1.4%
Tourism Research					
506	Infrastructure Research	100,000		65,000	
		100,000	0.1%	65,000	0.1%
Planning					
509	Tourism Strategic Plan Update	300,000		-	
652	Planning Tools & Assessments	150,000		150,000	
653	Hotspot Mitigation	400,000		400,000	
654	Program Evaluation	300,000		300,000	
656	Community Tourism Collaborative	400,000		400,000	
697	Memberships & Dues	1,000		1,000	
657	Tourism Excellence Accreditation Program	400,000		400,000	
698	Travel - Planning	20,000		20,000	
		1,971,000	2.6%	1,671,000	2.8%
Admin					
101	Community-Industry Outreach & Public Relations Svcs	265,500		265,500	
103	HawaiiTourismAuthority.org	80,000		80,000	
901	General and Administrative	516,499		516,499	
998	Travel - Admin	70,000		70,000	
		931,999	1.2%	931,999	1.6%
Governance & Org Wide					
915	Organization - Wide	250,583		250,583	
919	Governance - Gen Board/Others	212,918		213,918	
		463,501	0.6%	464,501	0.8%
Payroll					
TBD-5	State Employee Salaries - All	2,715,149		2,820,400	
		2,715,149	3.6%	2,820,400	4.7%
		75,000,000	100%	60,000,000	100%

DRAFT - Subject to Board Review and Approval Convention Center Enterprise Special Fund
FYs 2024 and 2025

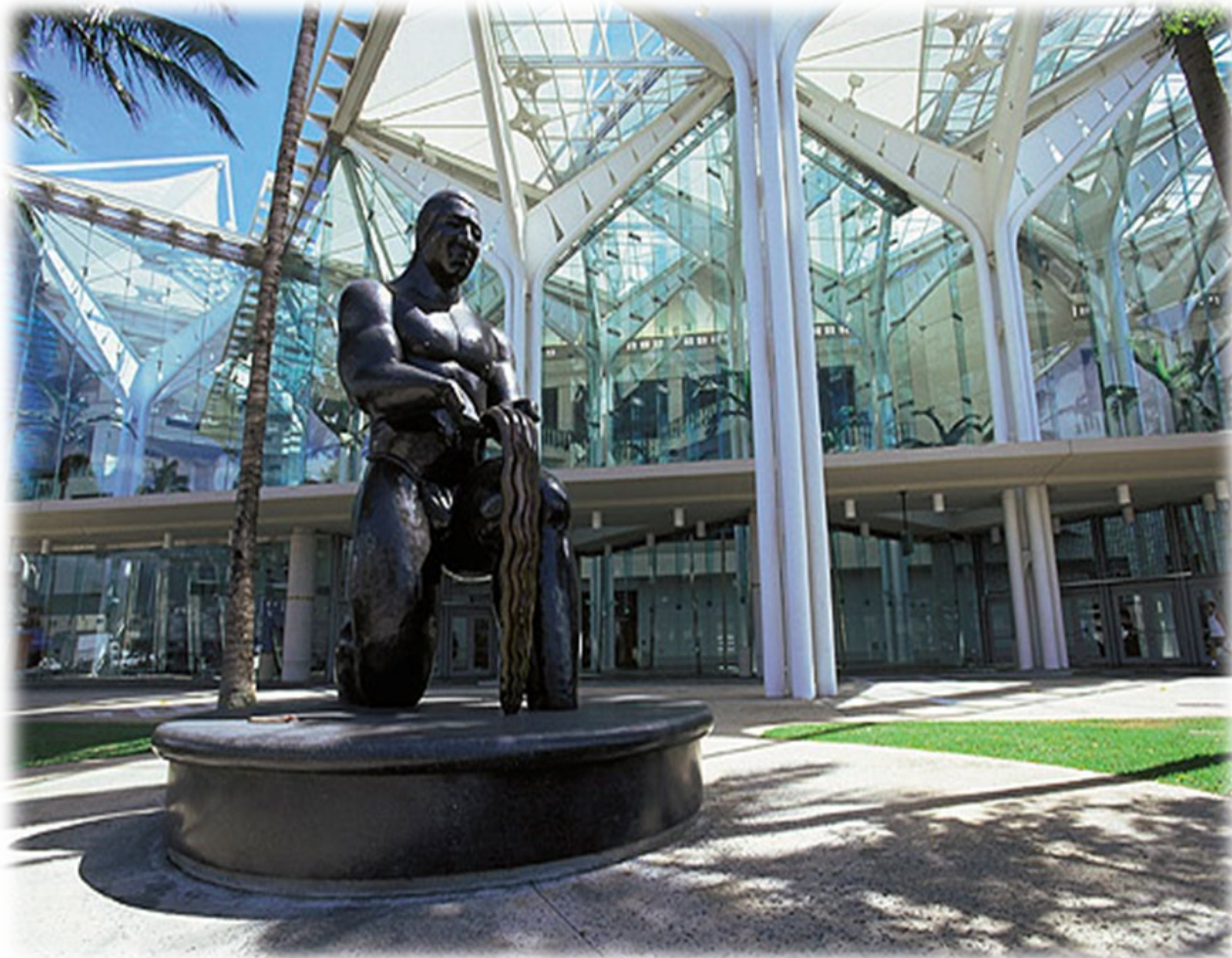
Appropriation Expenditure Ceiling

HCC Operations	5,358,200
HCC Local Sales	1,175,100
Significant Repair & Maintenance	21,366,700
HTA Allocation (Insurance, Studies)	<u>600,000</u>
	<u><u>28,500,000</u></u>

11d

Discussion and Action on the Recommendation by
the Budget, Finance, and Convention Center
Standing Committee on **Hawai'i Convention
Center's December 2022 Financial Reports and
Update on the Hawai'i Convention Center's 6-Year
CIP Plan**

Hawai'i Convention Center



Update for
December 2022
For
(January 2023 meeting)

Financial Update

	Dec-22 FYTD Actual	FY 2023 Reforecast	FY 2023 Budget	Variance	FY 2022 Actual	CY 2019 Actual
Facility Occupancy	26%	29%	30%	-1%	29%	32%
Facility Number of Events	130	237	200	37	213	238
Facility Gross Revenue	\$6,860,700	\$12,610,800	\$13,041,400	-\$430,600	\$7,256,700	\$16,866,900
Facility Gross Expenses	-\$8,619,000	-\$17,934,900	-\$18,448,300	\$513,400	-\$11,842,500	-\$17,649,200
Facility Net Loss	-\$1,758,300	-\$5,324,100	-\$5,406,900	\$82,800	-\$4,585,800	-\$782,300
Local S&M Gross Expenses	-\$437,200	-\$968,300	-\$968,300	\$0	-\$522,600	-\$5,315,000
HCC Net Loss	-\$2,195,500	-\$6,292,400	-\$6,375,200	\$82,800	-\$5,108,400	-\$6,097,300

ROI December FYTD 2022

HCC Revenue + State Revenue + Tax Revenue
= \$63.3M

HCC Expense + HVCB MCI Expense = \$11.7M

***ROI = For every dollar spent,
\$5.40 returned to the State***

Definite Citywide Bookings for FY 2023

Start Date	End Date	Event Name	Forecast Attendance	Contracted Rooms	EEl Value	Tax Generation
7/1/2022	7/3/2022	Pacific Rim Championship 2022 (Jam on It)	1,600	1,000	\$5,048,727	\$590,701
7/10/2022	7/15/2022	Goldschmidt Conference 2022	2,500	5,100	\$13,129,182	\$1,536,115
10/19/2022	10/28/2022	2022 Applied Superconductivity Conference	1,300	3,189	\$8,638,489	\$1,010,703
11/7/2022	11/16/2022	Confidential Association Meeting	3,500	8,371	\$23,728,741	\$2,776,263
4/11/2023	4/23/2023	American Roentgen Ray Society	2,500	3,844	\$18,342,486	\$2,146,071
5/19/2023	5/22/2023	All Star Cheerleaders 2023	2,500	5,000	\$8,654,669	\$1,012,596
	6	Total	13,900	26,504	\$77,542,293	\$9,072,449

HCC has two remaining Citywide Events in our fiscal year.
April and May 2023.

Recent Events @ Hawai'i Convention Center

- Fight to Win, Jan 7, 2023, 1,000 attendees
- 2023 Sony Open Dinner (Jan 12, 2023), 1,000 attendees
- **TransPacific Volleyball Championships 2023 (Jan 14 – 16), 2,000 attendees (CW)**



Upcoming Local/Citywide Events

- Varsity Spirit Championships 2023 (Jan 27-29), 1,677 attendees
- Pacific Water Conference (Feb 2-9) 800 attendees
- Aloha Region Volleyball President's Tournament, (Feb 11-12), 1,500 attendees



AMERICAN WATER WORKS ASSOCIATION HAWAII SECTION
& HAWAII WATER ENVIRONMENT ASSOCIATION

2023

PACIFIC WATER CONFERENCE
FEBRUARY 7 - 9, 2023



Carbon Offset Program



Total Contributions	Partner Trees Planted
\$1,856.91	5,393
<u>HCC Carbon Offset Trees Planted</u>	
22.11	

5,415

Total Legacy Trees Planted



13.54

Total Acres of Habitat Restored

As of December 2022
(total carbon offset costs)



HCC in the New (PR coverage)



Bookings at the Hawaii Convention Center were good. Then a savvy leader took charge.

BY BRETT ALEXANDER-ESTES



The center maximizes fresh air and natural light.

Teri Orton, General Manager



HAWAII CONVENTION CENTER
OPENED
1990

FACILITIES
Exhibit hall (more than 200,000 square feet), ballroom (35,000 square feet), landscaped rooftop garden (2.5 acres), 148 production kitchen (20,000 square feet), 47 meeting rooms, 690 parking stalls, 70-foot lobby waterfall, 1801 Café

NUMBER OF STAFF
Approximately 31 to 200 employees

What's your management background?

Prior to joining ASM Global and the HCC, I served as vice president of condominium resort marketing for Outrigger Enterprises Group, which consists of 16 properties across the Hawaiian Islands. I have over 25 years of hospitality experience, including posts as hotel general manager, director of sales and marketing and other management roles with Embassy Suites, The Ilika, W Diamond Hotel, Sheraton Princess Kaihala and the Huntington Beach Hilton Resort.

When did you come aboard?

2014.

What have you achieved as GM?
The past eight years have been incredibly dynamic, representing some of the best and most challenging times during the center's nearly 25 years in operation.

What was your first project?

One of the largest key initiatives I spearheaded early on was to identify

ways to increase our building's occupancy. I saw the opportunity for our venue to host off-shore sporting events like volleyball, basketball and indoor soccer (futsal). I put a business plan together with two years of research and was given the approval by HTA to purchase \$1.1 million in sporting equipment in 2016. Since we invested in our sports courts, the number of sporting tournaments we have hosted has doubled.

Has this market rebounded since COVID-19?

In 2022, we saw the return of major sporting events, including regional volleyball tournaments. In 2023 we have several major sporting events on the books, including the Trans-Pacific Volleyball Championships (10,000 expected attendees) in January 2023.

How did you deal with the pandemic?

I am proud of how the center was able to continue to operate and serve the Hawaii community during the pandemic. We worked with state agencies to quickly provide temporary space that allowed for additional staffing and

See Orton on page 37

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The Hawai'i Convention Center is poised for a 2023 turnaround

BY BRETT ALEXANDER-ESTES

Convention bookings are rebounding nationwide—and the Hawai'i Convention Center is ready. "We expect 2023 to be our strongest year since the pandemic started," says Teri Orton, general manager for the center. "We are excited to already have dozens of events on the books." These include December's 2022 Honolulu Marathon Expo with 20,000 expected attendees and the Trans-Pacific Volleyball Championships 2023 that



Teri Orton increase in large, citywide meetings."

will welcome 10,000 more in January. This past September, the 40th annual Olan Mills Festival drew a record 45,000 attendees over two days. "We are also seeing an

Orton says, "such as the Goldschmidt Conference in July, which drew over 3,000 attendees. We are planning new art exhibits (in December), including the "Healer Stones of Kapapama" and a Hawai'i featherwork collection by master feather artist Rick San Nicolas." A recent report by the Center for Exhibition Industry Research says U.S. cancellation rates for in-person events continue to drop. In the second quarter of 2022, it says, the U.S.

12 | HAWAII HOSPITALITY | WINTER 2022

Opposite page:
The Hawai'i Convention Center
PHOTO: JOHANNY DAVID REWELLS

Below:
HCC General Manager Teri Orton (left) plants a mulo sapling as part of the center's carbon offset program. Indigenous Hawaiians used mulo wood for their prized bowls and carvings.
PHOTO: JOHANNY DAVID REWELLS

business-to-business exhibition industry also improved significantly from the previous nine quarters. Similarly, Orton reports the center's clients "are more confidently booking advance gatherings, including attendance from local, national and international guests."

In response, the center is enhancing its services and making upgrades to its physical plant. These include:

- New AT&T 5G live connectivity
- A new distributed antenna system (DAS) Public Safety Network
- A first-of-its-kind carbon offset program
- New building improvements
- Global Business Advisory Council (GBAC) STAR facility accreditation
- Ongoing COVID-19 precautions

New AT&T 5G Live Connectivity
This center's three exhibit halls and main lobby areas now have AT&T 5G Millimeter Wave coverage by Biongo

Carbon Offset Program
Meeting organizers and individual attendees can offset an event's carbon footprint by planting endemic and native trees virtually or in-person. Launched in 2022, these efforts are part of the Center's Heʻomaʻoho (to conserve or manage wisely) conservation program.

Wireless, the Hawai'i Tourism Authority selected cellular DAS services provider. "We envision this technology being used by meeting organizers, visitors and staff to plan event layouts, livestream hybrid events and process mobile concession payments," Orton says.

New DAS Public Safety Network
The center's new DAS network provides a dedicated 800 MHz public safety radio channel for first responder fire-fighter, police, EMS communications. Orton says the center "is proud to join other U.S. convention centers using this technology to provide best-in-class safety measures for guests and staff."



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Building Management Hawai'i Feature Story



Hawai'i Hospitality Magazine Feature Story



Repair and Maintenance Projects Update

Repair & Maintenance Projects

6-Year Plan (page 1)

Project Number	Project Title	Estimated Project Cost	Prior Expenses to Nov 2022	FY23	FY24	FY25	FY26	FY27	FY28	Total
001	Rooftop Terrace Deck Temporary Repair	\$ 15,000,000	\$ -	\$ 15,000,000						\$ 15,000,000
	Rooftop Terrace Deck Temporary Repair (Previous planning)		\$ 626,152							\$ 626,152
003	Building Envelope Repairs (Kalākaua Kitchen, 3rd fl planters, planters, exterior)	\$ 18,632,703	\$ 282,071	\$ 8,189,126	\$ 10,161,506					\$ 18,632,703
007	Kitchen Hood Control Panel Replacement	\$ 421,249	\$ 36,453	\$ 384,796						\$ 421,249
008	F&B Refrigerator, 3rd floor (#348) Replacement	\$ 319,004	\$ 14,047	\$ -	\$ -	\$ -	\$ 304,957			\$ 319,004
009	Slate Tile Repair	\$ 2,142,108	\$ 22,978	\$ 2,119,130						\$ 2,142,108
010	Chiller Replacement	\$ 6,639,656	\$ 117,678	\$ 6,007,051	\$ 514,927					\$ 6,639,656
011	Ballroom Gutter, Foyer Transom Glass Repair and Soffit Repair	\$ 10,635,599	\$ 25,873	\$ 2,000,000	\$ 8,609,726					\$ 10,635,599
012	Parapet Roof Repairs	\$ 3,004,559	\$ 10,404	\$ 1,000,000	\$ 1,994,155					\$ 3,004,559
013	Ballroom Roof Repairs	\$ 2,143,187	\$ 6,712	\$ 1,000,000	\$ 1,136,475					\$ 2,143,187
014	Lobby Water Feature	\$ 1,035,800	\$ 1,985	\$ -	\$ 253,946	\$ 779,869				\$ 1,035,800
015	House Sound Audio System Upgrade	\$ 1,344,650	\$ 9,183	\$ 1,335,467						\$ 1,344,650
016	Camera, NVR and Access Control	\$ 2,001,733	\$ 1,566,230	\$ 435,503						\$ 2,001,733
022	Chill Water Pipe Reinsulation	\$ 250,000	\$ -	\$ 250,000						\$ 250,000
023	Air Wall Repairs	\$ 400,000	\$ -	\$ 400,000						\$ 400,000
024	Roll-up Door Replacement	\$ 225,000	\$ 23,656	\$ -	\$ 201,344					\$ 225,000
025	Ballroom and Meeting Room Wallpaper Replacement	\$ 450,000	\$ -	\$ 450,000						\$ 450,000
026	IT Network Upgrades	\$ 125,000	\$ -	\$ -	\$ -	\$ 55,000	\$ 70,000			\$ 125,000
027	Ice Machines Replacement	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000				\$ 500,000
028	Theatre 310 and 320 Furnishings Upgrade	\$ 750,000	\$ -	\$ -	\$ -	\$ -	\$ 375,000	\$ 375,000		\$ 750,000
029	Theatre 310 and 320 Seating Upgrade	\$ 500,000	\$ 155	\$ -	\$ -	\$ -	\$ 249,845	\$ 250,000		\$ 500,000
030	FB China and Equipment Upgrade	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -	\$ 3,500,000			\$ 3,500,000
031	Ala Wai Waterfall Repair	\$ 1,013,271	\$ 1,985	\$ -	\$ 1,011,286					\$ 1,013,271
036	Water Intrusion Remediation	\$ 400,000	\$ -	\$ 400,000						\$ 400,000

Current Project
Project on hold
Cumming Managed Projects
RLB Managed Project
HCC Managed Project



Repair & Maintenance Projects

6-Year Plan (page 2)

037	Exterior Security Camera Upgrade	\$ 245,628	\$ 2,670	\$ 242,958						\$ 245,628
040	Exterior Planter Repair	\$ 2,313,660	\$ -	\$ -	\$ 2,313,660					\$ 2,313,660
041	Children's Courtyard Repair	\$ 250,000	\$ -	\$ -	\$ 250,000					\$ 250,000
042	Kahakai/Atkinson Drywell Rehabilitation	\$ 250,000	\$ -	\$ -			\$ 250,000			\$ 250,000
043	Air Handler Unit 9 and 10 Replacement	\$ 300,000	\$ -	\$ -		\$ 300,000				\$ 300,000
044	Fire Sprinkler Line Refurbishment	\$ 270,000	\$ -	\$ -			\$ 70,000	\$ 100,000	\$ 100,000	\$ 270,000
045	Escalator and Elevator Refurbishment	\$ 1,000,000	\$ -	\$ -			\$ 200,000	\$ 200,000	\$ 200,000	\$ 600,000
046	LED Light Upgrade	\$ 1,700,000	\$ -	\$ -		\$ 500,000	\$ 200,000	\$ 500,000	\$ 500,000	\$ 1,700,000
047	Lighting Control System Replacement	\$ 200,000	\$ -	\$ -	\$ 200,000					\$ 200,000
048	Electrical Harmonics Testing	\$ 100,000	\$ -	\$ -				\$ 100,000		\$ 100,000
049	Main Kitchen Dishwasher Replacement	\$ 300,000	\$ -	\$ 300,000						\$ 300,000
050	Main Kitchen Flooring Replacement	\$ 2,000,000	\$ -	\$ -				\$ 2,000,000		\$ 2,000,000
051	PBX System Replacement	\$ 200,000	\$ -	\$ 200,000						\$ 200,000
052	Ride-on Sweeper Replacement	\$ 55,000	\$ -	\$ -	\$ 55,000					\$ 55,000
053	Forklift	\$ 70,000	\$ -	\$ 70,000						\$ 70,000
054	Boardroom Upgrade	\$ 1,000,000	\$ -	\$ -			\$ 1,000,000			\$ 1,000,000
055	Elevator #2 Upgrade	\$ 250,000	\$ -	\$ -		\$ 250,000				\$ 250,000
056	Lobby Glass Panels Repair	\$ 170,000	\$ -	\$ 170,000						\$ 170,000
057	ADA Ramp for Stages	\$ 40,000	\$ -	\$ 40,000						\$ 40,000
058	Kitchen Hood Fire Suppression System Replacement	\$ 735,119	\$ 18,770	\$ 716,349						\$ 735,119
060	Lobby Sail Repair and Maintenance	\$ 188,799	\$ 10,299	\$ 42,000	\$ 65,000	\$ 71,500				\$ 188,799
061	ADA Lift (#320) Replacement	\$ 100,000	\$ -	\$ 100,000						\$ 100,000
062	Kalākaua Loading Dock Gate Replacement	\$ 24,370	\$ 24,370	\$ -						\$ 24,370
063	Escalator 1 Handrail Replacement	\$ 33,000		\$ 33,000						\$ 33,000
	GRAND TOTAL	\$ 83,229,095	\$ 2,801,671	\$ 40,885,380	\$ 26,767,027	\$ 2,456,369	\$ 6,219,802	\$ 3,525,000	\$ 800,000	\$ 83,455,249

Current Project
Project on hold
Cumming Managed Projects
RLB Managed Project
HCC Managed Project



Repair & Maintenance Projects

Construction and Project Management Services

Cumming Group

- *For management of priority projects:*
 - *Kitchen Hood Control Panel and Fire Suppression Upgrade*
 - *Slate Tile Repair*
 - *Chiller Replacement*
 - *Main Kitchen Dishwasher Replacement*
 - *Ballroom Roof Repair*
 - *House Sound Audio Upgrade*
 - *Ballroom Gutter, Foyer transom glass and soffit repair*
 - *Exterior Planter Repair*
 - *LED Lighting Upgrade*

Rider Levett Bucknall

- *For management of Rooftop Terrace Deck Temporary Repair*

Repair & Maintenance Projects Completed

- *Boiler Replacement; \$585k, completed 2020*
- *Ala Wai Waterfall Repairs; \$185k, completed 2020*
- *Chiller 4 Repairs; \$55k, completed 2020*
- *#320 Roof Repairs; \$1.4M, completed 2020*
- *Banquet Chairs and Facility Equipment Upgrade; \$2.25M, completed 2020*
- *Cooling Tower Replacement; \$3.2M, completed 2021*
- *Theatre LED Lighting Upgrade; \$77k, completed 2021*
- *Roof Overflow Drain Repairs; \$16k, completed 2021*
- *Jockey Chiller Repairs; \$28k, completed 2021*
- *ADA Lift Replacement, \$71.5k, completed 2021*
- *Emergency Generator Repairs, \$32k, completed 2021*
- *Window Repairs – Vandalism, \$177k, completed 2021*
- *Leak Repairs – December 2021 / January 2022, \$396k, completed 2022*
- *Chiller Repairs – \$69.3k, completed 2022*
- *Trellis Renovation - \$4.7M, completed 2022*
- *Lobby Glass Replacement - \$25k, completed 2022*
- *Security Camera, NVR, Access Control System - \$1.56M, completed 2022*
- *Kitchen AC Compressor Replacement - \$16.5k, completed 2022*
- *Kalākaua Loading Dock Gate Replacement - \$49k, completed 2022*

Mahalo Nui Loa

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

12

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

12.1

Global MCI Sales

HTA Board Update

GLOBAL MCI SALES

January 26, 2023

John Reyes,
Senior Vice President, Chief MCI Sales Officer



PRODUCTION UPDATE

December 2022 YTD



CITYWIDE 2022 v. 2021

Strong Production

December 2022 Sales Production	Dec. 2022	Dec. 2021	Variance	2022 YTD	2021 YTD	Variance
Citywide Definite RN	84,546	300	+28082%	144,043	4,144	+3321%
Citywide Tentative RN	5,411	6,415	-16%	292,640	101,558	+188%

2022 numbers as reported in Meet Hawai'i Global MCI Status Report - December 2022 (Final)
 2021 numbers as reported in Meet Hawai'i Global MCI Status Report - December 2021 (Final)



CITYWIDE 2022 v. 2019

Strong Production

December 2022 Sales Production	Dec. 2022	Dec. 2019	Variance	2022 YTD	2019 YTD	Variance
Citywide Definite RN	84,546	17,459	+384%	144,043	58,025	+148%
Citywide Tentative RN	5,411	3,410	+59%	292,640	170,609	+72%

All 2022 and 2019 YTD numbers as reported in Meet Hawai'i Global MCI Status Report - December 2022 (Final).
 2019 December monthly numbers from Meet Hawai'i Group Sales Status Report – December 2021 (Final).



Sales Production Before/After COVID

Calendar Year	Citywide Seller FTEs	Definite Citywide Bookings	Definite Room Nights Citywide	Economic Impact (millions)
2022	3.00	14	144,043	\$396 million
2021	2.75	2	4,144	\$28 million
2020	1.50	1	2,279	\$6 million
2019	5.00	17	58,025	\$153 million

Source: Meet Hawai'i Tableau/Simpleview sales production



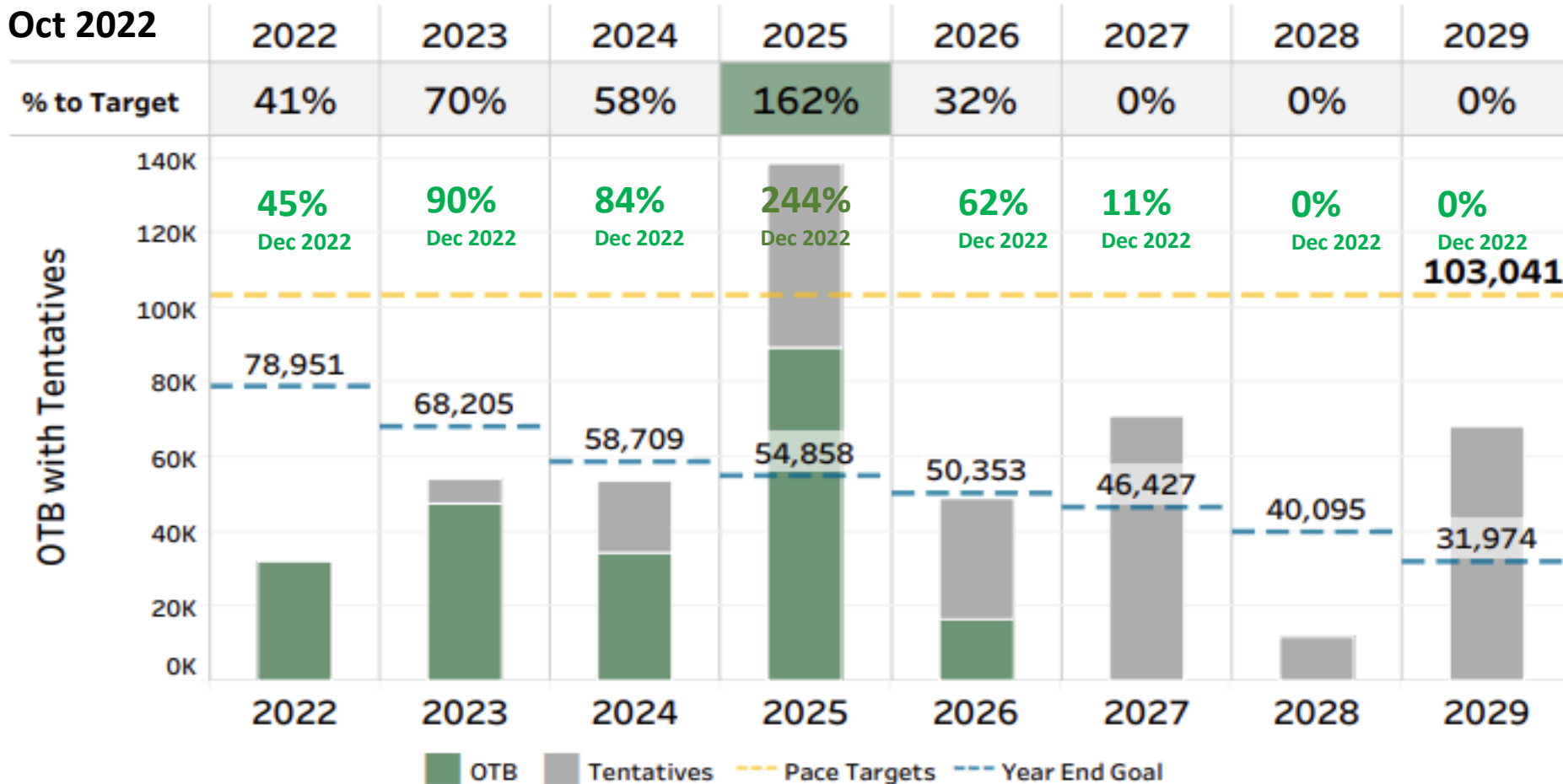
PACE



Hawai'i 8 Year Future Pace for Citywide

Oct 2022 vs Dec 2022 Pace Comparison

Number of events and room nights on the books against a 3-year average year-end goal. Data last refreshed on 11/7/2022 11:03:11 PM



**POST-COVID SHORT-TERM
RECOVERY STRATEGY
2023 - 2027**



Short-Term Focus

Strategy for recovery from 2-year shutdown of HCC:

- Focus on booking 77 events into the Center for the 2023-2027 time period
- Larger Citywide event take up to 8 years to book.
- Adjusted booking window to fill the Center in the short-run, with a focus on smaller events with shorter booking windows
- 6 groups to date have been booked using this adjusted criteria

Immediate priority: close 16 high probability events for 2023-2027

- 81,700 Attendees
- 154,706 Total Room Nights
- Economic Value (EEI) \$541.8M



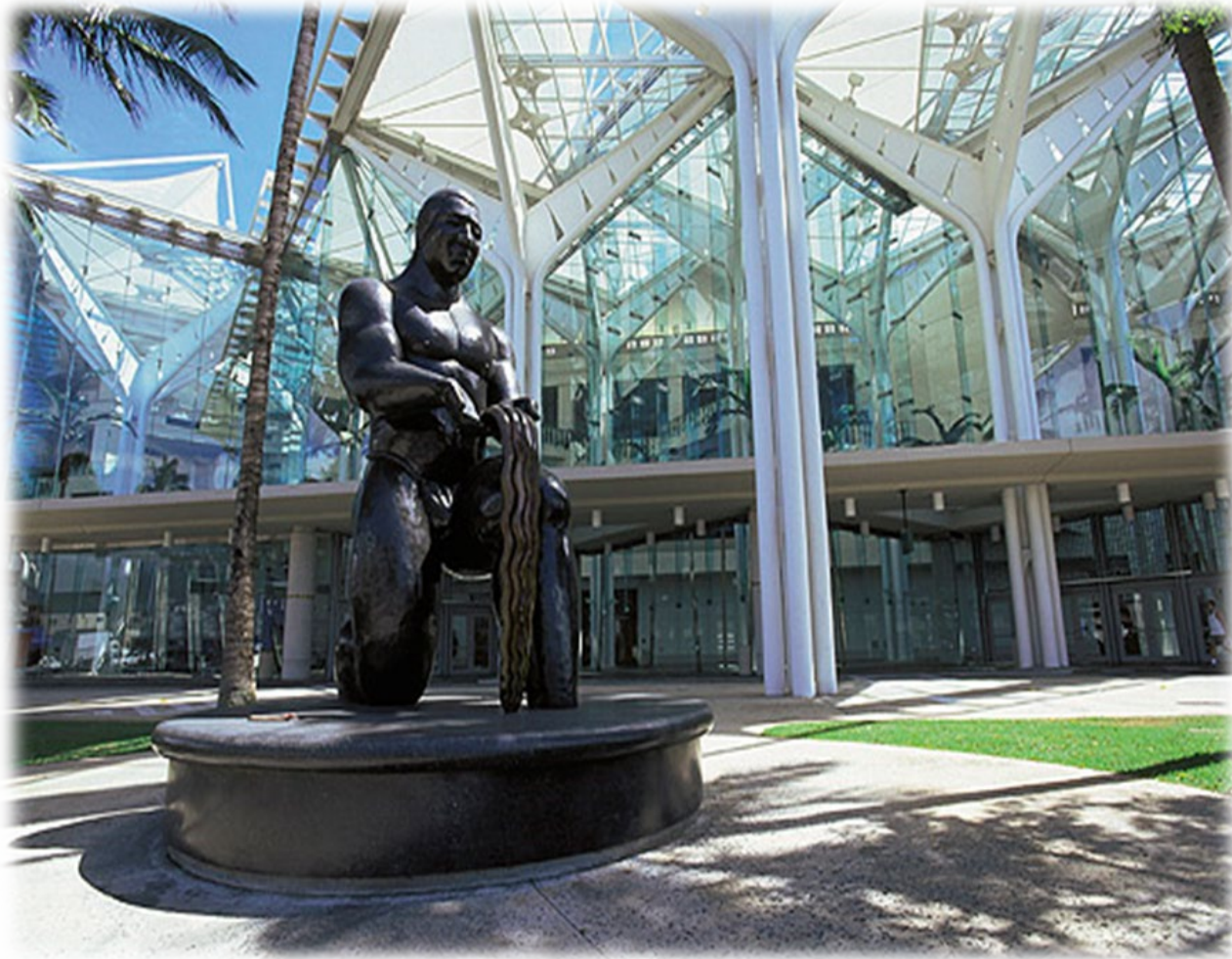
MAHALO!



12.2

Hawaii Convention Center
Update for December 2022

Hawai'i Convention Center



Update for
December 2022
For
(January 2023 meeting)

Financial Update

	Dec-22 FYTD Actual	FY 2023 Reforecast	FY 2023 Budget	Variance	FY 2022 Actual	CY 2019 Actual
Facility Occupancy	26%	29%	30%	-1%	29%	32%
Facility Number of Events	130	237	200	37	213	238
Facility Gross Revenue	\$6,860,700	\$12,610,800	\$13,041,400	-\$430,600	\$7,256,700	\$16,866,900
Facility Gross Expenses	-\$8,619,000	-\$17,934,900	-\$18,448,300	\$513,400	-\$11,842,500	-\$17,649,200
Facility Net Loss	-\$1,758,300	-\$5,324,100	-\$5,406,900	\$82,800	-\$4,585,800	-\$782,300
Local S&M Gross Expenses	-\$437,200	-\$968,300	-\$968,300	\$0	-\$522,600	-\$5,315,000
HCC Net Loss	-\$2,195,500	-\$6,292,400	-\$6,375,200	\$82,800	-\$5,108,400	-\$6,097,300

ROI December FYTD 2022

HCC Revenue + State Revenue + Tax Revenue
= \$63.3M

HCC Expense + HVCB MCI Expense = \$11.7M

***ROI = For every dollar spent,
\$5.40 returned to the State***

Definite Local Bookings for next 3 months

	January 2023			
	Start Date	End Date	Description	Forecast Attendance
1	01/03/23	01/03/23	Hawaii K-12 Principals Forum	400
2	01/04/23	01/07/23	The IAFOR International Conference on Education 2023 (IICE Hawaii 2023)	180
3	01/04/23	01/04/23	Grand Jury Impaneling	200
4	01/07/23	01/07/23	Navy Exchange Pearl Harbor	500
5	01/07/23	01/07/23	Fight To Win	1,000
6	01/07/23	01/08/23	Hawaii Pop Con	15,000
7	01/07/23	01/07/23	Yamamoto Organizational	275
8	01/10/23	01/10/23	Toyota BZ4X Commercial Shoot	10
9	01/11/23	01/14/23	Island Paradise	430
10	01/12/23	01/12/23	2023 Sony Open Dinner	1,000
11	01/14/23	01/16/23	TransPacific Volleyball Championships 2023	2,000
12	01/15/23	01/15/23	Miss Hawaii Teen USA & Miss Hawaii USA 2023 Pageant	1,000
13	01/17/23	01/17/23	Yadao Organizational Open	250
14	01/26/23	01/27/23	Hawaii Dental Association Convention	3,000
15	01/26/23	01/26/23	Tsuruda Organizational Open	275

Cont...

Definite Local Bookings for next 3 months

February 2023				
	Start Date	End Date	Description	
1	02/01/23	02/01/23	Second Look Meeting	1,100
2	02/06/23	02/09/23	Pacific Water Conference	800
3	02/07/23	02/07/23	Oahu Good Food Show	400
4	02/11/23	02/12/23	Aloha Region President's Tournament	1,500
5	02/11/23	02/11/23	Eye Labyu Honolulu - Randy Santiago	700
6	02/18/23	02/18/23	Destiny MMA	500
7	02/18/23	02/18/23	Kuilei Place Seminar	1,350
8	02/20/23	02/21/23	2023 Hawaii DOE/AMLE Summit	1,000
9	02/21/23	02/22/23	Hawaii State Judiciary Bar Exams	250
10	02/23/23	02/23/23	More Major Gifts	350
11	02/24/23	02/25/23	HPD Promotional Exams	850
12	02/24/23	02/24/23	Professional Community Day - Session 3	150
13	02/25/23	02/25/23	Kuilei Place Seminar	1,350
14	02/28/23	03/09/23	NAVSEA Project Management Fundamentals	75

Cont...

Definite Local Bookings for next 3 months

March 2023				
Start Date	End Date	Description		
1	03/01/23	03/02/23	Hawaii HOSA State Leadership Conference	900
2	03/03/23	03/04/23	King's Runner 10K Packet Pick Up	2,600
3	03/03/23	03/03/23	Hawaii Student Success Institute	1,000
4	03/04/23	03/04/23	Kuilei Place Seminar	1,350
5	03/04/23	03/04/23	Worldwide Dreambuilders Regional Rally	1,100
6	03/06/23	03/07/23	Annual Pacific Rim International Conference on Disability and Diversity	750
7	03/07/23	03/08/23	CDC Pink Book Course	200
8	03/09/23	03/09/23	CFA Society of Hawaii - 18th Annual Forecast Dinner	300
9	03/10/23	03/12/23	Honolulu Festival 2023	10,000
10	03/10/23	03/11/23	Office of Hawaiian Education Summit	1,000
11	03/12/23	03/12/23	Kuilei Place Seminar	1,350
12	03/13/23	03/14/23	2023 Spring Hawaii State Special Education Conference	500
13	03/16/23	03/18/23	HIM2023	4,500
14	03/18/23	03/19/23	Aloha Region Spring Break Madness 2023	1,500
15	03/22/23	03/23/23	Hawaii Hotel & Restaurant Show 2023	3,500
16	03/25/23	03/25/23	Trinity Kings 12	800
17	03/31/23	04/02/23	Kawaii Kon 2023	18,000

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AMERICAN WATER WORKS ASSOCIATION HAWAII SECTION
& HAWAII WATER ENVIRONMENT ASSOCIATION

2023

PACIFIC WATER CONFERENCE
FEBRUARY 7 - 9, 2023



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Total Legacy Trees Planted



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As of December 2022
(total carbon offset costs)



HCC in the New (PR coverage)



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BY BRETT ALEXANDER-ESTES



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Teri Orton, General Manager



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OPENED
1990

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I have over 25 years of hospitality experience, including posts as hotel general manager, director of sales and marketing and other management roles with Embassy Suites, The Ilika, W Diamond Hotel, Sheraton Princess Kaihala and the Huntington Beach Hilton Resort.

Has this market rebounded since COVID-19?
In 2022, we saw the return of major sporting events, including regional volleyball tournaments. In 2023 we have several major sporting events on the books, including the Trans-Pacific Volleyball Championships (10,000 expected attendees) in January 2023.

How did you deal with the pandemic?
I am proud of how the center was able to continue to operate and serve the Hawaii community during the pandemic. We worked with state agencies to quickly provide temporary space that allowed for additional staffing and

What was your first project?
One of the largest key initiatives I spearheaded early on was to identify ways to increase our building's occupancy. I saw the opportunity for our venue to host off-shore sporting events like volleyball, basketball and indoor soccer (futsal).

I put a business plan together with two years of research and was given the approval by HTA to purchase \$1.1 million in sporting equipment in 2016. Since we invested in our sports courts, the number of sporting tournaments we have hosted has doubled.

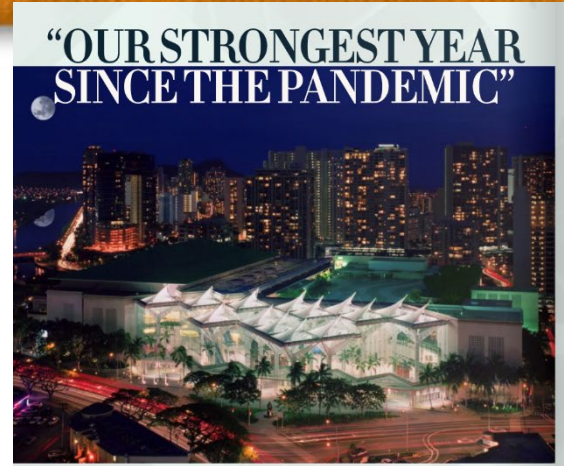
Besides you, who else runs the HCC?
The Center is a state-owned facility, and is managed by ASM Global. The center meets with the Hawaii Tourism Authority (HTA) during its regular board meetings to present updates including operational activities and sales initiatives.

Meet a Manager is sponsored by:

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The Hawai'i Convention Center is poised for a 2023 turnaround

BY BRETT ALEXANDER-ESTES

Convention bookings are rebounding nationwide—and the Hawai'i Convention Center is ready. "We expect 2023 to be our strongest year since the pandemic started," says Teri Orton, general manager for the center. "We are excited to already have dozens of events on the books." These include December's 2022 Honolulu Marathon Expo with 20,000 expected attendees and the Trans-Pacific Volleyball Championships 2023 that will welcome 10,000 more in January. This past September, the 40th annual Olan Mills Festival drew a record 45,000 attendees over two days. "We are also seeing an increase in large, citywide meetings,"



Teri Orton

Orton says, "such as the Goldschmidt Conference in July, which drew over 3,000 attendees. We are planning new art exhibits (in December), including the "Healer Stones of Kapapama" and a Hawai'i featherwork collection by master feather artist Rick San Nicolas." A recent report by the Center for Exhibition Industry Research says U.S. cancellation rates for in-person events continue to drop. In the second quarter of 2022, it says, the U.S.

Opposite page: The Hawai'i Convention Center photo: JOHANNY DAVID REWELLS.

Below: HCC General Manager Teri Orton (left) plants a milo sapling as part of the center's carbon offset program. Indigenous Hawaiians used milo wood for their prized bowls and carvings. PHOTO: JOHANNY DAVID REWELLS



business-to-business exhibition industry also improved significantly from the previous nine quarters. Similarly, Orton reports the center's clients "are more confidently booking advance gatherings, including attendance from local, national and international guests."

In response, the center is enhancing its services and making upgrades to its physical plant. These include:

- New AT&T 5G live connectivity
- A new distributed antenna system (DAS) Public Safety Network
- A first-of-its-kind carbon offset program
- New building improvements
- Global Biometric Advisory Council (GBAC) STAR facility accreditation
- Ongoing COVID-19 precautions

New AT&T 5G Live Connectivity
This center's three exhibit halls and main lobby areas now have AT&T 5G Millimeter Wave coverage by Biongo

New DAS Public Safety Network
The center's new DAS network provides a dedicated 800 MHz public safety radio channel for first responder fire-fighter, police, EMS communications. Orton says the center "is proud to join other U.S. convention centers using this technology to provide best-in-class safety measures for guests and staff."

Carbon Offset Program
Meeting organizers and individual attendees can offset an event's carbon footprint by planting endemic and native trees virtually or in-person. Launched in 2022, these efforts are part of the Center's Heʻomaʻohā (to conserve or manage wisely) conservation program.

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Building Management Hawai'i Feature Story



Hawai'i Hospitality Magazine Feature Story



Repair and Maintenance Projects Update

Repair & Maintenance Projects

6-Year Plan (page 1)

Project Number	Project Title	Estimated Project Cost	Prior Expenses to Nov 2022	FY23	FY24	FY25	FY26	FY27	FY28	Total
001	Rooftop Terrace Deck Temporary Repair	\$ 15,000,000	\$ -	\$ 15,000,000						\$ 15,000,000
	Rooftop Terrace Deck Temporary Repair (Previous planning)		\$ 626,152							\$ 626,152
003	Building Envelope Repairs (Kalākaua Kitchen, 3rd fl planters, planters, exterior)	\$ 18,632,703	\$ 282,071	\$ 8,189,126	\$ 10,161,506					\$ 18,632,703
007	Kitchen Hood Control Panel Replacement	\$ 421,249	\$ 36,453	\$ 384,796						\$ 421,249
008	F&B Refrigerator, 3rd floor (#348) Replacement	\$ 319,004	\$ 14,047	\$ -	\$ -	\$ -	\$ 304,957			\$ 319,004
009	Slate Tile Repair	\$ 2,142,108	\$ 22,978	\$ 2,119,130						\$ 2,142,108
010	Chiller Replacement	\$ 6,639,656	\$ 117,678	\$ 6,007,051	\$ 514,927					\$ 6,639,656
011	Ballroom Gutter, Foyer Transom Glass Repair and Soffit Repair	\$ 10,635,599	\$ 25,873	\$ 2,000,000	\$ 8,609,726					\$ 10,635,599
012	Parapet Roof Repairs	\$ 3,004,559	\$ 10,404	\$ 1,000,000	\$ 1,994,155					\$ 3,004,559
013	Ballroom Roof Repairs	\$ 2,143,187	\$ 6,712	\$ 1,000,000	\$ 1,136,475					\$ 2,143,187
014	Lobby Water Feature	\$ 1,035,800	\$ 1,985	\$ -	\$ 253,946	\$ 779,869				\$ 1,035,800
015	House Sound Audio System Upgrade	\$ 1,344,650	\$ 9,183	\$ 1,335,467						\$ 1,344,650
016	Camera, NVR and Access Control	\$ 2,001,733	\$ 1,566,230	\$ 435,503						\$ 2,001,733
022	Chill Water Pipe Reinsulation	\$ 250,000	\$ -	\$ 250,000						\$ 250,000
023	Air Wall Repairs	\$ 400,000	\$ -	\$ 400,000						\$ 400,000
024	Roll-up Door Replacement	\$ 225,000	\$ 23,656	\$ -	\$ 201,344					\$ 225,000
025	Ballroom and Meeting Room Wallpaper Replacement	\$ 450,000	\$ -	\$ 450,000						\$ 450,000
026	IT Network Upgrades	\$ 125,000	\$ -	\$ -	\$ -	\$ 55,000	\$ 70,000			\$ 125,000
027	Ice Machines Replacement	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000				\$ 500,000
028	Theatre 310 and 320 Furnishings Upgrade	\$ 750,000	\$ -	\$ -	\$ -	\$ -	\$ 375,000	\$ 375,000		\$ 750,000
029	Theatre 310 and 320 Seating Upgrade	\$ 500,000	\$ 155	\$ -	\$ -	\$ -	\$ 249,845	\$ 250,000		\$ 500,000
030	FB China and Equipment Upgrade	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -	\$ 3,500,000			\$ 3,500,000
031	Ala Wai Waterfall Repair	\$ 1,013,271	\$ 1,985	\$ -	\$ 1,011,286					\$ 1,013,271
036	Water Intrusion Remediation	\$ 400,000	\$ -	\$ 400,000						\$ 400,000

Current Project
Project on hold
Cumming Managed Projects
RLB Managed Project
HCC Managed Project



Repair & Maintenance Projects

6-Year Plan (page 2)

037	Exterior Security Camera Upgrade	\$ 245,628	\$ 2,670	\$ 242,958						\$ 245,628
040	Exterior Planter Repair	\$ 2,313,660	\$ -	\$ -	\$ 2,313,660					\$ 2,313,660
041	Children's Courtyard Repair	\$ 250,000	\$ -	\$ -	\$ 250,000					\$ 250,000
042	Kahakai/Atkinson Drywell Rehabilitation	\$ 250,000	\$ -	\$ -			\$ 250,000			\$ 250,000
043	Air Handler Unit 9 and 10 Replacement	\$ 300,000	\$ -	\$ -		\$ 300,000				\$ 300,000
044	Fire Sprinkler Line Refurbishment	\$ 270,000	\$ -	\$ -			\$ 70,000	\$ 100,000	\$ 100,000	\$ 270,000
045	Escalator and Elevator Refurbishment	\$ 1,000,000	\$ -	\$ -			\$ 200,000	\$ 200,000	\$ 200,000	\$ 600,000
046	LED Light Upgrade	\$ 1,700,000	\$ -	\$ -		\$ 500,000	\$ 200,000	\$ 500,000	\$ 500,000	\$ 1,700,000
047	Lighting Control System Replacement	\$ 200,000	\$ -	\$ -	\$ 200,000					\$ 200,000
048	Electrical Harmonics Testing	\$ 100,000	\$ -	\$ -				\$ 100,000		\$ 100,000
049	Main Kitchen Dishwasher Replacement	\$ 300,000	\$ -	\$ 300,000						\$ 300,000
050	Main Kitchen Flooring Replacement	\$ 2,000,000	\$ -	\$ -				\$ 2,000,000		\$ 2,000,000
051	PBX System Replacement	\$ 200,000	\$ -	\$ 200,000						\$ 200,000
052	Ride-on Sweeper Replacement	\$ 55,000	\$ -	\$ -	\$ 55,000					\$ 55,000
053	Forklift	\$ 70,000	\$ -	\$ 70,000						\$ 70,000
054	Boardroom Upgrade	\$ 1,000,000	\$ -	\$ -			\$ 1,000,000			\$ 1,000,000
055	Elevator #2 Upgrade	\$ 250,000	\$ -	\$ -		\$ 250,000				\$ 250,000
056	Lobby Glass Panels Repair	\$ 170,000	\$ -	\$ 170,000						\$ 170,000
057	ADA Ramp for Stages	\$ 40,000	\$ -	\$ 40,000						\$ 40,000
058	Kitchen Hood Fire Suppression System Replacement	\$ 735,119	\$ 18,770	\$ 716,349						\$ 735,119
060	Lobby Sail Repair and Maintenance	\$ 188,799	\$ 10,299	\$ 42,000	\$ 65,000	\$ 71,500				\$ 188,799
061	ADA Lift (#320) Replacement	\$ 100,000	\$ -	\$ 100,000						\$ 100,000
062	Kalākaua Loading Dock Gate Replacement	\$ 24,370	\$ 24,370	\$ -						\$ 24,370
063	Escalator 1 Handrail Replacement	\$ 33,000		\$ 33,000						\$ 33,000
	GRAND TOTAL	\$ 83,229,095	\$ 2,801,671	\$ 40,885,380	\$ 26,767,027	\$ 2,456,369	\$ 6,219,802	\$ 3,525,000	\$ 800,000	\$ 83,455,249

Current Project
Project on hold
Cumming Managed Projects
RLB Managed Project
HCC Managed Project



Repair & Maintenance Projects

Construction and Project Management Services

Cumming Group

- *For management of priority projects:*
 - *Kitchen Hood Control Panel and Fire Suppression Upgrade*
 - *Slate Tile Repair*
 - *Chiller Replacement*
 - *Main Kitchen Dishwasher Replacement*
 - *Ballroom Roof Repair*
 - *House Sound Audio Upgrade*
 - *Ballroom Gutter, Foyer transom glass and soffit repair*
 - *Exterior Planter Repair*
 - *LED Lighting Upgrade*

Rider Levett Bucknall

- *For management of Rooftop Terrace Deck Temporary Repair*

Repair & Maintenance Projects Completed

- *Boiler Replacement; \$585k, completed 2020*
- *Ala Wai Waterfall Repairs; \$185k, completed 2020*
- *Chiller 4 Repairs; \$55k, completed 2020*
- *#320 Roof Repairs; \$1.4M, completed 2020*
- *Banquet Chairs and Facility Equipment Upgrade; \$2.25M, completed 2020*
- *Cooling Tower Replacement; \$3.2M, completed 2021*
- *Theatre LED Lighting Upgrade; \$77k, completed 2021*
- *Roof Overflow Drain Repairs; \$16k, completed 2021*
- *Jockey Chiller Repairs; \$28k, completed 2021*
- *ADA Lift Replacement, \$71.5k, completed 2021*
- *Emergency Generator Repairs, \$32k, completed 2021*
- *Window Repairs – Vandalism, \$177k, completed 2021*
- *Leak Repairs – December 2021 / January 2022, \$396k, completed 2022*
- *Chiller Repairs – \$69.3k, completed 2022*
- *Trellis Renovation - \$4.7M, completed 2022*
- *Lobby Glass Replacement - \$25k, completed 2022*
- *Security Camera, NVR, Access Control System - \$1.56M, completed 2022*
- *Kitchen AC Compressor Replacement - \$16.5k, completed 2022*
- *Kalākaua Loading Dock Gate Replacement - \$49k, completed 2022*

Mahalo Nui Loa

A close-up photograph of a sailboat's rigging. The image shows a complex network of white ropes and lines. In the foreground, a wooden boom is visible, with a pulley block attached. The background is slightly blurred, showing more of the boat's structure and some green foliage. The text "Mahalo Nui Loa" is overlaid in the center in a white, sans-serif font.