



**REGULAR BOARD MEETING**  
**HAWAII TOURISM AUTHORITY**  
**Thursday, April 28, 2016**  
**Hawaii Convention Center**  
**1801 Kalākaua Avenue, Honolulu, Hawaii 96815**

**MINUTES OF REGULAR BOARD MEETING**

**MEMBERS PRESENT:** Rick Fried (Chair), Fred Atkins, Sean R. Dee, Donna Domingo, Gerald DeMello, George Kam, Kuuipo Kumukahi, David Rae, Craig Nakamura, Lorrie Stone, Denise Hayashi Yamaguchi

**MEMBER NOT PRESENT:** Jack Corteway

**HTA STAFF PRESENT:** George Szigeti, Jennifer Chun, Leslie Dance, Laci Goshi, Roann Rakta, Marc Togashi

**LEGAL COUNSEL:** Gregg Kinkley

**GUESTS:** Ikaika Hussey, Noel Liew, Puakea Nogelmeier

**1. Call to Order**

Presiding Officer Rick Fried called the meeting to order at 9:35 a.m.

**2. Pule**

Mr. Fried acknowledged Mr. Hussey, who proceeded to read a portion of a speech made by King Kalakaua describing Hawaii as his home.

**3. Approval of the Minutes of the March 31, 2016 Board Meeting**

Mr. Atkins moved to approve the minutes of the board meeting held on March 25, 2016. Ms. Domingo seconded the motion, which was unanimously approved by all the members present without any revision.

#### **4. Review of Recent and Upcoming Permitted Interactions**

There was no report of any permitted interactions by any board member.

#### **6. Presentation and Discussion by Dr. Puakea Nogelmeier Regarding Hawaiian Culture and Hawaii as a Visitor Destination**

(Mr. Fried took this agenda item out of order.)

Ms. Kumukahi introduced Dr. Nogelmeier, who has been a lifelong teacher of the Hawaiian language, especially in the area of Hawaiian language translation. He is currently at the University of Hawaii's Institute of Hawaiian Language Research & Translation ("Institute").

Mr. Nogelmeier noted that the revitalization of the Hawaiian language "is remarkable" after been given only a 10 year life span. Native Hawaiians did not want to have its language translated because of a fear of losing the language. After noting that in the beginning there were no "real books" written in Hawaiian, he dedicated his energy to create "real books" by starting a Hawaiian newspaper. The Hawaiian language is now "the most printed language than in any other Pacific islands combined." We now need to "create a bridge from the Hawaiian language to the new generation." Consequently, he created a nonprofit "to start in motion this initiative."

He further noted that government agencies, such as the weather service, have used historical data recorded in the Hawaiian language to help understand current trends. He discussed how the historical information regarding how Hawaii viewed itself may assist the HTA Board to know how it can be part of the Hawaiian culture. He used as an analogy the image of a person taking lychee from a tree the person does not own and noted "tourism is currently viewed as taking something it does not own." Instead, tourism should be viewed as fostering or investing in the Hawaiian culture instead of "taking" from it. Tourism should "invest in generating or developing the Hawaiian culture and not promoting it." One way to foster or be part of the Hawaiian culture is to support the initiatives of the Institute. It is his "hope" that within 5-10 years, HTA would be able to change its "relationship" with the Hawaiian culture as "an investor or generator."

Mr. Fried asked that based on what Mr. Nogelmeier knows now, what "avenue would you use to learn the Hawaiian language." Mr. Nogelmeier responded that with numerous resources currently available, such as compact disks, it is best to learn the Hawaiian language in the "privacy of your own home." Hawaiian is "easy to learn, but hard to learn well." Although the University of Hawaii is the best way to learn Hawaiian, "any portal is a doorway to the Hawaiian language"

#### **5. Report of the CEO Relating to the HTA's Programs**

Mr. Szigeti congratulated Ms. Kumukahi for recently been appointed as the Manager of Hawaiian Culture & Community Relations at the Hyatt Regency Waikiki Beach Resort & Spa. He

proceeded to discuss his appearances at various functions promoting Hawaiian cultural programs. He referred to the CEO Report previously distributed to Board members and asked the Board to contact any staff member to discuss any questions or request further information regarding any HTA program.

## **7. Presentation and Discussion of Market Insights and Current Market Conditions**

Mr. Fried acknowledged Ms. Chun, who referred to a handout entitled “Market Insights-March 2016” and dashboards of key performance indicators (KPI) in each major market area. The handouts were previously distributed to the Board for consideration. She highlighted the KPIs for all the major market areas by noting that for March we were “up across the board for all measures.”

In response to a question from Mr. Dee regarding a “forecast for the rest of the year,” Ms. Chun stated there would be “modest growth” in the later part of the year as was originally projected by HTA. There will be “softness in daily spend” and in the Canada and North America markets.

Mr. Szigeti noted that various events, such as the Rim of the Pacific Exercise (“RIMPAC”), the 70<sup>th</sup> Annual Pearl Harbor Attack memorial, and the Art Hawaii event, would make 2016 a good year. Mr. Dee requested staff to provide more “color” or education on those events, such as “where they are staying and expenditures.” Mr. Rae added that the LANPAC Symposium & Exposition meeting would also be held in 2016.

Mr. Szigeti stated we could not be sure of where visitors are staying. Ms. Chun noted that the visitor survey would be revised for the end of 2016 to recognize whether visitors are staying with friends, relatives or other categories of accommodations, such as hostels and rental. Currently, a category stated as “Other” is listed in the survey under type of occupancy and will need to be expanded.

Mr. Atkins questioned the year-over-year (YOY) rate (%) for arrivals on Maui as reflected in the March 2016 KPI Dashboard for the U.S. West market. The YOY rate was stated as 62.6%. Ms. Chun initially expressed the belief that it should have been 6.26% but will need to “check.”

In response to a request from Mr. Atkins for an update on HTA’s support of the Charity Walk, Mr. Szigeti stated that there would need to be “more discussion” on this matter.

## **8. Presentation, Discussion and Approval of HTA’s Financial Reports**

Mr. Togashi reported that he is requesting Board approval of the financial reports for February 2016 previously distributed at the March meeting. The March 2016 financial reports are available online at the HTA’s 365 website and have been distributed to the Board members at this meeting.

Mr. Nakamura moved to approve the financial reports for February 2016. Mr. DeMello seconded the motion, which was unanimously approved by all the Board members present without any objection.

In response to a question from Mr. Fried, Mr. Togashi reported that the FY 2017 HTA budgets would be presented in May. Individual meetings between staff and Board members to discuss staff's proposed budget would subsequently be scheduled. It is staff's hope to present the budget for the board's final approval in June.

#### **9. Presentation and Discussion by AEG Regarding an Update of Hawaii Convention Center Recent Activities**

Ms. Liew was acknowledged and provided a PowerPoint presentation entitled "April 2016 HTA Board of Directors Update." In regards to a "facility update," she reported that the convention center maintained a 30% occupancy rate year to date. The months of March, April and May would reflect occupancy primarily of "local events." In regards to gross revenues, Ms. Liew reported that the convention center was \$80,000 "shy of a \$1 million mark" for gross revenues in March. AEG is continuing to make improvement on reducing its net loss each month.

In regards to food & beverage, Ms. Liew reported that there was a 41% "flow through" year to date, which was ahead of budget and expects to see improvement from business booked in September. She also reported on 19 events scheduled in May and these events reflect a "good mix of offshore and local events." Ms. Liew reported that the return on investment as of March was \$14.0, which was an improvement of \$4 over last month.

Finally, Ms. Liew provided a sales update by reporting on the groups that "closed" in March and the anticipated groups to close in April or May. She noted that Art Hawaii had closed in April. It is anticipated that the event will book 40,800 room nights over three years. Ms. Stone requested information on the past history in Hawaii and other states in bringing this type of event to Hawaii. Mr. Rae asked whether the event will just be a showing of art or will art also be sold. He expressed concern of a "questionable past." Ms. Liew responded that the requested information would be provided at the next Board meeting.

#### **10. Presentation and Discussion by AEG Regarding an Update of Sales Initiatives and Hawaii Convention Center Performance**

Ms. Liew reported that AEG had no new information to report regarding its sales initiatives at this time.

#### **11. Adjournment**

Mr. Rae moved to adjourn the meeting. Ms. Stone seconded the motion, which was unanimously approved by all the Board members present.

The meeting was adjourned at 10:39 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. Pong', written in a cursive style.

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Winfred Pong  
Recorder