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David Y. Ige
Governor

Chris Tatum
President and Chief Executive Officer

**MARKETING STANDING COMMITTEE MEETING
HAWAII TOURISM AUTHORITY
Wednesday, June 24, 2020
Hawai'i Convention Center
1801 Kalākaua Avenue, Honolulu, Hawai'i 96815**

MINUTES OF MARKETING STANDING COMMITTEE MEETING

COMMITTEE MEMBERS PRESENT:	Kelly Sanders (Chair), Fred Atkins, George Kam, Kyoko Kimura, and Benjamin Rafter
COMMITTEE MEMBERS NOT PRESENT:	Sherry Menor-McNamara
HTA BOARD MEMBERS PRESENT:	Richard Fried
HTA STAFF PRESENT:	Chris Tatum, Keith Regan, Pattie Herman, Marc Togashi, Kalani Ka'anā'anā, Caroline Anderson, Jennifer Chun, and Ariana Kwan
GUESTS:	Representative Richard Onishi, Jay Talwar, John Monahan, and Eric Takahata
LEGAL COUNSEL:	Gregg Kinkley

1. Call to Order:

Marketing Standing Committee Chair Kelly Sanders called the meeting to order at 1:01 PM.

2. Approval of Minutes of the May 27, 2020 HTA Marketing Standing Committee Meeting:

Chair Sanders noted that the May 27, 2020, HTA Marketing Standing Committee meeting minutes required one correction, where Pattie Herman, HTA Vice President of Marketing and Product Development, was incorrectly referred to as the "Director of Marketing and Product Development." Chair Sanders then requested a motion to approve the meeting minutes. George Kam made a motion, which was seconded by Fred Atkins. The motion was unanimously approved.

3. Presentation of Recovery Plan, Digital, Travel Trade, Consumer Direct:

Chair Sanders recognized Ms. Herman to lead the presentation of the recovery plan for digital, travel trade, and consumer direct marketing. Ms. Herman recognized Jay Talwar, HVCB Senior Vice President and Chief Marketing Officer, to present on the safe destination

and recovery plan marketing strategies for the mainland U.S. Mr. Talwar established that many people are not ready to travel anytime in the near future. He said there will be a slow start to the recovery with over 40% of American travelers saying their next trip will not occur until 2021. Mr. Talwar noted that it will be more difficult to get residents to welcome visitors back with aloha than to get the visitors onto planes. He added that the messaging strategy will revolve around what residents think are important. Mr. Talwar explained that residents care about the health and safety of the community for themselves and their families and perpetuating the cultural and environmental sustainability of Hawai'i. He noted that residents are enjoying the smaller crowds and the recreational opportunities provided by the smaller crowds. Mr. Talwar said the marketing campaigns will focus on welcoming respectful visitors, delivering messages of community values, and what appropriate visitor behavior looks like. Mr. Talwar discussed the various times that the messaging can reach individual travelers from planning, pre-flight, arrival, and throughout their time in Hawai'i. He said the plan is to continue the "Rooted" campaign, in which local ambassadors who are immersed in Hawaiian culture and in the modern world deliver messages to visitors about Hawai'i's cultural values and have conversations about appropriate behavior. Mr. Talwar noted that the tactical goal is to be efficient and use as much existing creative assets as possible across digital and social platforms. He added that the content will visually communicate the purity of the environment, the clean air, and the clean water. Mr. Talwar said another aspect of their pre-arrival messaging is to emphasize Hawai'i's beautiful resort areas and amazing experiences and activities, coupled with how to be respectful of Hawai'i's cultural values in the community. He then said in-destination messaging will focus on the health and safety of the traveler and the community and respectful ways to interact with the environment and the community.

Mr. Talwar said the title of the "Rooted" campaign will be updated to "It's Time," which will focus on three pillars. The first is to understand that the target audience needs to rejuvenate in Hawai'i's natural environment and enjoy the fresh air, clean waters, beautiful vistas, and the spirit of aloha. He added that these types of images will really connect with visitors. Mr. Talwar said the second pillar is that visitors need to be sensitive to the cultural values of Hawai'i, and those values will be shared with them because their behavior cannot be expected to change if those values are not shared with them. Visitors will have meaningful experiences when they respectfully connect with the community. He said the third pillar will focus on health and safety, which will include practice tips to keep visitors and the community safe from COVID-19. Mr. Talwar noted that the video samples he will play at the committee meeting are storyboards that will be expanded, but captures the essence of the messaging to be delivered during the campaign. He said the first sample video is an extension of the "Kuleana" campaign. Mr. Talwar then played a video sample that encourages visitors to comply with safety precautions to protect fellow visitors and residents so that Hawai'i can remain open to visitors. He noted that this video would be running at the airports, on the airplane before visitors arrive, and on social media. Mr. Talwar then played a second video sample that portrays Hawai'i's cultural and natural resources with the hope that it attracts visitors to the type of activities that support perpetuating Hawai'i's natural resources and culture. He added that another goal of the

campaign is for residents to see visitors more engaged in supporting the local community. Mr. Talwar then played a third video sample that promotes Hawai'i resorts, activities, and amenities.

Mr. Talwar then discussed the media delivery plan. The campaign would be rolled out in August and September and target a 25 to 54-year-old age demographic, who are repeat visitors and respectful travelers. He said there is a \$2.1 million option and a \$4.6 million option. Mr. Talwar noted that the campaign would focus on U.S. West Coast markets in Los Angeles, San Francisco, Seattle, Portland, Sacramento, and San Diego. He noted that distribution will focus in areas where most people now consume media with media streaming, digital and social media, out-of-home advertisements like billboards, and selective TV and radio.

Mr. Talwar then discussed the paid media strategy, which is to work with media partners that are the right editorial environment for HTA's messaging. He said that once the 14-day quarantine order is lifted, HVCB wants to push that message and carry that momentum moving forward. Mr. Talwar thought that media costs would be down across the board. However, he noted that one of the challenges is that, with the exception of newspaper, there is an increase in demand and an increase in media costs because of Olympic sponsorship money in the market and the presidential election. Mr. Talwar said, with the new digital media landscape, HVCB needs to leverage paid media into earned media as much as possible.

Mr. Talwar then discussed the two pricing options. He said the first price option continues to use over-the-top advertising (OTT) in the top feeder markets. He noted that HVCB pulled together a list of potential media partners that make sense based on past analysis across mobile devices, tablets, desktop, and other platforms. Mr. Talwar said HVCB wants its advertising content to be where people are consuming media content. He explained that about 40% would be invested in social media and about 56% would be invested in OTT, display, and video. Mr. Talwar noted that with the second pricing option, the budget breakdown does not change dramatically. However, the second price option includes digital out-of-home advertising, specifically in the Los Angeles market, which has opportunities in high profile and high traffic areas. He explained that the first price option is projected to achieve about 20% coverage of the target audience in the top 4 markets: Los Angeles, San Francisco, Seattle, and Portland. He added that the second price option is projected to achieve about 40% coverage of the target audience in those same markets.

Mr. Atkins asked how the message showing that the visitor industry cares about the community gets into the average household. Mr. Talwar responded that they will have editorial partners on each island, and the "Kuleana" campaign will be on all social platforms.

Chair Sanders asked how the message about pre-testing will be communicated to travelers before they get on the plane. Mr. Talwar responded that is a separate program, which includes a communication aspect. He added that there are questions about whether there will be funding for communications within that program and if so at what level. He

said industry partners, especially in the sales side, will need to push those communications. Chris Tatum, HTA President and CEO, added that Hawai'i continues to learn from best practices elsewhere. He explained that Alaska has a similar pre-test program and implemented it quickly after they announced it, so a lot of people arrived without having taken a pre-test. Mr. Tatum said if they have four or five weeks from the announcement of the program to implementation, HTA can do a phenomenal job working with its industry partners to get the message out. John Monahan, President and CEO of HVCB, said they want people to come back to Hawai'i as soon as possible by all means available.

Chair Sanders asked Mr. Talwar what he would do with the marketing campaign if he had additional funding. Mr. Talwar responded that the funding is very light compared to advertising similar products in those markets for two months.

Benjamin Rafter asked why the age range for the target audience is being expanded. Mr. Talwar responded that before March, the visitor industry was booming, and the industry was providing visitors from U.S. market with over 90% satisfaction and 73% of travelers were repeat visitors. He added that, previously, the target age range was in a younger demographic because the focus was to shape the Hawai'i brand and image for the next generation. Mr. Talwar explained that the visitor counts are low, and as Hawai'i transitions into reopening, the question becomes how to restart the tourism machine. He noted that having repeat travelers is critical and that some repeat travelers are just as passionate about Hawai'i as residents. Mr. Talwar said those visitors do not have a limited age range.

HTA Board Chair Richard Fried asked whether there has been any discussion as to arriving visitors paying a fee for a COVID-19 test. Mr. Monahan responded that he has not been involved in any of the recent discussions. Mr. Tatum replied that HTA has provided data to the recovery task force and that about 50-60% of visitors said they would pay a fee. He asked Representative Richard Onishi whether there have been more recent discussions regarding testing for arriving visitors and funding. Rep. Onishi said it has not been finalized, but there are different scenarios being discussed, which include possibly charging fees.

Ms. Herman recognized Eric Takahata, Managing Director of Hawai'i Tourism Japan (HTJ), to present on the recovery plan for Japan. Mr. Takahata said initially the travel trade will be very poor when the market reopens, but HTJ will look toward working more closely with the travel trade, mainly online travel agencies. The agencies will help with a number of things while the Japanese traveler is in Hawai'i including contact tracing. Mr. Takahata said HTJ's approach will be closely integrated with the travel trade. He noted that from a public health standpoint, the infection rate in Japan is very low, but all tours and flights are canceled through the end of July. Mr. Takahata added that the desire to travel to Hawai'i remains relatively strong. He said HTJ conducted a survey that received about 11,700 responses. Mr. Takahata explained that the results of the survey show that in the heavy repeater market, 30% of that market would visit Hawai'i within six months and 40% would visit within a year. He noted that the more times a Japanese traveler has visited Hawai'i, the more quickly that traveler would be willing to return. Mr. Takahata then discussed the three phase recovery

plan. He said the target audience is what HTJ refers to as pono travelers that are generally highly respectful of the culture and history of Hawai'i, repeat travelers, and the "new normal workers," which are people who have not been affected by the pandemic and have continued to receive their normal income and benefits. He explained that April through July has been considered Phase 1 of the recovery plan, which has involved engagement with the Japanese consumer through digital means. Mr. Takahata said that the primary digital platform has been "Hawai'i at Home." As HTJ moves to Phase 2 and Phase 3, the travel trade will become important because they will assist with messaging Japanese travelers, with contact tracing, and with sharing how to be a pono traveler. Mr. Takahata said, for Phase 1, the "Hawai'i at Home" platform has fun, interactive activities that the Japanese consumer can do with their families or as a couple. He noted that the downloadable Hawai'i-themed coloring book was very popular. He added that HTJ partnered with a number of Japanese publishers so that people can download travel content about Hawai'i from those publishers via the platform. Mr. Takahata said they partnered with Amazon to make movies that were filmed in Hawai'i available on the platform. He then discussed other media engagement with Japanese consumers, which was all virtual. For example "Music Hawai'i" aired performances by Hawai'i entertainers.

Mr. Takahata discussed the marketing and recovery plan for Phase 2. He noted that one of the things they are working on is a safety protocol video. He then discussed the marketing and recovery plan for Phase 3 in the fall, which is when Hawai'i will hopefully be welcoming visitors back. He said one of the focuses will be the "Hawai'i Expo." Last year, about 12,000-15,000 people attended the event at the Hawai'i Convention Center (HCC). Mr. Takahata noted that this year's event is online, and HTJ is currently working on the platform.

Mr. Takahata then discussed travel trade initiatives. During Phase 1, HTJ has remained engaged with the travel trade industry through Zoom conference calls. He said, during the Phase 2 ramp up, HTJ will ask its industry partners to join in helping to educate the Japanese consumer about how to be a pono traveler. Mr. Takahata then discussed Phase 3 initiatives, which will continue to promote the pono traveler and to host online seminars with travel trade partners. He said if there is additional funding available, HTJ would amplify the current media strategy and provide incentives for booking group travel. Mr. Takahata noted that the hope is to come out of the pandemic with a new type of pono traveler in line with HTA's four pillars and 5-Year Strategic Plan by communicating, educating, and collaborating with the visitor industry. For example, he said HTJ will continue to work with NOAA, the University of Hawai'i, the Department of Land and Natural Resources, and other local non-profits to support Hawaiian cultural programs.

Chair Fried asked whether there has been discussion regarding a travel agreement between Hawai'i and Japan, and whether someone can easily get a COVID-19 test in Japan. Mr. Takahata responded that HTJ is engaged with the Japanese government asking them to explore a travel agreement between Hawai'i and Japan. He said Japanese people cannot readily get a COVID-19 test, but Japan is trying to ramp up its test-taking abilities. He shared that two urgent care facilities in Waikiki that cater to Japanese visitors have the capability to

test about 150 people per day. Mr. Takahata added that they are working with their travel trade partners on developing protocols regarding what would happen if a Japanese visitor is unable to get a test.

Mr. Atkins asked what the duration of the program is for the \$2 million budget. Mr. Takahata responded that HTJ will be able to carry out the presented recovery plan with the \$3.5 million remaining in their budget. He added that if there were an additional \$2 million in funding, HTJ would be able to continue the program through March 2021, and amplify HTJ's efforts in the recovery plan. Mr. Atkins asked for clarification as to whether Japan is not open for international travel until the end of July. Mr. Takahata responded that no packages or flights are booked through the end of July. He noted that an acquaintance he spoke to was able to book a flight on ANA from Japan to Hawai'i in the second week of August. Mr. Tatum asked Mr. Takahata about the current status of U.S. travel to Japan. Mr. Takahata responded that American citizens cannot travel to Japan. Mr. Atkins asked whether from a practical standpoint airlines would be willing to fly Japanese passengers here and not be able to take them back. Mr. Takahata responded that the airlines would be able to bring Japanese travelers to Hawai'i and then back to Japan, just American citizens cannot travel to Japan. Mr. Tatum asked what happens if a Japanese traveler comes here and then goes back to Japan. Mr. Takahata responded that they would need to self-quarantine. Mr. Atkins asked whether pre-pandemic there was a drop off in Japanese summer travel to Hawai'i because of the Olympics. Mr. Takahata responded in the affirmative, but that it was a minor drop off. Kyoko Kimura noted that when travelers return to Japan and are in self-quarantine, they cannot use public transportation. Mr. Tatum said that even though both Japan and Hawai'i have very low numbers, Hawai'i is still a part of the U.S. so any travel agreement between Japan and Hawai'i would have to be arranged with the U.S. State Department, which would be a complicated process. He noted that New Zealand and Australia have a travel agreement. Mr. Tatum added that he believes if Hawai'i continues to have low numbers, there may be an opportunity to negotiate a travel agreement with Japan. Mr. Kam said Governor David Ige's office has had great discussions with Japan and Korea, and travelers want to come as soon as possible, but Australia and New Zealand may still be awhile. He added that the goal is to ensure that they can open up safely to domestic travel first. Mr. Kam noted that Japan is respectful of Hawai'i and would want to pre-test. He shared that Bruce Anderson, Director of the Department of Health (DOH), feels that it would be safe for Japanese tourists to visit because of Japan's low infection rate. Mr. Kam expressed the belief that there is a good chance a travel agreement can be arranged because of the long-standing history between Hawai'i and Japan, and the economic reliance on each other. He said there needs to be sufficient funding to support marketing as the key, international markets open.

4. Approval of the 2021 Branding Budget Followed by Approval of the Marketing Tourism Plan:

Chair Sanders said the FY 2020 budget is 44% lower than the FY 2019 budget so tough decisions have been made. Mr. Tatum noted that Gov. Ige is supportive of releasing the \$5

million in emergency funds to HTA. However, he added that the allocated TAT funding to HTA was reduced by another \$6.5 million. Mr. Tatum explained that the Department of Taxation said the previous information provided by the Administration to HTA was incorrect by a month. Keith Regan, HTA Chief Administrative Officer, noted that TAT funding is allocated to HTA in monthly increments. Mr. Tatum said the budget presented to the Board at the May 28, 2020 Board meeting did not include the \$5 million in emergency funds. However, assuming the emergency funds are approved and allocated to the budget, the budget needs to be reduced by a net \$1.5 million, given the \$6.5 million reduction. Mr. Atkins said HTA submitted a reimbursement request for CARES funds for monies spent by HTA to support COVID-19 mitigation efforts and then asked whether that \$3.3 million, if reimbursed, would go back into the FY 2020 budget. Mr. Tatum responded in the affirmative. Mr. Atkins asked when HTA might expect to receive that reimbursement. Mr. Regan responded that HTA submitted its memo to Mike McCartney, Director of the Department of Business, Economic Development and Tourism, and it was approved by his office. Mr. Regan added that it is now with Gov. Ige's office and hopefully will be approved. Mr. Atkins asked whether HTA's submittals meet all the criteria for CARES funding, to which Mr. Regan responded in the affirmative. Mr. Kam noted that there is a high demand for CARES funding and not to depend on it until the cash is in hand. He added that all CARES funding needs to be spent by the end of the year.

Mr. Kam asked whether Mr. Tatum has any insight about the smoothest transition to the next CEO, in terms of the budget. Mr. Tatum responded with two points. First, he advised not to go off the path of the 5-Year Strategic Plan because any other direction would not have the support of other stakeholders in the community. Second, he recommended engaging more people from the community or the industry in the thought process. Mr. Tatum added that this is the budget HTA has now, but does not necessarily mean this is all HTA will have by the end of the fiscal year. He said hopefully TAT will resume and there will be more funding moving forward. Mr. Tatum discussed that getting residents and the community engaged and getting the message across about the direction of the 5-Year Strategic Plan and about the safety protocols in place are the most important things to accomplish over the next six months. He noted that Hawai'i is well-positioned because people want to come to Hawai'i. Mr. Kam agreed with Mr. Tatum that the 5-Year Strategic Plan will be the guiding principles and was approved by the Board. Mr. Kam asked about engaging Canada as a key market. Mr. Tatum responded that the branding budget had to eliminate smaller markets for the short term, but he advised not discarding those markets in the long term. He noted that Canada is important, but much of the branding that HTA does in the mainland U.S. has an impact on Canada. Mr. Tatum said if visitors do not start returning from the mainland U.S. and Japan, there would be no point. He added that he is hesitant to completely eliminate the smaller markets like Oceania because they will be important markets in the long-term. Mr. Tatum noted that the same campaign messages for the mainland U.S. and Japan can be used to re-engage with the smaller markets at a later time. He said, for now, the money needs to be in the highest valued markets.

Mr. Kam asked Mr. Talwar and Mr. Takahata how much funding they would need to

conduct their respective marketing campaigns properly. Mr. Talwar responded that an incremental amount of \$2.5 million would be a responsible amount with a little bit of cushion for unexpected expenses based on how travel behavior evolves because of COVID-19. Mr. Takahata responded that an additional \$2 million would be appropriate. Mr. Monahan said the U.S. budget includes MCI, which has been flattened because there is no group business right now. He noted that there are a lot of unknowns given the effect social distancing may have on HCC and the hotels hosting meetings. Mr. Monahan recommended that the MCI division needs to be positioned with funding for when that business comes back. Mr. Atkins asked whether MCI has any funding. Mr. Monahan responded that MCI has about \$7 million. Mr. Tatum asked whether there are any groups booking. Mr. Monahan responded that there are some group bookings in 2021, and the city-wide groups that had canceled this year have expressed interest in re-booking at a later time. Teri Orton, General Manager of HCC, added that at least half of the canceled groups have moved to alternate dates, and two groups later in the year have not canceled and are waiting to see how the situation develops. Mr. Monahan suggested that any increases in budget should happen incrementally so as not to waste funds in a tight budget, but to still have enough funding to accomplish their goals. Ms. Orton added that HCC books events five or ten years out, and HCC is receiving inquiries for space. She said HCC needs sales staff to represent it in the market as business starts to roll back. Chair Sanders said feedback is needed as to how these types of large events will evolve in the future. He added that Hawai'i may benefit from major, national meetings being reduced to smaller, more localized regional meetings.

Mr. Atkins noted that the budgets for HVCB and HTJ are for the calendar year, as opposed to HTA's fiscal year budget that begins on July 1st. He asked whether HVCB and HTJ have funding through the remainder of the calendar year and whether their presentations represented requests for additional funding for the remainder of the calendar year. Mr. Monahan responded in the affirmative. Mr. Kam asked Marc Togashi, HTA Vice President of Finance, to clarify. Mr. Togashi said the proposed FY 2020 budget that runs from July 1, 2020, through June 30, 2021, would fund HTA's marketing contractors for the 2021 calendar year. He added that their budget for the 2020 calendar year has been funded by the FY 2019 budget that closes on June 30th. Mr. Atkins asked again whether HVCB and HTJ have enough money for the remainder of the 2020 calendar year. Mr. Monahan responded that they have about \$3.8 million in funding that they have already put into the recovery campaign, but Mr. Talwar is requesting a \$2.5 million supplement. Mr. Talwar confirmed that HVCB was funded for the 2020 calendar year by the HTA FY 2019 budget and that he is requesting an incremental amount of \$2.5 million from HTA's FY 2020 budget for the recovery campaign.

Mr. Rafter asked whether there is flexibility to reallocate funding from the FY 2019 budget. Mr. Regan responded that the FY 2019 ends on June 30th, and Mr. Togashi added that any savings from the FY 2019 budget is already reflected in and built into the FY 2020 budget. Mr. Rafter asked why the budgets for HVCB and HTJ run on a calendar year when HTA operates on its own fiscal year because if Hawai'i and Japan had a travel arrangement, HTJ would be completely over budget, but if Japan remains shut down for the rest of the year, a

supplemental \$5 million for HTJ from the HTA FY 2020 budget would be an unwise expenditure. Mr. Regan responded that is how the contracts with HVCB and HTJ are structured. Mr. Kam added that, when travel from the mainland U.S. or Japan reopens, HTA needs to be well-positioned from a marketing standpoint to take advantage of opportunities as they present themselves. Mr. Tatum said the branding budget is fluid in that funding can be reallocated to respond to changes in the various markets. He noted that the challenge is looking at the other segments of HTA's budget and seeing if money may be moved from those other areas.

Mr. Atkins asked, when the Board approves this budget, whether funding can be allocated to supplement HVCB and HTJ for the recovery campaigns. Mr. Togashi said the Board could do that with the hope TAT allocations resume, and Mr. Tatum added that the Board can take a risk and front-load the funding. Mr. Kam noted that ensuring tourism comes out of the gates strong is where HTA funding should be invested. He expressed his inclination to front-load HTA funding with the hope that HTA may receive more funding on the back end of the fiscal year. Mr. Tatum asked Rep. Onishi if he believes HTA will receive more TAT funding. Rep. Onishi responded that his personal recommendation is to first address the \$1.5 million shortfall because it is likely Gov. Ige will release the \$5 million in emergency funds. He added that the Board has the ability to adjust the budget at any time during the fiscal year. Rep. Onishi said, moving forward, the Board can monitor the situation and shift funds to focus advertising into specific markets. He noted that approving expenditures upfront may result in bringing in more visitors and more revenue such that Gov. Ige would resume making TAT allocations.

Ms. Herman said that Gov. Ige just announced that as of August 1, 2020, Hawai'i will implement a pre-travel testing option as an alternative to the 14-day quarantine.

Chair Sanders announced a break in the meeting at 2:49 PM. The meeting resumed at 3:01 PM.

Ms. Herman discussed the Tourism Marketing Plan (TMP) as contained in the Marketing Standing Committee packet. She noted that the four pillars will remain constant in everything HTA does. Ms. Herman added that the 5-Year Strategic Plan is the strategic vision, while the TMP is a tactical action plan. She highlighted the TMP objectives, which include incorporating the four pillars, aligning a global brand of authenticity, uniqueness, and responsible tourism amongst HTA's marketing contractors, and maintaining the strength of Hawai'i's brand in comparison with its competitors as a safe destination. She noted that HTA will have marketing contracts for the U.S., Canada, Japan, Korea, and Oceania markets for the coming fiscal year. Ms. Herman said the TMP contains the contract periods for each contractor, as well as visitor expenditure statistics. She added that implementation remains the same and any expenditure in excess of \$250,000 requires committee approval.

Mr. Atkins noted that two contracts will lapse at the end of the year and asked whether RFPs would be issued. Ms. Herman responded that they are in the process of issuing RFPs.

Chair Sanders said it is a part of Hawai'i's future success to ensure that too long of a period does not pass without selling to groups. Mr. Tatum responded that John Reyes, HVCB Senior Vice President and Chief MCI Sales Officer, and a number of other sales staff are still with HVCB. Mr. Monahan added that HVCB is positioned to build back the sales staff and many people are available for hiring. He said HVCB has people working now, just not as many. Mr. Monahan noted that Mr. Reyes and the single property people, who have been retained, have some HCC experience, which provides the ability to cover a vastly reduced waterfront and be positioned to add people back when the waterfront becomes larger. Mr. Atkins said conventions book ten years out, and he is concerned about there being gaps due to a lack of sales coverage. Mr. Monahan responded that there has been no activity, and Mr. Reyes and his staff are in place to monitor the situation. He added that he will report to HTA if HVCB cannot handle any increase in activity. Mr. Tatum said it needs to be evaluated what conventions can be held at HCC with social distancing measures. He noted that, previously, HCC could accommodate 4,000 people, but that number may drop as low as 1,500 people. Mr. Monahan said some groups have told him HCC does not have enough space for their conventions and have looked into utilizing additional hotel space to accommodate their needs. He added that MCI is positioned to come out of the gates strong and bring back staff on a proportional basis in areas where there is an increase in activity should there be new funding. Mr. Atkins said HCC is not included in the budget being discussed. Mr. Tatum responded that HCC TAT allocations stopped when HTA allocations stopped. He noted that they have continued to invest in HCC with the new cooling tower and trellis. He added that Ms. Orton did a good job in contingency planning and putting money aside.

5. Review of the Island Chapters Kama'āina Campaign and the Logistics of its Web Bank Information:

Ms. Herman recognized Mr. Monahan to discuss the "Kama'āina" campaign. Mr. Monahan said that, in the past, every island except O'ahu ran a "Kama'āina" campaign for the summer. He noted that, this year, there was not much interest. Hawai'i Island did not run one, Maui ran one out of their Economic Development office, and only Kaua'i ran their regular one. Mr. Monahan said HVCB repurposed the website into a kama'āina special offers page. He explained that any business can access the page and advertise their special offer. He noted that there are 150 participants, the program was advertised via newspaper articles and TV coverage, and the program runs through August 31st. Mr. Monahan said most of the hotels that are open participated, though not many restaurants participated. He noted that they do not have any numbers yet because it is too early. He added that many businesses were not going to invest the money to re-open unless they knew they were going to get the bulk of the visitors back, but the program is up and running with room to grow.

6. Presentation of the 2021 Local Community, Hawaiian Culture, and Natural Resources:

Ms. Herman recognized Caroline Anderson, HTA Director of Community Enrichment. Ms. Anderson said that, since the last Board meeting, she has presented the Destination

Management Recovery Action Plan to each county's Office of Economic Development, to the mayors of Kauai and Hawai'i Island, and to Mr. Monahan and the HVCB Island Chapters. She expressed confidence that those who have been briefed are in support of the plan. Ms. Anderson summarized the goals of the program as contained in the Marketing Standing Committee packet. She explained that HTA will oversee the program in partnership with each county's Office of Economic Development and HVCB Island Chapters. Each county program will be guided by steering committees made up of fifteen to twenty members, with representatives from the visitor industry, agriculture industry, chambers of commerce, and other sectors, and will receive input from the broader community. Ms. Anderson said the foundation of the action plans will be based on the 5-Year Strategic Plan and the four pillars. She then discussed the anticipated timeline. The steering committees will meet in August, followed by virtual public meetings in September. The action plans will be posted online in September and October for more community input. The steering committees will approve the action plans in October or November, with implementation in December or January.

Ms. Anderson said the proposed budget is \$925,000 allocated to each county. She noted that Kaua'i and Hawai'i Island would not receive funding for developing an action plan because they already have current tourism recovery plans, while Maui and O'ahu do not. Ms. Anderson then discussed HTA's internal timeline for implementation of the action plans by December as contained in the Marketing Standing Committee packet.

Mr. Kam asked whether the City and County of Honolulu can fund development of the O'ahu action plan with their own money or with CARES funds because they probably have more money than HTA at the moment. He noted that Kaua'i and Hawai'i have already funded their own action plans. Ms. Anderson responded that when this was presented to Josh Stanbro, Executive Director and Chief Resilience Officer for the City and County of Honolulu, Office of Climate Change, Sustainability and Resiliency, and Ed Hawkins, Executive Director for the City and County of Honolulu, Office of Economic Development, they said they are prioritizing the CARES funds in areas other than tourism. Mr. Kam expressed that O'ahu is in a better position to fund that than HTA. Mr. Regan shared that the intent for the additional funding is to take the strategic plans from O'ahu and Maui and develop the tactical plans. He added that, given the budget constraints, perhaps the \$925,000 allocation needs to be reduced with the possibility of expanding the program if TAT allocations resume. Mr. Kam responded that it would be helpful for the counties to pay their share, and it seems inconsistent that Kaua'i and Hawai'i Island would not receive funding even though O'ahu has received CARES money. Chair Sanders said he understands the importance of the initiative, but questioned whether too much money is being allocated this first round given that it is a new initiative with an accelerated timeline. Mr. Regan responded that based on HTA's conversations with the counties there is a big need for an initiative like this. Mr. Regan said when this was presented to Hawai'i County Mayor Harry Kim he was very excited to bridge the apparent gap between the community and the tourism industry. Mr. Regan expressed his belief that the counties will be able to find the right projects to utilize these funds by working with the community. Mr. Kam said everyone is in agreement that community is a key pillar. He added that it would be ideal if the timeline could be further

accelerated with community engagement and feedback in August, especially given the August 1st re-opening. Mr. Atkins asked when the meeting with Kaua'i County Mayor Derek Kawakami occurred. Ms. Anderson responded that it was yesterday. Mr. Atkins asked if Mayor Kawakami said he was putting any of the \$28 million of CARES funds into tourism, to which Ms. Anderson responded that they did not discuss that. Mr. Atkins asked about the difference between implementation and on-island support. Ms. Anderson responded that the funding for on-island support is for instances in which programs require ongoing assistance such as an on-island project manager. Mr. Tatum said if the steering committee decides that a prior HTA set program is important to them, money can be allocated for that set program. He added that, under this initiative, funding for the set program would be community-driven and not HTA telling the county which programs are important.

Mr. Rafter asked who makes final decision regarding which programs receive funding. Mr. Tatum responded that the Board needs to decide the process for that, but it would serve no purpose if a committee is brought together and their recommendations are not acted upon. He added that in the end, it is still HTA money. Mr. Tatum noted that the right leaders are in place, but it is a matter of the process. He said this community engagement process needs to be shared with the community so they feel they have a voice and to utilize the counties to help do that.

7. Review of the Plans for Hawaii as a Safe Destination:

Ms. Herman recognized Mr. Regan to discuss the visitor airport arrival process. He said, when passengers arrive, they have their temperature taken, complete a couple of health screening forms, and have cellphone numbers and lodging reservations verified. The process can take between thirty and forty-five minutes. He noted that passengers can be removed from line for additional health screening if, for example, their temperature is too high or lodging cannot be verified. Once passengers are cleared, they can claim their baggage and continue into 14-day quarantine unless they have pre-test certification. Mr. Regan said HTA has been involved in this process and have been providing resources since March. He noted that the arrival process is multi-layered and brings some level of comfort to visitors and to the community. Mr. Kam asked if the data collection at the airport is still manual. Mr. Regan responded in the affirmative. He discussed the health screening changes to the visitor arrival form and added that the state's goal is to develop a digitized form that is accessible by DOH, the Department of Transportation (DOT), and any other department or agency involved. Mr. Regan said the project is ready to go, but some additional equipment needs to be purchased and training needs to occur. Mr. Kam asked if ESRI will be used for domestic travel arrivals. Mr. Regan responded that if it is successful on the inter-island side, the vision is for ESRI to be used for trans-Pacific flights as well.

Chair Fried asked what happens if a passenger arrives without a test or refuses to sign the health forms. Mr. Regan responded that the enforcement process is up to DOH. Mr. Tatum added there will be five weeks to get the message out that travelers need a pre-test to come. He noted that he does not think it feasible for testing to be performed here because

Hawai'i does not have the capacity for it. Mr. Kam agreed and added that the goal is to ensure that people pre-test before their flights and that there are no shortcuts to avoid the 14-day quarantine. Mr. Regan said there will be a number of ways to incorporate the pre-test into the digital form process.

Mr. Atkins asked who will be manning these stations at the airport. Mr. Regan responded that HTA has not discussed that with DOT or DOH, but HTA has provided them with information pertaining to the resources and manpower HTA has expended with the low number of visitor arrivals. Mr. Regan added that the manpower and resources required will be significant when Hawai'i reopens. Mr. Kam asked Mr. Monahan and Mr. Talwar what type of demand can be expected with the announcement of the pre-test program. Mr. Monahan responded that it is difficult to project, but it will be a pretty strong response. He added that the pre-test program and 14-day quarantine need to be strictly enforced, and the message needs to be aggressively communicated. Mr. Tatum and Mr. Regan both commended Jennifer Chun, HTA Director of Tourism Research, for her work during the COVID-19 mitigation efforts.


Mr. Tatum said, while looking on Alaska Airlines' website, only half of the seats are available so the airlines are serious about not filling their planes to capacity. Mr. Kam asked Chair Sanders for his thoughts concerning demand to travel to Hawai'i with Gov. Ige's announcement. Chair Sanders responded that he believes the U.S. West Coast will travel quickly, the U.S. East Coast may take longer because it is much farther, and Japan will be delayed until at least October. Mr. Atkins asked Chair Sanders how many hotels he thinks will begin to ramp up. Chair Sanders estimated about 20 hotels and said most will likely open in October. Mr. Tatum added that the main companies will probably open single properties incrementally and see how the volume evolves. Chair Sanders said the hotels will maybe open up 25% capacity and increase from there.

Chair Sanders recognized Mr. Talwar to discuss messaging at the airport. Mr. Talwar said they would be sharing messages from the "Kuleana" campaign and putting together videos sharing the process travelers would undergo upon arriving at Hawai'i's airports.

8. Adjournment:

The meeting adjourned at 4:06 PM.

Respectfully submitted:



Reyn S.P. Ono
Recorder