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SPECIAL ADVISORY BOARD MEETING
OF THE
HAWAI'I TOURISM AUTHORITY
Thursday, March 12, 2026, 11:30 a.m.

Virtual Meeting

MINUTES OF THE SPECIAL ADVISORY BOARD MEETING

MEMBERS PRESENT:	Kimberly Agas (Co-Vice Chair), James McCully (Co-Vice Chair), Leah Belmonte, Mericia Palma Elmore, Terry Fischer, Joel Guy, Troy Lazaro, Danny Ojiri, Linda Wong
MEMBERS NON-PRESENT:	Lāna'i Tabura, Lisa Paulson, Chris West
HTA STAFF PRESENT:	Caroline Anderson, David Uchiyama, Talon Kishi, Kendrick Leong, Jadie Goo
LEGAL COUNSEL:	John Cole

1. Call to Order

Co-Vice Chair McCully called the meeting to order at 11:30 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. Uchiyama conducted the roll call, and all Board members were in attendance, except for Members Tabura, Paulson, and West, who were excused. All the members in attendance were by themselves.

3. Opening Protocol

Member Lazaro conducted the opening cultural protocol with the Ia Wa'a Nui chant, which signifies that everyone is a steward in the canoe, supporting and endorsing HTA's strategic plans.

4. Approval of Minutes of the Special Board Meeting Held on January 22, 2026

Member Elmore proposed the motion to adopt the minutes, and Member Lazaro seconded it. There was no discussion, and the motion was carried unanimously.

5. Creation of a Governance Study Permitted Interaction Group

Co-Vice Chair McCully asked for a motion to adopt the creation of a Governance Study Permitted Interaction Group (PIG), and Co-Vice Chair Agas proposed the motion. Member Guy seconded it.

Upon hearing from Mr. Uchiyama that there was no public testimony or questions, Co-Vice Chair McCully invited Board members to discuss the motion.

Co-Vice Chair McCully reminded members that considerable time and money had previously been expended during the period when the HTA Board, as a governing board, was concerned with the legislative bills that ultimately transformed it into an advisory board. From 2022 onward, the Board began taking a proactive approach to the need to review the initial drafting of Statute 201-B. This bill was developed in 1999 in response to the economic issues of the 1990s and the need to focus the State's varied tourism interests in a manner that would lead to a beneficial outcome. Co-Vice Chair McCully commented that much had been learned from more than 20 years of experience, and that many changes had occurred within the HTA since 2022 and 2023.

Co-Vice Chair McCully reminded members that they had been given copies of the report of the June 2024 Governance Study, along with its recommendations for guiding destination stewardship of Hawaiʻi. He remarked that the delivery of the report had been only the beginning and that the report needed to be put to use, adding that if the Advisory Board did not execute the work internally, actions were likely to occur through legislative measures with little reference to the information provided by the study.

Co-Vice Chair McCully noted the self-evident need for an ongoing PIG that would not only be guided by the legislative actions of the current session but would also envisage a longer planning horizon. He expected the PIG to develop recommendations for the 2027 Legislative Session in close coordination with the subject-matter chairs, Senator DeCoite and Representative Tam, and leadership in both the House and the Senate.

The Co-Vice Chair McCully emphasized that the PIG's importance was that it could help set the direction for the future, given that the Board would prefer more agency than a purely advisory role. This had been made clear during the previous Board meeting when members spent an hour reviewing the budget, which was the raison d'être of the HTA. The budget had been produced by the HTA staff and the Director of the Department of Business, Economic Development, and Tourism (DBEDT) but might not necessarily have reflected the wishes of the people of Hawaiʻi whom the Board represented.

Co-Vice Chair McCully reminded members that, at present, responsibility for setting the budget had been removed from the Board's statutory framework, and its only role was to provide advice. The Co-Vice Chair McCully expressed appreciation for members' perspectives, particularly those who had been involved in establishing the Governance Study.

In reply to a question from Member Guy about the specifications of the Governance Study, Co-Vice Chair McCully responded that it was titled "Governance with Aloha" and asked whether all members had received it.

Member Guy commented that the study was valuable and requested that Co-Vice Chair McCully outline the process for its development for the benefit of those who had not previously served on the Board. Member Guy added that he had found the study demystifying regarding how the Legislature developed bills and identified the best path forward for the Authority.

Co-Vice Chair McCully stated that Rep. Tam had taken the Governance Study seriously and had particularly concentrated on the aspects that aligned with his perspective for the HTA. Rep. Tam proposed creating a liaison officer who would assume responsibility for destination stewardship under the Governor's authority. Co-Vice Chair McCully commented that although the Governance Study had mentioned this as a possibility, it had advised against this course of action. The Governance Study found that public opinion was divided about the way forward, with some believing that an autocratic figure was needed to control tourism and resolve cross-agency issues, while others did not. Co-Vice Chair McCully noted that in many instances, multiple government agencies might have to be convened to resolve a problem, and he suggested that Member Guy might have encountered such situations.

Co-Vice Chair McCully commented that although the study group had learned that in Hawaiʻi a convenor was often necessary to compel agencies to work together, this was not how most destination management organizations operated, as most were non-profit entities, particularly in the United States. These organizations emerged from industry groups that collectivized their interests and financed solutions or had sufficient influence to persuade state or county agencies to address issues on public lands.

The Co-Vice Chair noted that legislative actions during the previous year had tended toward increased legislative control or assignment of responsibility to the executive branch. The in-depth report in members' hands provided a global landscape of tourism governance and served as a framework for sound legislation.

Member Guy noted that the study had cost approximately $300,000 and Co-Vice Chair McCully asked whether there had been additional costs, such as follow-up work, and whether the study served as the basis for the Strategic Plan.

Ms. Anderson replied that this was not the case and explained that the HTA had issued a Request For Proposal (RFP) to develop a Governance Study for $300,000. The purpose had been to examine, in light of the global landscape, what tourism governance should look like. The study, which made 11 recommendations, was prepared by Better Destinations and interviewed stakeholders from the visitor industry, community members, HTA staff, Hawaiʻi Visitor and Convention Bureau (HVCB) members, and other tourism associations. The HTA Board had created a Governance Study PIG in early 2025, and the assignment for the Board members serving on the PIG was to review the actions of the study group, collect additional data, and determine how the recommendations could be incorporated or implemented. Ms. Anderson noted that not all members had agreed with the recommendations of the Governance Study.

Ms. Anderson added that, shortly after the creation of the PIG, legislation had led to the dissolution of the HTA Board. The Governance Study PIG was now to be reconstituted to review the recommendations once more. One of the issues identified by the previous PIG was the development of a Strategic Plan by the HTA and, accordingly, the HTA staff had considered the recommendations of the Governance Study in formulating the Strategic Plan that members would shortly review. The HTA had hired the author of the Governance Study, Ms. Cathy Ritter of Better Destinations, to assist in developing the Strategic Plan.

Co-Vice Chair McCully responded that this implied that the Strategic Plan was a Governance-Study-adjacent plan and thanked Ms. Anderson for her explanation.

Member Guy stated that he had read the study and had found it valuable, noting that it had contacted nearly 700 survey respondents with extensive outreach across the State. He added that it had been less open-ended than he had previously believed, with the study's findings indicating that a non-profit structure would be the best option for the State. Member Guy appreciated that the Governance Study had informed the Strategic Plan, but regretted receiving the Governance Study report only after final revisions by the Strategic Plan PIG. He believed that the Governance Study report would have been helpful before beginning work on the Strategic Plan, but he was pleased that Ms. Ritter had developed both documents.

In response to a question from Co-Vice Chair McCully, all Board members confirmed that Better Destinations had interviewed them during the research phase of the Governance Study, and the Co-Vice Chair stated that they were the types of individuals whom the research group would have sought to engage. Their feedback had therefore helped inform the report.

Member Guy stated that he had been interviewed by Ms. Ritter for the Strategic Plan but not for the Governance Study, explaining that he had not been interviewed as a community member. Member Elmore stated that she had also been interviewed later.

Co-Vice Chair McCully directed members to the final page of the report, in which statutory language that had never previously been submitted to the Legislature was recommended. He stated that the study group believed this language would lead to the ideal outcome: the transition of the HTA from its 2023–2024 status to its current structure.

Noting that the Governance Study had been presented to the previous HTA Board in June 2024, Member Ojiri asked what had occurred since that time.

Ms. Anderson stated that in December 2024 or January 2025, a Governance Study PIG had been created. Its members were assigned to review the study, determine what could be implemented, and identify areas requiring clarification. They also intended to finalize the Strategic Plan, knowing it needed updating. However, because the Board had dissolved in May, the PIG had also been dissolved, and the intention now was to reconstitute the PIG to review the study.

Member Ojiri remarked that essentially nothing had been done, since although the previous PIG had met, no recommendations had been produced. Ms. Anderson responded that the Governance Study had been considered during the drafting of the Strategic Plan.

Member Wong stated that she had been interviewed for the Governance Study.

Member Lazaro commented that, upon reading the study, he recognized the need to support it and examine it closely. He noted that the study contained material that the tourism industry could use to support local communities and help the visitor industry prosper. Member Lazaro recalled various locations throughout the Hawaiian Islands that were in significant need of stewardship, noting that many communities were unaware of what needed to be done or how to support specific visitor sites, and he provided examples. He stated that although the HTA represented a strong platform for supporting tourism in the State, many places gave the impression of being third-world countries.

Member Lazaro asked how partners could be encouraged to work together to strengthen the overall visitor experience at top destinations, noting that the study's suggestions were valid because communities needed the collaboration of other groups and organizations in order to improve the destinations to which visitors and schoolchildren traveled. He remarked that he had traveled extensively throughout the State and that, given the product experiences and other elements listed in the study, he believed Hawaiʻi could benefit greatly from bringing organizations together and developing an action plan that would be well received across the State.

Co-Vice Chair McCully stated that the PIG would require significant effort in reviewing the recommendations of the Governance Study and the legislative actions of the previous session. He noted that the result of the conference was unclear so far, although typically one bill would advance. He referred to the bill defining the tourism liaison officer, which would shift destination management and stewardship responsibilities away from Statute 201-B and into a new statutory framework under the liaison. This contrasted with the Governance Study's conclusion, which recommended a non-profit destination stewardship organization (DSO) with a statewide council of 20 or more members. The study recommended that destination management be the core function of the DSO, that the HTA's role shift toward stewardship rather than branding, and that multiple stakeholder councils be established on each island and statewide to address stewardship and management topics.

Noting the complexity of this situation, Co-Vice Chair McCully remarked that actual legislative actions during the year had increased executive control and oversight. He stated that destination management in the future would likely be an executive function through DBEDT and that the HTA's future role, if any, appeared to be retreating into industry and marketing, with policy control becoming further concentrated in the executive branch.

Co-Vice Chair McCully stated that the legislative path forward, based on evidence from the current session, appeared to be in opposition to the recommendations of the Governance Study. Any modification to that trajectory would need to emerge from the Advisory Board and the recommendations of the Governance PIG, which might be able to develop a persuasive presentation for the next legislative session. The Co-Vice Chair stated that the focus of the Governance PIG was likely to be legislative, and it would therefore be a quasi-legislative PIG, adding that some of the governance group's work would be helpful for the HTA's strategic planning, because if no action were taken, the apparent vacuum would be filled due to lack of effort. He added that, although the Governance Study had not been fully implemented, the Strategic Plan would begin addressing some of the gaps identified by the study.

Member Belmonte asked about disagreements among members of the previous PIG and whether they had been incorporated into the report. She asked whether adjustments were expected regarding the Board's advisory status.

Ms. Anderson responded that the Governance Study had made eleven recommendations.

- Recommendation 1: to restructure the HTA as a DSO.
  Ms. Anderson noted that new legislation had been passed to reorganize the HTA, its Board, and its relationship with the Governor and DBEDT. In testimony during the year, the HTA had stated that the new legislation had provided momentum and that they wished to continue building on it.

- Recommendation 2: to establish a tourism liaison officer in the Governor's office.
  Ms. Anderson stated that the HTA was collaborating effectively with the Director of DBEDT and that current legislation required the President/CEO of HTA to report directly to the Governor, thus aligning with this recommendation.
- Recommendation 3: to organize the DSO as a non-profit.
  Even as a non-profit, a State government entity would still be required for oversight and transmission of funds.
- Recommendation 4: to structure a productive partnership between the DSO and HVCB.
  Ms. Anderson commented that the HTA leadership team and staff currently work very well with HVCB in a growing, strengthening partnership.
- Recommendation 5: to create a Hawaiʻi Destination Stewardship Council to provide strategic oversight.
  Ms. Anderson believed that the HTA Advisory Board was the entity that provided the HTA with insight, guidance, and strategic direction.
- Recommendation 7: to fund the DSO with a predictable source of revenue.
  Ms. Anderson commented that this recommendation pointed out that, formerly, the HTA's Special Tourism Fund (STF) had been funded by the Transient Accommodation Tax (TAT), but in the absence of the STF, the HTA was now in an unpredictable position regarding long-term strategic planning and marketing. The present legislature was to consider a bill to create a dedicated source of funds from the TAT, so Ms. Anderson believed that this recommendation was currently being addressed.
- Recommendation 8: to center the DSO's organizational structure on stewarding Hawaiʻi tourism.
  Ms. Anderson pointed out that over the past two years and in the proposed Strategic Plan, this had been the focus of the HTA, aiming to create new experiences for visitors while being mindful of community issues and concerns.
- Recommendation 9: to elevate understanding of the value of Hawaiʻi tourism through greater transparency of TAT allocations at both the state and county levels.
  Ms. Anderson commented that under the third pillar of the strategic tourism plan, Tourism Leadership, the intention was to increase engagement with the community and the visitor industry by sending out information that would enable the community and the industry to appreciate the value of tourism, with an aspect of this being the transparent allocation of TAT funds.
- Recommendation 10: to empower the new state tourism agency to lead.
  Ms. Anderson explained that it was hoped that the proposed Strategic Tourism Plan

would persuade the legislature that continued funding was needed to implement and lead this area.

- Recommendation 11: Establish a Blue Ribbon Commission for Hawaiʻi Tourism Governance.
  This Commission would guide the formation of the new DSO.

Ms. Anderson stated that when developing the new Strategic Plan, HTA staff studied the recommendations and considered how they envisaged their role over the next five years, including which recommendations would most effectively support the visitor industry and benefit the residents of Hawaiʻi.

Co-Vice Chair McCully thanked Ms. Anderson and asked Board members for their views, noting that the recommendations had been the study's goals, yet the Legislature was now moving in a different direction. He stated that the longer the time elapsed, the less merit the recommendations would have, and therefore, this was the appropriate time to participate in the PIG. He added that Ms. Anderson had described a compelling long-term vision, but the government appeared less interested in that vision than in creating a new governance model concentrated within existing executive agencies.

Member Ojiri thanked Ms. Anderson for her explanation and asked Co-Vice Chair McCully whether he believed promoting the Governance Study would be the quickest way to obtain a predictable source of revenue, or whether this matter had already been addressed through existing legislation.

Co-Vice Chair McCully stated that dedicated funding had been one of the recommendations, but he was unsure whether any legislators had expressed interest in pursuing it.

Ms. Anderson stated that HB1950 provided for a dedicated source of funding through TAT and the establishment of a new special fund. In testimony, HTA stated that it supported the bill's intent to create a dedicated tourism fund, although using the current TSF would make a new fund unnecessary. Both HTA and DBEDT, along with other tourism associations, had supported the bill.

Member Ojiri asked whether the Governance Study would serve as a tool for the Advisory Board to promote its own recommendations to DBEDT or to the State. He asked about the current purpose and validity of the Governance Study, given that it was completed before June 24, 2025, and about some items related to past concerns. Citing Member Guy’s appreciation of the planning and stewardship aspects of the report, Member Ojiri asked what should now be done with the Governance Study.

Acting Vice President of Finance, Mr. Kishi, stated that this was a valid question, and he believed the Governance Study could assist the HTA in achieving its aims. He noted that, at the time the study was conducted, the use of TAT to fund the TSF had already been revoked. Mr. Kishi suggested that the Governance Study could be used to remind the Legislature that a dedicated funding source had been the best model for the HTA, which relied on TAT from its inception until dedicated funding was revoked in 2021. Those conducting the study had reviewed the previous HTA model and had concluded that it remained the best approach. Mr. Kishi believed the study could function as one tool in the effort to restore dedicated TAT funding.

Mr. Kishi added that dedicated funding for the DSO specifically was still under debate, but that having a dedicated source of funding for any structure was the ideal model. The study could therefore serve as an example supporting an independent funding source.

Member Ojiri reiterated that securing a dedicated funding source was a top objective for the Board.

Member Guy stated that this agenda item appeared to conclude that it was important for the PIG to examine the Governance Study and identify the priorities that could be implemented, discussing them as a group to clarify the options and determine how they might be advanced through legislation or other means.

Co-Vice Chair McCully agreed that this would be the PIG's goal.

Member Guy stated that the PIG deliberations could not influence the development of the Strategic Plan because that work had already been completed and would be considered for approval later in the meeting. However, he agreed that the study was a useful tool for examining structural recommendations, whether from the perspective of revenue or from the perspective of community concerns, as Member Lazaro had noted.

Member Ojiri stated that this was the point he had attempted to convey earlier. He believed the goal should be to strengthen the HTA as a DSO, not necessarily to strengthen the Board.

In response to a question from Co-Vice Chair McCully about the bill she had referred to earlier, Ms. Anderson stated that she believed it was HB1950.

Co-Vice Chair McCully remarked that he had been tracking the Tourism Liaison Bill and had just heard from a Senator during the present meeting that the bill was no longer moving forward. However, HB1950 was still progressing and appeared to be the only remaining governance bill in the current session. Ms. Anderson confirmed this.

Co-Vice Chair McCully stated that HB1950 was a tax-driven bill with a specific effect on the HTA relating only to funding and not to any other governance elements. Ms. Anderson explained that the bill was intended to provide a dedicated source of funding for brand marketing and destination management, with its importance to the HTA being that a dedicated source of funding would allow the agency to be more flexible and responsive to industry and community needs. A dedicated funding source would also enable long-term strategic planning for both programs and marketing activities, while allowing the HTA to communicate to residents that visitors contributed to TAT, from which the HTA could support sports events, community programs, and destination management efforts. In recent years, these benefits could not be tied directly to other tax revenues, but the bill would restore that link.

Co-Vice Chair McCully stated that, given his earlier comments about the tourism liaison and the increasing concentration of authority within the executive branch, it appeared that the Legislature had chosen not to act on that matter during the current session. He believed this made the proposed PIG more important and would also affect the CEO search.

Co-Vice Chair McCully asked for further discussion or public testimony. Hearing none, he called for the vote.

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

6. Discussion and Assignment of Board Members to the Governance Study Permitted Interaction Group

Co-Vice Chair McCully stated that, given the Legislature's current status, he wanted the Advisory Board to consider conducting an in-depth review of the June 2024 Governance Study report in light of the current discussion. He proposed placing the PIG's membership on the agenda of the next regular Board meeting, thereby giving members time to consider whether they were willing to participate, since this could arguably be the most functional of all committees for conducting substantive work that would affect the HTA in the long term. The goal would be to develop a cogent and serious series of recommendations to present to the Legislature or key legislators during late summer and early fall, to be incorporated into legislative packages, whether through the executive package or subject-matter chairs. He stated that the HTA would prefer to be the informers rather than the informed in the 2027 session.

7. Presentation, Discussion and Approval of the Hawaiʻi Tourism Authority's 5-Year Strategic Plan (2026-2030)

Co-Vice Chair McCully asked Ms. Anderson whether this was also the report of the Strategic Plan PIG. Ms. Anderson replied that at the previous Board meeting, the Chair of the Strategic Plan PIG, Member Fischer, had provided a report on the PIG's actions, and she herself had presented a high-level overview of the draft Strategic Plan, including the proposed strategies, tactics, measures, and vision.

In response to a question from Co-Vice Chair McCully as to whether the Strategic Plan PIG had been dissolved at that point, Ms. Anderson deferred to Deputy Attorney General Cole, who confirmed that this was the case.

Ms. Anderson presented the draft Strategic Plan and noted that members had received the staff report to the Board on the Strategic Plan. She thanked Ms. Ritter and the Better Destinations team for their work in assisting HTA staff in developing the plan. She also thanked HTA staff for their contributions, particularly Mr. Leong, the HTA Planner, for his work, as well as the Strategic Plan PIG. She thanked Members Fischer and Ojiri for their leadership and the members who had attended meetings every Friday to provide guidance and direction.

Ms. Anderson presented a slide showing how the Strategic Plan coordinated with other plans, as well as with the State Tourism Functional Plan (STFP). She stated that the HTA staff intended to work on the STFP later in the year, noting that it served as the State's tourism policy plan.

Ms. Anderson stated that the HTA staff were requesting the Board's approval of the Strategic Plan, which served as their guiding light and directed the implementation of other plans. She explained that in previous years the Strategic Plan had been developed in tandem with the Destination Management Action Plan (DMAP), but on this occasion staff had used the opportunity to hold public meetings with communities and the visitor industry, and to gather input to inform both the Strategic Plan and the DMAP. The Strategic Plan guided the development of the Strategic Tourism Management Plan (STMP), which served as the operational action plan for each year and was tied to the budget. Through this process, staff also developed brand marketing directives.

Ms. Anderson’s next slide showed the work cycle, and she explained that priorities and positioning were developed based on research and data. When the Strategic Plan's desired objectives were defined, they led to the strategies and tactics needed to support the growth of the visitor industry.

Ms. Anderson stated that the annual STMP, with yearly targets based on market conditions, resident sentiment, and industry research, was created from the Strategic Plan. From the STMP, the annual marketing plans were developed with the global marketing teams, as well as the DMAP and other HTA programs and activities. The brand marketing teams would conduct quarterly evaluations, leading to any necessary adjustments, after which additional evaluations were conducted to examine changes in market conditions and program performance. This set the direction for the next STMP and informed the budget.

Noting that the mission of the HTA remained the same as previously, Ms. Anderson presented the proposed vision for 2030 as follows:

> “Hawaii thrives through collective actions to grow economic vitality, strengthen collaborations, and fulfill our shared kuleana to build a visitor economy where people, place, and culture prosper together, guided by ho‘okipa, malama aina, and aloha.”

Ms. Anderson commented that the guiding principles of the Strategic Plan were identical to those proposed at the creation of the HTA almost 25 years earlier. These principles remained relevant and had been reviewed at the previous Board meeting.

Ms. Anderson explained that the Strategic Plan was built on three pillars: Brand Marketing, Experience Development, and Tourism Leadership, from which strategies, proposed tactics, and Key Performance Indicators (KPIs) had been developed. She added that the overall KPIs were average daily visitor spending, total visitor expenditure, visitor satisfaction, resident sentiment, and visitor arrivals, while specific KPIs had been identified for each pillar.

Ms. Anderson stated that, after reviewing the strategic plans of other states, staff realized that targets were not set in the Strategic Plan itself but in the annual action plans. Hence, targets would be set annually. Ms. Anderson emphasized that the HTA was following the lead of other state agencies.

Ms. Anderson provided details on the strategies, tactics, and KPIs for each pillar.

Brand Pillar

Ms. Anderson presented a slide listing the strategies for the Brand Pillar:

1. to identify and focus on higher spending high-value traveler segments
2. to energize the brand
3. to strengthen Hawaii's competitiveness for meetings, conventions, and incentives (MCI) travel
4. to identify optimal distribution of visitation and high-value traveler segments for each island
5. to educate and engage all visitors to travel responsibly in Hawaiʻi

Ms. Anderson explained that the KPIs for the Brand Pillar were

- Increase in Average Daily Visitor Spending (ADVS)
- Annual growth rate of Visitor Spending outpacing the growth rate of Visitor Arrivals.
- Return on Advertising Spend for the U.S. and Japan markets
  increasing tax revenue generated for every $ spent (in advertising)
- Rising intent to travel in Major Market Areas (MMAs)
- Increase in traveler spending and visitation in the shoulder seasons

Presenting slides explaining why these specific KPIs had been selected, Ms. Anderson added that other measures were to be reviewed and targets set for other marketing activities. She invited members to ask questions or share suggestions about additional strategies or tactics.

Co-Vice Chair McCully commented that he believed that brand marketing was the best KPI-driven sector.

Experience Development Pillar

Ms. Anderson presented a slide listing the Experience Development Pillar strategies, noting staff's belief that the visitor experience needed to be developed to support competitiveness.

1. to establish an HTA Experience Development Program
   Ms. Anderson noted the existence of community programs, such as the community enrichment program and the Kūkulu Ola program, as well as signature events. These programs were to be further developed, and new visitor experiences were to be created.
2. to support the enhancement of major attractions and experiences, thus improving Hawaii's competitiveness for high-value visitors and major events
3. to strengthen pathways for local entrepreneurs, creators, and producers to join the tourism economy
4. to advance understanding and preservation of Hawaiian culture
5. to follow a data-driven destination management approach
   Ms. Anderson explained that this referred to the implementation of the DMAP
6. to continue supporting Hawaii's sustainability goals.

Ms. Anderson listed the KPIs for this pillar as follows:

- Increase in visitor satisfaction
- Resident sentiment: an increase in the sentiment "Tourism has brought more benefits than problems"
- Increase in traveler spending and visitation in the shoulder seasons

Ms. Anderson mentioned other measures such as increase in visitation of sporting events, increasing numbers of small and medium enterprises in tourism, improvement of experience of Aloha, DMAP milestones achieved on time, and adoption of HTA sustainability tools and initiatives, as well as increases in residents' awareness of HTA's DMAPs and understanding that "Tourism is an industry that enhances residents' quality of life."

Member Ojiri pointed out that this was a very important pillar, noting that it served as a support mechanism for communities, private enterprise, current events, and sports events. Ms. Anderson agreed that the HTA played a significant role in support and funding for both existing and new projects. Member Ojiri added that this would encourage stakeholders to develop new programs.

Tourism Leadership Pillar

Ms. Anderson presented the proposed strategies for the Tourism Leadership Pillar, noting that the HTA was still building trust with the legislature and needed to ensure that both the visitor industry and communities continued to perceive the HTA as a leader. It was important for the HTA to do all they could to further this aim.

1. to clarify and strengthen HTA's role as the leader of Hawaii's tourism
2. to formalize interagency partnerships
   Ms. Anderson explained that support and collaboration of other state and county agencies were necessary for successful destination management. The HTA intended to enter into memoranda of understanding (MOU) with these agencies.
3. to strengthen island-based collaboration
   The HTA would reach out to communities across the islands, engaging in communication and collaboration to address the issues they were facing.
4. to communicate collaboratively and proactively with both residents and visitors
5. to support workforce development
   Ms. Anderson explained that the HTA would work closely with the University of Hawaiʻi (UH) School of Travel Industry Management (TIM School) and the UH system, as well as with the Department of Education (DoE) and visitor industries to support and build up the workforce.
6. to build the long-term resilience of the tourism economy
7. to strengthen Hawaiʻi Convention Center's role as an economic hub

Ms. Anderson stated that the KPIs for this pillar were

- Resident sentiment is growing in terms of "Tourism is better managed on my island," and "Awareness of HTA DMAPs"
- Partner satisfaction
- Evidence of increased funding for the agency

Ms. Anderson added that other proposed measures were:

1. Visitor satisfaction
2. Dashboard and GoHawaii app insights to enable tracking
3. DMAP stakeholder satisfaction
4. Stronger community and industry engagement

Ms. Anderson thanked the Board, the HTA staff, Ms. Ritter, the Better Destinations team, and everyone who had provided input: communities, the visitor industry, and government officials.

Co-Vice Chair McCully requested a motion to adopt the draft Strategic Plan. Member Elmore proposed the motion, which was seconded by Member Belmonte.

Co-Vice Chair Agas expressed her appreciation for having been able to participate in the PIG. She believed that everyone on the PIG did an excellent job developing this plan with Ms. Ritter, the Better Destinations team, and the HTA staff. Everyone concerned had agreed that it was good to return to core basic responsibilities over the next five years, with input from the Governance Study, "Governance with Aloha," and with great support from all partners. Co-Vice Chair Agas had enjoyed the conversations during meetings and had appreciated everyone's participation.

Member Guy echoed Co-Vice Chair Agas' comments and expressed his appreciation for PIG Chair Fischer's leadership, who had ensured that everyone understood the task. Member Guy had learned from the experience and thanked the Board for this opportunity.

Co-Vice Chair McCully stated that one of his concerns with the Strategic Plan stemmed from the statutory framework under which the HTA was expected to perform functions it lacked the organizational capacity to control. Under Statute 201-B, the HTA had the authority to coordinate marketing, strategic planning, and research, but it lacked statutory authority to manage infrastructure, regulate visitor flow, create workforce programs, or implement safety systems. He noted that when the Strategic Plan referred to these functions, there was a risk of assuming responsibility for actions the HTA could not implement. He expressed concern that the Strategic Plan should explicitly cite collaboration with the agencies responsible for these matters, adding that he might be unduly cautious due to previous experiences with the Legislature, during which the HTA had been expected to perform functions beyond its capacity. Co-Vice Chair McCully stated that the plan was well thought out and well considered, and that it addressed the issues of the day.

Upon Co-Vice Chair McCully asking for input from the public, Mr. Leong informed him that a participant named "Frank" had a contribution.

Co-Vice Chair McCully asked whether Ms. Anderson had been aware that "Frank" intended to participate, and she replied that she had not been certain since only a single name had appeared. Co-Vice Chair McCully stated that Mr. Frank Haas had been one of the key members of the Governance Study, and Ms. Anderson agreed that this was the case. Co-Vice Chair McCully added that Mr. Haas was an economist with long-standing involvement in the oversight of tourism in Hawaiʻi.

Mr. Haas stated that he had intended simply to be an observer. Having been involved in Strategic Planning for the HTA since 2005, he was interested in reviewing the current plan. Two matters had caught his attention.

Firstly, Mr. Haas commented that if visitor arrivals were to be used as a KPI, it was important to remember that arrivals, like other factors affecting the HTA, were not entirely within the agency's control. He noted that there was currently a reduction in the Canadian market due to factors outside the HTA's control, and he remarked that, over the course of the Strategic Plan, other conditions could arise, such as competitive changes, which would make it difficult to influence arrivals. Visitor arrivals had long been considered an unsuitable central focus, and visitor spending and visitor satisfaction were generally viewed as better indicators of the HTA's future success.

Secondly, Mr. Haas referred to the KPI for advertising ROI, noting that this issue had arisen before, particularly when markets were soft, as had been the case in the recent past with the Japan market. Some had argued that it was unnecessary to spend money on the Japan market when visitors were not arriving, but he had often explained that investment in certain markets was required even when the initial ROI appeared low to secure future benefits.

Ms. Anderson thanked Mr. Haas and expressed the Board's appreciation for his input.

Co-Vice Chair McCully stated that Mr. Haas had been a frequent contributor to reports and analyses on the role of the HTA in tourism and tourism management, and had consistently provided valuable insights.

Ms. Anderson stated that Ms. Ritter had a contribution.

Ms. Ritter stated that she appreciated Mr. Haas's comment on visitor arrivals and clarified that they had been included primarily to balance them against visitor spending. The proposed metric was that visitor spending should rise faster than growth in visitor arrivals. This was also tied to average daily visitor spending, since encouraging visitors to spend more while in Hawaiʻi, to participate in more attractions, to visit during slower seasons, and to spend more during those periods would increase the value of the tourism economy at a rate greater than the rate of increase in visitor arrivals. She noted that the study group had heard extensive concern about the capacity of the Hawaiian Islands' infrastructure to accommodate visitors, and this approach was a way to build revenues and business success by deriving greater value from each visitor.

Ms. Ritter remarked that, in terms of return on investment (ROI), Hawaiʻi has performed very well both currently and historically. Although it was often difficult to measure ROI for a particular program, the study group had recommended an approach that would allow the HTA to compare its ROI to that of other tourism destinations. Ms. Ritter stated that citing

Hawaii's ROI ranking in the top 50% or top 75% of destinations would be a metric easily understood by members of the Legislature or the public.

Co-Vice Chair McCully thanked Ms. Ritter, noting that she had authored the Governance Study and would therefore be a valuable resource for the Governance Study PIG. He noted that governance was a responsibility that evolved over time, with some aspects changing quickly and others more slowly, and he asked whether Ms. Ritter would be available.

Ms. Ritter stated that she was always happy to help raise understanding of the work they had shared and thanked the Board members.

With no further discussion, Co-Vice Chair McCully called for a vote to adopt the 5-year Strategic Plan.

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

8. Adjournment

The meeting adjourned at 12:57 p.m.

Respectfully submitted,

Sheillane Reyes

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Sheillane Reyes
Recorder