

**STAFF REPORT TO THE BUDGET, FINANCE & CONVENTION CENTER STANDING
COMMITTEE**

January 21, 2025

FACTS:

1. \$250,693 was used for immediate wildfire response for shelter and transportation for stranded Maui visitors.
2. \$2.6 million was approved by the board in September 2023 for a U.S. Marketing Recovery Campaign #1 that ran through November 2023.
3. On December 21, 2023, the board of directors approved a Maui Recovery Plan, which identified key areas to focus on for the next 6 months in the amount of \$2,150,000 from the Tourism Emergency Special Fund. Identified actions included:
 - a. Increase the visibility and call to action for travel to Hawai'i targeting high-potential markets;
 - b. Support businesses to continue providing a consistent message that Maui is open for visitors;
 - c. Support and encourage consistent messaging and outreach to Maui residents, visitor industry stakeholders and businesses;
 - d. Support Maui small businesses that are experiencing significant reductions in sales because of lower number of visitors on island;
 - e. Expand tourism product on Maui to provide new activities for visitors and support Maui businesses.
4. On June 24, 2024, at the Hawai'i Tourism Authority (HTA) Budget, Finance, and Convention Center Standing Committee (BFCC) meeting Caroline Anderson, Director of Planning, reported on the status of the use of the Tourism Emergency Special Fund. The balance of the Tourism Emergency Fund (TESF) is \$125,000.
5. Since then HTA's Finance Department determined there was approximately \$130,000 remaining for Maui Recovery from the Tourism Emergency Special Fund.
6. On September 17, 2024, Governor Josh Green issued the seventeenth emergency proclamation which extended the disaster emergency relief period through November 16, 2024. It authorizes HTA in coordination with the Department of Budget and Finance "to use monies in the Tourism Emergency Special Fund to respond to the emergency and provide relief under section 201B-10, HRS.
7. Year-to-date August 2024, Maui visitor expenditures were down -20.3% and -2.3% for the state. Arrivals to Maui decreased -17.5% and -2.2% to the overall state. (Source: DBEDT)
8. The County of Maui communicated to HTA that continued assistance is needed for Maui's recovery as it relates to tourism.
9. On October 3, 2024, the Board approved \$130,000 for the following actions to support Maui's recovery. All projects completed as of December 2024, contracts closed and final payment processed.

2023 Maui Recovery Plan Strategies		Q4 2024 Approved Actions (10/3/2024)	Amount Approved from TESF and Spent (10/3/2024)
1a	In early 2024, increase the visibility and call to action for travel to Hawai'i targeting high-potential markets.	Hawai'i Tourism United States Fall Marketing Recovery Campaign (Q4 2024).	\$ 100,000
1b	Support businesses to continue providing a consistent message that Maui is open for visitors.		
3	Support Maui small businesses that are experiencing significant reductions in sales because of lower number of visitors on island.	Support Maui small businesses and Maui Made products through the marketing and promotion of a Makeke. This resulted in the marketing and promotion in the month of November of the Lahaina Festival (November 2024).	\$ 25,000*
4	Expand tourism product on Maui to provide new activities for visitors and support Maui businesses.	Marketing and Promotions of potential Sports Events on Maui. The sports events were the UH exhibition game against Chaminade (men's and women's) and keiki clinic.	\$ 5,000**
		Amount Spent:	<u>\$ 130,000</u>

* Original approved amount was \$23,000, however, this was increased to \$25,000 to market and promote the Lahaina Festival. The amount to market and promote the sporting events was decreased from \$7,000 to \$5,000.

10. As such, the \$5 million in the TESH has been spent.