Hawai'i Tourism Authority

Hawai'i Convention Center, 1801 Kal kaua Avenue, Honolulu, Hawai'i 96815 Website: www.hawaiitourismauthorit y.org

Telephone: (808) 973-2255 Fax: (808) 973-2253

President and Chief Executive Officer

Testimony of **Rex Johnson**President and Chief Executive Officer

Hawai'i Tourism Authority

on

S.B. 2569

Relating to the Museum of Hawaiian Music and Dance

House Committee on Tourism and Culture Monday, March 10, 2008 10:00 a.m. Conference Room 325

The Hawai'i Tourism Authority (HTA) supports S.B. 2569, which proposes to extend the deadlines for the Museum of Hawaiian Music and Dance Committee to submit their report of findings and recommendations and a final report.

The goal of the Tourism Product Development initiative in the *Hawai'i Tourism Strategic Plan: 2005-2015 (State TSP)*, is to "provide a diverse and quality tourism product unique to *Hawai'i that enhances the Hawai'i visitor experience and enriches residents' quality of life.*"

The establishment of a Museum of Hawaiian Music and Dance will not only provide an important new product for visitors and residents to appreciate, but will also help to preserve and support the native Hawaiian culture.

Because the Committee has only recently begun its work, it is appropriate that their deadlines for reporting be extended.

Thank you for the opportunity to provide these comments.

THE
STATE
FOUNDATION
ON
CULTURE
AND
THE ARTS

TESTIMONY OF STATE FOUNDATION ON CULTURE AND THE ARTS TO THE HOUSE COMMITTEE ON TOURISM AND CULTURE

March 10, 2008

S. B. 2569



LINDA LINGLE Governor

RUSS K. SAITO Comptroller

LORI V. THOMAS Chairperson

Commissioners: SANDRA ALBANO SANDRA AU FONG MARY BEGIER BINA CHUN MARIA JO FARINA DAVID E. HELDER PETER ROSEGG GEORJA SKINNER

RONALD K. YAMAKAWA Executive Director Chair Yamane and members of the committees, thank you for the opportunity to testify on S. B. 2569.

The State Foundation on Culture and the Arts (SFCA), Office of Hawaiian Affairs (OHA), and the Hawaii Tourism Authority (HTA) have formed a strong and committed partnership in working together to determine the feasibility of founding a museum of Hawaiian music and dance. As chair of the committee, I am pleased to report that meetings have been cooperative and productive. Attached is a copy of a status report, which details the committee's accomplishments and discussions to date, including elements of the required business plan required in Act 230, SLH 2007.

Due to funding issues, we were not able to convene a committee meeting until OHA, the HTA and SFCA could budget funds with which to hire Pacific Research and Planning Associates, Inc. (PRPA) as consultant and facilitator. The first committee meeting was held in

No. 1 Capitol District Building 250 South Hotel Street, 2nd Floor Honolulu, Hawaii 96813 Administration: (808) 586-0300 Art in Public Places: (808) 586-0304 Contracts: (808) 586-0302 FAX: (808) 586-0308 TT: (808) 586-0740 E-mail: sfca@sfca.state.hi.us

Web Page: www.hawaii.gov/sfca

December 2007. We have since engaged in a visioning process for the facility, its purpose and location and have performed a site visit to a prospective parcel of land on the Kakaako waterfront. Discussions have been articulate and reflective of the diverse expertise and perspectives of committee members.

In order to continue our meetings in a sensitive and careful manner, the extension of time that this measure offers until the convening of the 2009 Legislature needs to be supported.

Thank you for the opportunity to testify on this matter.

The Museum of Hawaiian Music and Dance: Status Report (February 2008)

Introduction

1

In 2007 the Hawaii State Legislature passed SB 880 which was subsequently signed by the Governor becoming Act 230, SLH 2007. The purpose of this Act is to determine the economic feasibility of establishing the Museum of Hawaiian Music and Dance. Further, Act 230 creates the Museum of Hawaiian Music and Dance Committee.

The Committee, chaired by the Executive Director of the State Foundation on Culture and the Arts (SFCA), shall investigate and determine:

- The type of institution that would be appropriate for the Museum,
- The best location or locations for this Museum(s),
- A plan to incorporate the existing Hawaiian Music Hall of Fame and Museum into the Museum of Hawaiian music and dance,
- The feasibility of creating a Hawaiian Dance Hall of Fame to be incorporated into the Museum of Hawaiian Music and Dance, and
- Possible financing mechanisms for these facilities, and most importantly,
- The Committee shall complete an initial Business Plan for the Museum.

Act 230 required the Committee to submit a report of its findings and recommendations to the legislature no later than twenty days prior to the convening of the regular session of 2008, with the final report submitted to the legislature prior to June 30, 2008. The final report is to include a detailed account of how all funds provided for the committee were expended and plans for the future direction of the Museum.

Due to a delay in funding, the Committee did not hold its first meeting until December 2007, and is now on an accelerated schedule with the goal of submitting a final report prior to the 2009 Legislative Session.

Key Accomplishments to Date

- 1. Appointment of Committee members, and organization of the Committee
- 2. Agreement and sharing of costs between SFCA, the Hawaii Tourism and Authority and the Office of Hawaiian Affairs
- 3. Selection of a consultant to manage the project and prepare the business plan
- 4. Conceptual planning discussions by the Committee, including purposes, audience, market, and program elements
- 5. Agreement to proceed with a survey of stakeholders, interested persons and cultural practitioners through the Committee's key contacts
- 6. Discussions on potential locations

Details of these activities are provided below.

Committee Members

.

The following were appointed members of the Museum of Hawaiian Music and Dance Committee:

State Foundation on Culture and the Arts

Ronald K. Yamakawa, Chairman

Hawaii Tourism Authority

Muriel Anderson

Office of Hawaiian Affairs

Crystal Kua

Kamehameha Schools

Randie K. Fong

Bishop Museum

Nanea Armstrong

Hawaiian Music Hall of Fame and Museum

James Stone

President of the Senate

Aaron Mahi

Kanoe Naone

Lucien Wong

Kanoe Cazimero (Alternate)

Speaker of the House of Representatives

Brickwood Galuteria Kimo Kahoano Lea Uyehara

John Lake (Alternate)

Funding and Consultant Services

- Act 230 (SLH 2007) appropriated \$80,000 (FY 2007-2008) and a like amount for FY 2008-2009 to carry out the purposes of this Act. After encountering funding delays and given the immediacy of the implementation timetable outlined in the legislation the sponsoring agencies allocated \$70,000 from their existing budgets, split evenly amongst the agencies, for FY 2007-2008.
- The delay in funding subsequently resulted in a delay in the selection of a contractor. Once funding was in place, the HTA secured, through request for interest, the services of a consultant, Pacific Research and Planning Associates, Inc. (PRPA) to complete the following tasks: overall project management, coordination and reporting; committee support and

preparation of the Museum's initial Business Plan. PRPA was authorized to begin work on December 1, 2007.

Committee Discussions

On December 20, 2007 the Committee held its first meeting. The major purpose of this
meeting was to begin the Committee's discussion of the "Committee's Charge", "Purpose"
and Work Plan. The Committee also discussed their ideas for the purposes of the Museum.

In addition, the Committee authorized the PRPA to develop and distribute to the members, who shall in turn distribute to their network of stakeholders, "Stakeholder Survey #1". This survey is intended to gather preliminary opinions from stakeholders regarding such issues as a) the purpose of the Museum, b) target markets and c) possible locations.

The Committee had an extensive discussion on the marketing and cultural importance of the Museum's name, and appointed a sub-committee to work on this issue.

- Discussion of the Museum's "Conceptual Plan" was the major topic at the next two Committee meetings held on January 7th and January 25, 2008. The Committee discussed the following:
 - 1. The "Museum" should be a living representation, an experience and voice of Hawaiian music and dance including oli, mele, and hula and its past and present practitioners and artists. It should be a unique and important focal point; not a duplication of efforts; a well-known and sought out destination; and most importantly culturally authentic.
 - 2. Operating principles include financial and economic viability and partnering with existing organizations and existing acquisitions (i.e., Bishop Museum, HARA, HMHF, University of Hawaii).
 - 3. The key design principle is that all programs and exhibits should be, as much as possible, experiential and interactive.
 - 4. The Conceptual Framework will include purpose of the facility, programs and facility needs, size and audiences.
 - 5. The Business Plan will be based on the program and facility description contained in the conceptual framework.
 - 6. The preferred location(s) is based on the audience and facility needs described in the conceptual framework.
 - 7. Audiences include local residents, school children, visitors and practitioners from Hawaii and abroad. Interaction of guests with the artists and practitioners,

interaction of local residents and visitors, and interaction of artists and practitioners with each other is the major design goal.

- 8. The facility may include space for exhibits; small-scale demonstration and performance area(s) within exhibit space; music listening area with headset access; a "central" demonstration and performance area; semi-outdoor performance area; multi-purpose, re-sizable rooms for workshops and classes, rehearsals and practice; a hula mound; dressing rooms and green rooms; digital storage and editing room; wood shop, back area for exhibit construction and storage of non-displayed items; a restaurant and retail space and all the space required for administrative and support services.
- The Office of Hawaiian Affairs briefed the Committee on the specifics of the proposed settlement between the State and OHA at its meeting on January 25th. The Committee members were most interested in the portion of the settlement pertaining to the lands in Kaka`ako Makai.
- The Committee's fourth meeting was held on February 19th, 2008. The members went on a guided field trip of Kaka'ako Makai.

Business Plan including Market Analysis

The Work Plan calls for the key elements of the Business Plan to include:

- An executive summary;
- Business description of the Museum including an industry overview, description of the business activities, business positioning, description of the Museum's products and services and the pricing strategy;
- Market analysis including a projection of the market size, definition of the Museum's trade area, definition of the primary customer, description of the competition and estimated annual sales by product and service provided;
- Description of the development process including site selection, development timeline and the projected cost of development;
- The sales, marketing and promotions strategy;
- Recommended "ownership" and management structure (government, private for-profit, Private non-profit or some combination); and
- A five year financial plan including capital budget, cash flow statement and income statements.

manahan1-Haylee

From:

Wong, Lucien [Lucien.Wong@actuslendlease.com]

Sent:

Sunday, March 09, 2008 9:07 AM

To:

TACtestimony

Subject: SB2569 - Testimony

Hearing at 10:00 AM March 10, 2008

Conference Room 325

COMMITTEE ON TOURISM & CULTURE

Rep. Ryan I. Yamane, Chair Rep. Joey Manahan, Vice Chair

Rep. Lyla B. Berg,

Rep. Clift Tsuji

Ph.D.

Rep. Tom Brower

Rep. Glenn Wakai

Rep. Jerry L. Chang

Rep. Kyle T. Yamashita

Rep. Faye P. Hanohano

Rep. Corinne W.L.

Ching

Rep. Robert N. Herkes

Rep. Barbara C.

Marumoto

Aloha

Subject: Support For SB2569 Relating to the Museum of Hawaiian Music And Dance

This bill extends the reporting deadlines for the work of the Museum of Hawaiian Music and Dance committee under Act 230, SLH 2007.

The work which is well underway of this committee is, in short, to study the need and feasibility of building a Museum of Hawaiian Music and Dance, and to then produce a business plan which it will provide to the Legislature. This is no small task taking into consideration the extremely important cultural, historical and economic aspects of such a project, and to do it right additional time is required.

The cultural and historical reasons for pursuing this project may at first glance to most be more obvious than the economic reasons. The diversification of our economy has been a goal of our state for many years with significant support provided to other industries especially technology. The benefits of diversification to our economy are clear but what is sometimes overlooked is encouraging the growth and development of unique innate less defined industries whose potential may not yet be recognized. This is the case of Hawaiian music and dance.

In the competitive world of economic development countries, states, cities etc vie for many of the same industries that will, hopefully, provide jobs and economic growth. Hawaii is no different in this regard, except we have something unique that others cannot compete for, and if nurtured could become an economic development engine for our state creating jobs especially for those who may be most in need, and yet be symbiotic with our major industry tourism. No other place can do what we can do. Evidence of the potential for Hawaiian music and dance, for example, can be seen in the recently created special Grammy category for Hawaiian music and the growing number of hula halaus outside of Hawaii, especially in Japan. Another example is that Braddah Iz's song medley "Over the Rainbow" and "What a Wonderful World" was the most downloaded song on the Internet, and was featured in several Hollywood films, television programs and commercials even earning Iz a place on Wikipedia (http://en.wikipedia.org/wiki/Israel_Kamakawiwo'ole). But, how much more could he (and many others including the state) have benefited if there was a venue for his (their) music and dance. This venue could be the Museum of Hawaiian Music and Dance.

For all the reasons above, even if I was not a member of this committee I would still respectfully request your support for SB2569.

Mahalo

Lucien P. Wong | Senior Advisor | Actus Lend Lease T 808 536-8886 x337| F 808 536 8825 | www.actuslendlease.com 1132 Bishop Street, Suite 2400, Honolulu, Hawaii 96813

lucien.wong@actuslendlease.com

Please consider the environment before printing this e-mail.