



Testimony of
Mike McCartney
President and Chief Executive Officer
Hawai'i Tourism Authority
on
S.C.R. 35
**Requesting the Hawai'i Tourism Authority to Study the
Feasibility of Developing a Hotel Above the Hawai'i Convention Center Facility**

Senate Committee on Tourism
Wednesday, April 11, 2012
9:35 a.m.
Conference Room 211

The Hawai'i Tourism Authority (HTA) supports S.C.R. 35 and S.R. 14, which requests the HTA to study the feasibility of developing a hotel above the Hawai'i Convention Center (HCC) facility.

S.C.R. 35 and S.R. 14 direct HTA to determine, in conducting the study:

- Site and logistical issues related to the development of a hotel facility on top of the Convention Center facility, such as traffic and infrastructure demands;
- Jurisdictional and permitting requirements, and requirements for design, construction, and funding;
- The interest of private sector developers;
- Options for public-private partnerships for the development and operation of a hotel, including partnership with the School of Travel Industry Management for internships, externships, and other professional development opportunities for students; and,
- Other pertinent issues that may impact the development of a hotel facility.

The HCC facility is fourteen years old and has helped to contribute hundreds of millions to Hawai'i's economy. Hawai'i needs to continue to invest in this important asset, and ensure its long-term viability, which has the potential for substantial growth in the meetings, incentives, conventions and exhibits (MICE) market, particularly in Asia. S.C.R. 35 and S.R. 14 provides us with the opportunity to explore the viability of developing a hotel as part of the Convention Center complex, whether as a training hotel or as a convention hotel, as a way of increasing its viability and contributions to the state.



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Neil Abercrombie
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In 1984, \$50,000 was appropriated for the convention center feasibility study. The feasibility of developing a hotel above the HCC facility may incur costs, such as the contracting of traffic experts, development consultants, and financial advisors, which HTA has not budgeted for and may delay the completion of a report beyond twenty days prior to the convening of the 2013 Regular Session.

Mahalo for the opportunity to offer these comments.