

HOUSE RESOLUTION

REQUESTING THE HAWAII TOURISM AUTHORITY TO CONDUCT A FEASIBILITY STUDY ON OPTIONS TO GENERATE MORE REVENUE FROM THE HAWAII CONVENTION CENTER.

WHEREAS, the visitor sector is the primary source of income for the State; and

WHEREAS, visitor arrivals in the State are currently at an all-time high; and

WHEREAS, the Hawaii Tourism Authority expects visitor spending will reach \$15.8 billion in 2013, when 500,000 more visitors will arrive than in 2012, bringing total annual arrivals to 8.5 million visitors; and

WHEREAS, on March 12, 2013, the Honolulu Star Advertiser published an article warning that the State's visitor-industry fortunes could reverse if the State does not add more accommodations as tourism surges; and

WHEREAS, the Hawaii Convention Center is located in the Waikiki district, which is the primary tourist district on Oahu; and

WHEREAS, the operational model for the Hawaii Convention Center is not intended to earn profits generated by the center itself; rather, its purpose is to generate tax revenues from convention attendees who stay in hotels, dine at restaurants, and take tours; and

WHEREAS, the Hawaii Convention Center has generated an average of \$540 million in economic activity annually in over ten years, which is a return of \$1.40 in additional tax revenue for every tax dollar spent on its operation; and

WHEREAS, management personnel of the Hawaii Convention Center have stated that the Hawaii Convention Center "more than pays for itself" but could generate additional profits; now, therefore.

BE IT RESOLVED by the House of Representatives of the Twenty-seventh Legislature of the State of Hawaii, Regular Session of 2013, that the Hawaii Tourism Authority is requested to conduct a feasibility study on options to generate more revenue from the Hawaii Convention Center; and

 BE IT FURTHER RESOLVED that the scope of the study is requested to include any options that the Hawaii Tourism Authority deems appropriate to address concerns regarding the lack of accommodations for visitors; and

BE IT FURTHER RESOLVED that the Hawaii Tourism Authority is requested to include in its report of its study a review on the feasibility of constructing a hotel, timeshare condominiums, or a resort on top of, within, or on the land of the Hawaii Convention Center; and

BE IT FURTHER RESOLVED that the report is requested to also include the feasibility of including partnerships with members of the Hawaii Lodging and Tourism Association for the investment and operations of any option to generate more revenue from the Hawaii Convention Center; and

BE IT FURTHER RESOLVED that the Hawaii Tourism Authority is requested to submit its study report, including findings and recommendations, to the Legislature no later than 20 days prior to the convening of the Regular Session of 2014; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Governor; Director of Business, Economic Development, and Tourism; and the President and Chief Executive Officer of the Hawaii Tourism Authority.

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