

**DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM (DBEDT)**

**MINUTES OF THE COMMISSION ON THE 13<sup>TH</sup> FESTIVAL OF  
PACIFIC ARTS & CULTURE (FESTPAC) MEETING  
WEDNESDAY, JUNE 20, 2018, AT 10:00 A.M.  
HAWAI‘I STATE CAPITOL, SENATE CAUCUS RM. (CHAMBER LEVEL)  
415 SOUTH BERETANIA STREET, HONOLULU, HAWAI‘I 96813**

Commission Members Present were:

J. Kalani English, Chair	-	Senate President’s Designee
Lynn DeCoite	-	House Speaker’s Designee
Māpuana de Silva	-	Community Member
Kalani Ka‘anā‘anā	-	Hawai‘i Tourism Authority Designee
Dennis Ling	-	DBEDT Designee

Guests:

Rebecca Crall	-	Representative DeCoite’s Office
Damien Elefante	-	Deputy Director of Taxation
James Huang	-	Taiwan Economic & Cultural Office (TECO)
Michi Moore	-	Senate Communications
Michael Pili Pang	-	PA‘I Foundation
Kapuahelani Sterling	-	Hawai‘i Tourism Authority
Vicky Takamine	-	PA‘I Foundation

Staff:

Margaret Ahn	-	Deputy Attorney General
Jamie Lum	-	DBEDT
Selma Malcolm (Recording)	-	DBEDT

Apologies for Absence:

Snowbird Bento	-	Community Member
Mehana Hind	-	Office of Hawaiian Affairs Designee
Misty Kela‘i	-	City & County of Honolulu Designee
Monte McComber	-	Governor’s Designee

CALL TO ORDER:

The meeting was called to order by the Chair on Wednesday, June 20, 2018, at 10:16 a.m., who welcomed everyone present.

APPROVAL OF MAY 23, 2018 MEETING MINUTES:

Minutes of the meeting held on Wednesday, May 23, 2018, were approved with minor corrections on a motion by Ms. Māpuana de Silva and seconded by Mr. Dennis Ling.

The motion was passed unanimously.

OLD BUSINESS:

A. Letter of Invitation to Delegates - Status

The Commission reviewed the draft letter of invitation that the Governor of Hawai'i will sign for the Heads of States. DBEDT will coordinate with the Governor's Office and Kuiniselani Tago-Elisara, Pacific Community (SPC) regarding translation/signing and dissemination of the invitations.

Mr. James Huang, Deputy Director of the Taiwan Economic & Cultural Office in Hawai'i, offered to translate the letter of invitation into Chinese as well.

B. Festival Coordinator's Report, Including: Plans, Contingencies & Milestones for Housing, Venues and Fundraising:

Ms. Takamine reported the following:

Housing

A total of 3,070 beds are required for housing. Arrangements are being made with various universities and colleges on O'ahu. The University of Hawai'i at Mānoa has a total of 2,214 beds – (Frear Hall 810, Hale Lehua 351, Hale 'Ilima 351, Hale Lokelani 351 and Hale Mokihana 352) East West Center – (Lincoln Hall 93 and Hale Mānoa 482 beds) while Hawai'i Pacific University has a total of 377 beds.

The FESTPAC budget includes \$4 million for housing costs. Using dorms will help save money, and purchasing meal plans will help further reduce costs.

Windward Community College offered their facility to host New Zealand Group.

Tokai University will be contacted to see if dormitory rooms may be available.

One contingency is Kamehameha Schools dormitories.

Chair English and other members urged Ms. Takamine to secure the commitments for housing as soon as possible to ensure enough dormitory rooms will be available to house

all the FESTPAC delegates. Chair English stated that this will be discussed with the UH Board of Regent's Chair at their meeting scheduled for July 3<sup>rd</sup>.

### Venues

Commission members reviewed the list of venues prepared by Ms. Takamine.

Ms. Takamine met with Ms. Misty Kela'i and Ms. Georgette Deemer, Deputy Managing Director of the City and County of Honolulu, on May 31, 2018, regarding possible in-kind services the City can provide, such as the use of Kaka'ako Makai for the FESTPAC Global Village; 'Āina Moana for Wa'a arrivals, and other parks, city properties/facilities and services.

Commission members again stressed the urgency of securing these venues for the many activities and events that make up the Festival.

Ms. Takamine showed a video of modules that can be used for the temporary structures needed in the Global Village. These modules are versatile and can be configured to meet the needs of the delegations. Best of all, they can be re-purposed as shelters for the homeless once the Festival is completed. They are manufactured in England with a starting price of \$120,000 plus shipping and handling. Mr. Huang from TECO said these types of modules are also manufactured in Taiwan and are used for disaster relief shelters. Ms. Takamine asked him to provide her with more information about the manufacturer.

### Fundraising/Sponsorships

Ms. Takamine met with Ms. Denise Yamaguchi, Hawai'i Food and Wine Festival, and Ms. Kau'i Burgess of Kamehameha Schools. They are helping to develop a FESTPAC Sponsorship package.

Ms. Takamine also spoke with KS CEO Jack Wong, who offered the use of the School's Cultural Center to hold fundraising events.

A meeting with Mr. Micah Kāne of the Hawai'i Community Foundation is pending.

Ms. Takamine is working with the Hawai'i Tourism and Lodging Association to get hotels to sponsor two hotel rooms and ground transportation for the Heads of Delegation and Heads of State. In exchange, the respective delegation would perform on property and conduct cultural demonstrations for the sponsoring hotel. Further incentive to the hotels is the potential for more business from family and friends that accompany the delegates.

Mr. Ka'anā'anā said he can also help facilitate this arrangement by working with Pris Texeira, Managing Director of the Hawai'i Tourism Global MCI program.

NEW BUSINESS:

A. Informational Briefing & Discussion of State & Federal Regulations Relating to FESTPAC Activities with Representatives from the Hawai'i Department of Taxation & U.S. Customs & Border Protection:

Chair English informed the Commission members that the representatives from the U.S. Customs and Border Protection regrettably could not attend today's meeting but instead will be at the Commission meeting in July.

The Chair then introduced Mr. Damien Elefante, Deputy Director, Hawai'i Department of Taxation (DOTax). Mr. Elefante informed the Commission members that he reviewed DOTax's Rules and Regulations and found no exceptions to General Excise Tax (GET) payments. Therefore, all sales of crafts and products sold at FESTPAC will be subject to the GET. Each entity intending to sell goods would need to apply for a business license; complete the GET form online, and submit it with a one-time \$20 license fee. During discussion, Mr. Elefante raised two options: 1) Introduce legislation to create a one-time exemption from the GET for the 2020 FESTPAC participants; and 2) Have one entity be responsible for collecting and reporting the GET for all FESTPAC vendors. Chair English offered to work on language for a bill in relation to the first option.

A question was raised about "diplomatic immunity" and whether this could apply to FESTPAC delegates. Mr. Elefante stated that a delegate would have to have diplomatic status in order to invoke diplomatic immunity and be tax exempt.

Ms. Takamine pointed out that there will be a marketplace within the Global Village and that she would want to seek a GET exemption for the marketplace.

Chair English thanked Mr. Elefante for attending the meeting and presenting this information to the members.

On another matter, Ms. Takamine informed the Commission members that she received a request from the SPC to include the inaugural Pacific Philosophy Conference as part of FESTPAC. She said she planned to respond to this request, and any other similar requests that may be made, by saying that these events can be included on the FESTPAC master calendar but that distinctions will be made between events that are actually part of the Festival and events that are running concurrent with the Festival but not actually a part of FESTPAC.

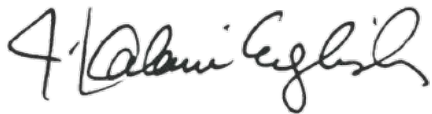
NEXT MEETING:

The next meeting is scheduled for Wednesday, July 18, 2018, at 10:00 a.m., at the Hawai'i Convention Center.

ADJOURNMENT:

The meeting adjourned at 11:12 a.m.

Respectfully submitted,



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Senator J. Kalani English  
Chair

July 16, 2018

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Date