

Hawaii Current Economic Conditions

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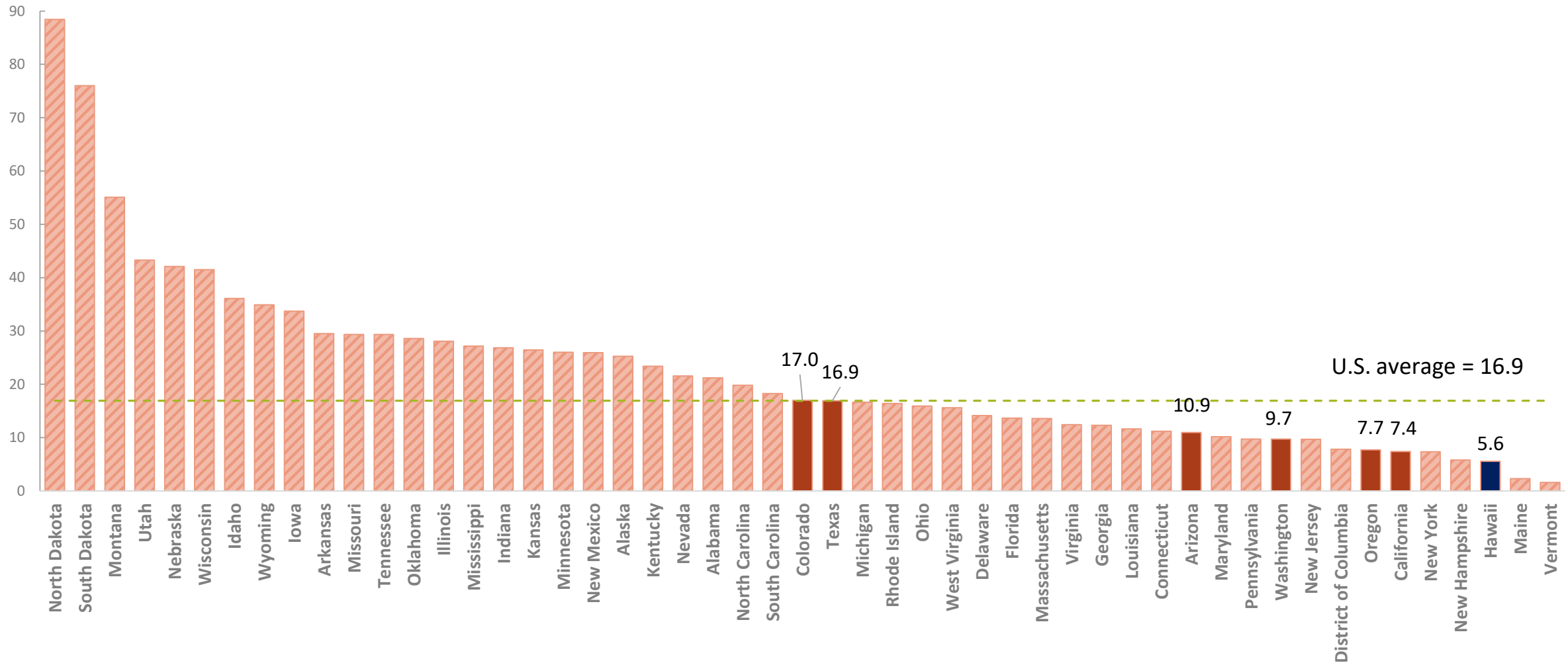
To

Hawai'i Congress of Planning Officials (HCPO) Economic Resilience Session

October 19, 2020

Daily New COVID-19 Cases per 100,000 Population

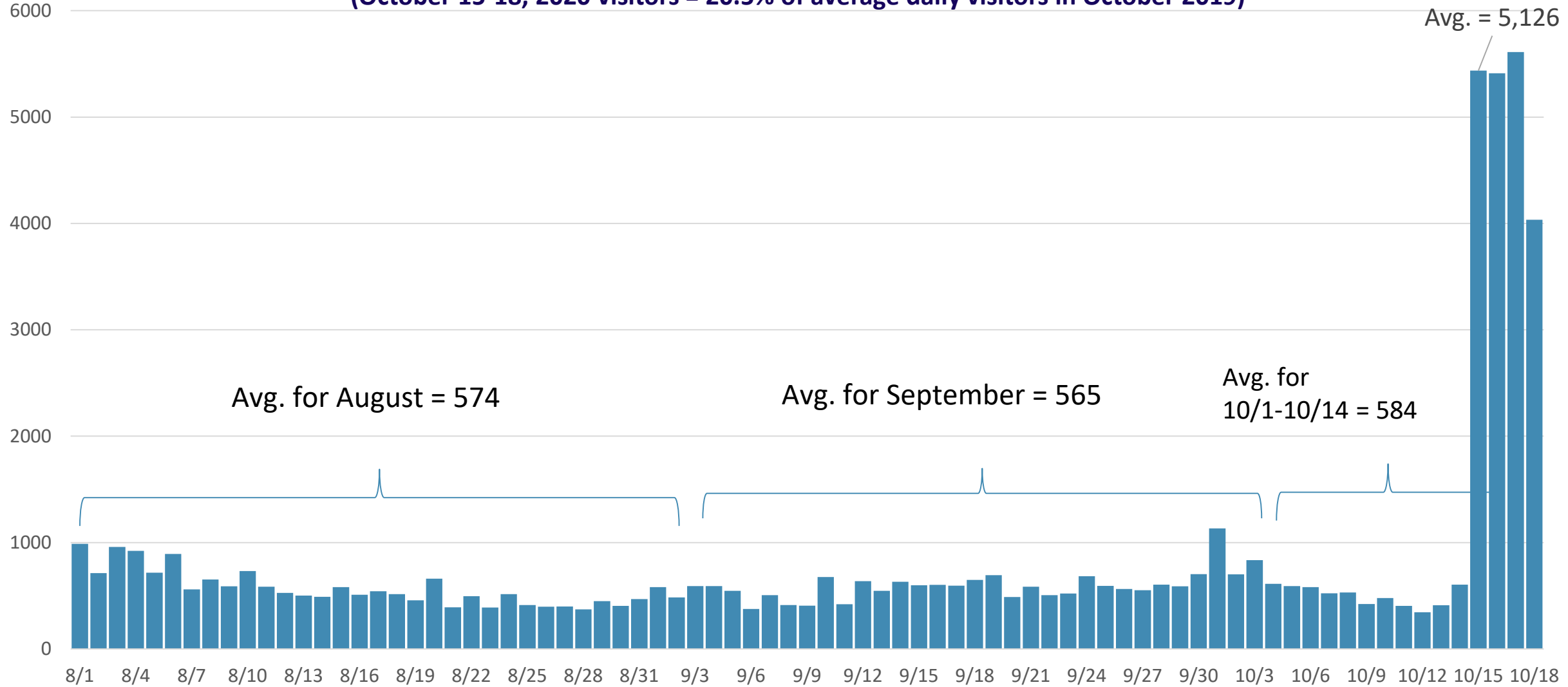
7-day average, for week ending October 18, 2020



Source: USA Facts, US Coronavirus Causes and Deaths

Daily visitor arrivals to Hawaii: August 1 to October 18, 2020

(October 15-18, 2020 visitors = 20.5% of average daily visitors in October 2019)



Business closure status as of September 2020

County	Business never closed	Business closed but now partially reopened	Business closed but now fully reopened	Business currently closed
Honolulu	40.4%	19.6%	14.1%	25.9%
Hawaii	40.2%	18.1%	25.2%	16.5%
Maui	32.5%	18.7%	23.5%	25.3%
Kauai	34.7%	34.7%	17.3%	13.3%
Statewide	39.1%	20.3%	16.6%	24.1%

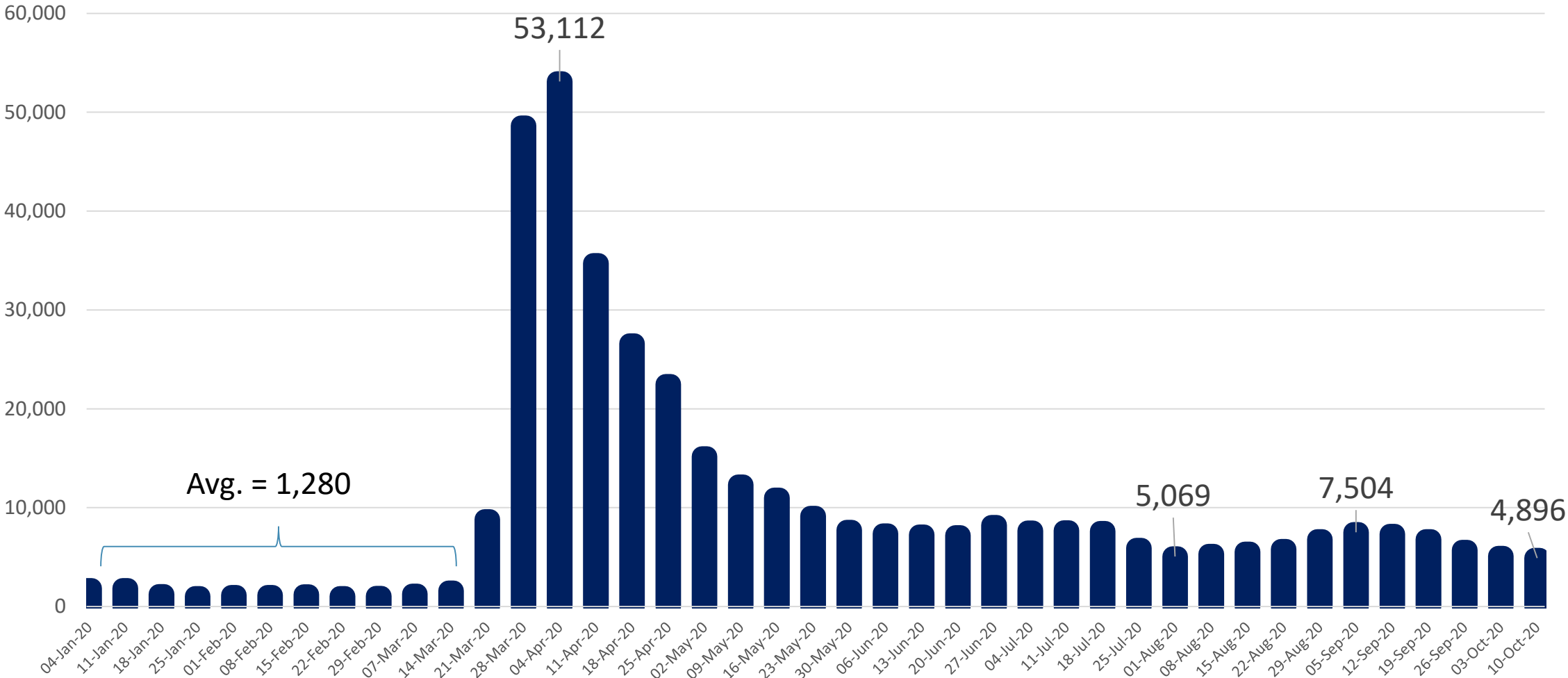
Source: Hawaii Commercial Rent Survey

Unemployment rate Apr. – Sept. average 2019 and 2020 (%)

State/County	Apr.-Sept. 2019	Apr.-Sept. 2020
State	2.8	17.1
Honolulu County	2.7	14.9
Hawaii County	3.6	16.3
Maui County	2.7	26.1
Kauai County	2.7	23.6

Source: Hawaii State Department of Labor & Industrial Relations

Initial unemployment claims came down to under 5K first time since March 21



Source: Hawaii State Department of Labor and Industrial Relations

Growth of private building permits by county: First 8 months 2020

(% change from same period last year)

Type of permits	State	Honolulu County	Hawaii County	Maui County	Kauai County
Residential	-5.1	-21.3	19.7	-25.9	57.6
Commercial & industrial	123.9	77.1	154.6	193.3	NA
Additions & alterations	-10.3	-10.3	-1.6	-18.0	NA
Total	2.4	-7.9	31.6	2.9	NA

Source: County building departments.

Major construction project permitted during the past 12 months

Island	Property	Type	Permit Value (\$ in Millions)
O'ahu	A'Ali'i Ward Village	Residential	185.7
O'ahu	Sky Ala Moana	Residential	110.0
Maui	Maui Bay Villas	Hotel	87.9
O'ahu	Azure Ala Moana	Residential	77.3
Hawai'i	Kona Village Resort	Hotel	74.2
Kauai	The St. Regis Princeville Resort	Hotel	73.7
Kauai	Silverwest Kauai Hotel	Hotel	61.6
O'ahu	BYU	Education	58.5
O'ahu	Thomas Square Park	Government	55.0
O'ahu	The Central Ala Moana	Residential	50.0
O'ahu	The Element, affordable housing in Kapolei	Residential	43.1
O'ahu	Hoopili	Residential	38.7
O'ahu	Kaiser Permanente	Commercial	37.5

Island	Property	Type	Permit Value (\$ in Millions)
O'ahu	Kailua Regional WWTP	Government	35.0
Hawai'i	Hualalai Resort, Four Seasons	Hotel	30.5
O'ahu	Honolulu Community College	Education	30.4
Maui	Kaanapali Beach Hotel	Hotel	29.0
Kauai	Timbers Kauai Ocean Club & Residences	Hotel	28.5
O'ahu	Moanalua High School	Education	28.2
Maui	Hotel Ike at Wailea	Hotel	28.1
O'ahu	Affordable Rental & Juvenile Svc Ctr Shelter, 902 Alder Street	Residential	25.7
O'ahu	Koa Ridge	Residential	24.1
O'ahu	New Warehouse Facility , 91-150 Hanua St	Commercial	23.3
O'ahu	New Storage Building, 868 Queen St	Commercial	21.7
Maui	Kahului Lani, Catholic Charities Housing Dev	Residential	21.5
Kauai	Pila'a International LLC	Commercial	21.0

(1) Building permits issued between October 2019 and September 2020 with project cost of over \$20 million

Source: County Building Departments

Hawaii retail sales have recovered in June but not evenly distributed

(% change from same month last year)

Stores	Jan. 2020	Feb. 2020	Mar. 2020	Apr. 2020	May 2020	Jun. 2020
Total	2.1	5.4	-11.3	-31.8	-5.4	0.0
Motor Vehicle and Parts Dealers	-3.3	3.1	-29.5	-35.4	-7.6	5.1
Furniture and Home Furnishings Stores	9.4	20.7	-14.1	(1/)	(1/)	11.9
Electronics and Appliance Stores	-1.8	-2.9	3.2	-16.1	-46.2	-3.8
Building Material and Garden Equipment and Supplies	0.2	7.4	7.7	7.9	17.7	28.7
Food and Beverage Stores	-1.6	9.1	20.0	-11.9	19.1	8.2
Health and Personal Care Stores	(1/)	2	3.8	-9.8	-2.7	1.3
Gasoline Stations	-7.4	-7.1	-27.9	-35.6	-23.7	-14.9
Clothing and Clothing Accessories Stores	-1.3	4.1	-41.5	(1/)	(1/)	-30.4
Sporting Goods, Hobby, Musical Instrument, and Book	6.6	2.9	-10.3	(1/)	(1/)	(1/)
General Merchandise Stores	10.1	7.3	16.4	-79.8	3.4	17.8
Miscellaneous Store Retailers	20.1	10.8	-17.1	-53.1	(1/)	-39.8

1/. Suppressed due to data quality concerns

Source: U.S. Census Bureau

Real estate market statistics are mixed

(% change btw. 2019 YTD and 2020 YTD through September)

Island	Single Family Homes		Condo Homes	
	Closed sales	Median price	Closed sales	Median price
Oahu	-1.4%	3.3%	-18.9%	1.2%
Maui	-11.1%	4.0%	-24.3%	8.1%
Hawaii	1.0%	4.0%	-25.8%	5.9%
Kauai	-25.3%	18.2%	-22.4%	-4.1%

Source: Hawaii Information Service on behalf of Hawaii Island Realtors and the Kauai Board of Realtors, the Honolulu Board of Realtors, and Realtors Association of Maui.

Most of the world economies are experiencing recession this year

Economy	2017	2018	2019	2020	2021
USA	2.3	3.0	2.2	-4.0	3.9
Canada	3.2	2.0	1.7	-6.0	5.1
Japan	2.2	0.3	0.7	-5.5	2.4
S. Korea	3.2	2.9	2.0	-1.0	3.1
Hong Kong	3.8	2.8	-1.2	-6.2	4.3
Taiwan	3.3	2.7	2.7	0.6	3.2
China	6.8	6.7	6.1	2.2	7.9
United Kingdom	1.9	1.3	1.3	-10.1	6.4
Germany	2.8	1.3	0.6	-5.5	4.5
France	2.4	1.8	1.5	-9.9	6.7
Euro area	2.7	1.8	1.3	-7.6	5.3
Australia	2.5	2.8	1.8	-4.1	3.1
Brazil	1.3	1.3	1.1	-6.0	3.5

Source: Blue Chip Economic Indicators, October 10th, 2020

Hotel room bookings as of October 4, 2020

(% recovery from the same month last year)

County	Nov. 20	Dec. 20	Jan. 21	Feb. 21	Mar. 21	Apr. 21	May 21	Jun. 21
Honolulu	16.5	23.7	21.4	26.1	31.0	41.4	51.6	54.8
Hawaii	37.3	47.0	30.4	30.3	48.8	57.3	52.5	80.9
Maui	36.9	48.2	54.3	54.6	68.5	63.7	58.1	75.7
Kauai	41.1	52.7	27.0	38.6	61.1	92.3	93.3	102.7
State total	27.6	37.0	35.5	40.7	52.4	56.6	56.9	70.2

Source: TravelClick and Hawaii Visitor and Convention Bureau

DBEDT tourism and economic forecast released on August 28, 2020

Year	Visitor arrivals		Visitor expenditures		Unemployment rate	Econ. Growth rate
	Thousand	% growth	\$ millions	% growth	%	%
2018	9,889	5.2	17,643	5.1	2.4	2.4
2019	10,387	5.0	17,844	1.1	2.7	1.0
2020	2,922	-71.9	5,742	-67.8	10.9	-12.3
2021	7,242	147.9	12,005	109.1	7.2	2.1
2022	8,309	14.7	14,267	18.8	6.6	2.0
2023	9,362	12.7	16,372	14.7	6.3	1.2

Source: DBEDT, Quarterly Statistical and Economic Report, 3Q 2020, released on August 28, 2020