

Department of Business, Economic Development & Tourism
Biennium Budget FY 2021 - 2023
2021 Hawaii State Legislature
Budget Briefing

Statement of
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Director

Department of Business, Economic Development & Tourism
Before the

HOUSE FINANCE COMMITTEE

January 5, 2021, PM
State Capitol, Conference Room 308

**SENATE COMMITTEES ON WAYS AND MEANS AND
ENERGY, ECONOMIC DEVELOPMENT, TOURISM, AND TECHNOLOGY**

January 6, 2021, 9:30 AM
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Informational Budget Briefing

Aloha,

Chairs Luke, Dela Cruz and Wakai, Vice Chairs Cullen, Keith-Agaran, and Misalucha, and Members of the Committees. Thank you for this opportunity to testify on the Department of Business, Economic Development and Tourism's (DBEDT) budget.

I have asked all appropriate division managers and agency directors to be available with me today to present their programs and to respond to any questions you may have.

At the start of 2020, the economy of State of Hawaii was forecasted to have a very stable and prosperous year. In March, the COVID-19 pandemic significantly changed the course of the economy downward. Hawaii's unemployment rate during the first quarter of 2020 was the third lowest in the nation at 2.6 percent. During April to November 2020, the unemployment rate averaged 15.8 percent, bringing it to the highest in the country. Hardest impact was the incoming revenue generated by the visitor industry with 82.2 percent reduction of the Transient Accommodation Tax to the General Fund from April to November 2019 compared to the same period in 2020. The reduction contributed to decreases in the General Fund revenue of 18.7 percent and the General Excise Tax revenue by 24 percent from 2019 to 2020.

DBEDT implemented numerous CARES ACT initiatives to mitigate the economic impact of COVID-19 by assisting individuals as well as Hawaii's businesses and non-profits.

DBEDT's biennium budget requests reflect significant reductions due to the impact of COVID-19 on the state's revenue. In light of these reductions, DBEDT has begun to make changes to provide greater relevancy and increased measures and methods for a more resilient Hawaii. We look forward to working with you on the biennium budget and related legislation to change the trajectory of Hawaii's economy so that future generations can call Hawaii home.

DEPARTMENT COMMENTS ON BUDGET ADJUSTMENTS: Each Division/Agency will discuss their objectives, goals and metrics in each of its sections.

CURRENT ECONOMIC AND FISCAL CONDITIONS OF THE STATE:

In 2020, Hawaii's economy has been faced with one of the greatest economic challenges since statehood. The severity of the impact can be seen in Hawaii's second quarter decline in real GDP of 13.9 percent over the same quarter of the previous year. To put this in perspective, the worst quarter of the Great Recession was the second quarter of 2009, which had a real GDP decline of 4.9 percent over the same quarter of the previous year.

A good barometer of COVID-19's impact on individual industries was the second quarter state GDP data released by the Bureau of Economic Analysis. As the pandemic took hold, tourism-related industries were hit the hardest in the second quarter with real GDP declines in Arts, Entertainment and Recreation (-61.8%), Accommodation and Food Service (-61.1%), Transportation and Warehouse (-30.6%), Educational Services (-18.4%), and Wholesale Trade (-17.9%). Buoyed by resident spending, the retail industry fared better than other tourism-related industries, declining 9.0 percent in the second quarter over the same quarter of the previous year.

Real GDP for knowledge-based industries showed a measure of resilience, declining less than overall state GDP in the second quarter compared with the same quarter of the previous year. These industries included Finance and Insurance (-1.3%), Information (-2.8%), Management of Companies and Enterprises (-4.3%), and Professional, Scientific, and Technical Services (-8.7%).

The construction industry had a GDP decline of 3.5% in the second quarter over the same quarter of the previous year. In the third quarter, the value of building permits increased 5.6 percent over the same quarter of the previous year. The increase in the value of private building permits was fueled by the commercial and industrial category (44.4%) and residential (11.3%), while the additions and alterations category were down 5.8 percent. Government contracts awarded in the third quarter was strong, up 61 percent over the same quarter of the previous year. However, the October data shows a decline in private building permits, possibly signaling a softening as we head into 2021.

In spite of the pandemic, there were two non-agriculture industries that showed GDP growth during the second quarter; the Federal Civilian Government (1.7%) and Utilities (2.6%).

The labor market declined sharply in the third quarter of 2020, with 110,000 fewer non-agriculture payroll jobs compared with the same quarter of 2019. The decrease in jobs was the highest for Accommodation (-33,300 or 77.8%), Food and Drinking Places (-30,000 or 42.7%), Transportation, Warehousing & Utilities (-9,800 or 28.7%), Professional & Business Services (-7,500 or 10.1%), and Arts, Entertainment, and Recreation (-5,900 or 43.1%). As of October 2020, Hawaii's unemployment rate remains high at 14.3 percent (seasonally adjusted), which is

approximately double the national rate of 6.9 percent.

Despite the job losses, nominal personal income increased by 15.9 percent in the second quarter of 2020. Under normal economic conditions, personal income moves somewhat in tandem with GDP. However, the anomaly of personal income increasing and GDP decreasing in the same quarter was due to an increase in government transfers including unemployment insurance payments and CARES Act funds, offsetting decreases in wages and salaries. Another contributing factor appears to be that consumers chose to save their cash, rather than to spend it on goods and services. While data is not available for Hawaii, the personal savings rate for the nation more than doubled in the third quarter over the same quarter of the previous year, from 7.2 percent to 16.1 percent.

With the general decline in the economy, came a decline in tax revenues. In the third quarter, total tax collections applied to the state general fund were down 3.2 percent over the same quarter of the previous year and 12.1 percent for the first three quarters of 2020. A majority of the third quarter decline was in general excise tax revenues, which declined 24.6 percent over the previous year. Due to the increase in personal income, individual income tax revenues increased 38.9 percent, and this cushioned the drop in over general fund revenues. The tourism accommodation tax declined 92.1 percent due to the drop in tourism.

The tourism sector was by far the area most impacted by the pandemic; Hawaii's visitor numbers were a mere 2.4 percent of the previous year's level in the third quarter. However, tourism gained some traction as the State's pre-travel testing program began October 15 and Japanese tourists were included from November 6. The daily passenger count for the first seven days of December was 22.2 percent of the same period of the previous year.

The annual impact of the pandemic on Hawaii's economy was reflected in DBEDT's fourth quarter forecast was released December 2. For 2020, the forecast predicts Hawaii's real GDP growth will decline by 11.2 percent, while real personal income will increase by 5.6 percent. For 2021, this is forecast to reverse with real GDP increasing by 2.1 percent, and real personal income decreasing by 8.9 percent as the flow of federal funds decreases.

Due to the pandemic, DBEDT had to quickly adjust to assist businesses that were ordered to shut down in late March 2020. During this time, the department's divisions collaborated with each other to aid the visitor industry, small businesses, and residents. DBEDT was appropriated federal CARE funds to carry out programs to assist the community in economic recovery efforts. Each division/attached agency will describe the programs they managed, related to COVID-19, under their respective sections.

NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

Each Division/Agency will discuss their notable performance measures, expected outcomes, and recent results in its sections.

BUDGET PRIORITIES:

DBEDT’s approach to economic development consists of a balance between economic growth and the well-being of Hawaii’s people, culture, and environment. In honoring each of these segments, we will be able to achieve a sustainable economic system that better serves Hawaii’s people.



The budget priorities were based on the following values, strategies, and tactics.

VALUES

- ▶ Always be considerate and respectful of Hawaii's people, place, and culture
- ▶ Work together to prioritize balanced long-term growth and sustainable economic development
- ▶ Integrate all sectors and stakeholders to work for the common good and collective existence

STRATEGIES

- ▶ Capitalize on Hawaii's strengths and assets
- ▶ Strengthen and leverage collaboration between public and private organizations and Hawai'i citizens
- ▶ Empower the internal capacity of the department by giving programs and staff the tools they need to succeed
- ▶ Redesign the department to support flexibility and agility to better serve a dynamic economy
- ▶ Use continuous improvement processes for long-term growth

TACTICS

- ▶ Leverage internal expertise to sift through large volumes of information to make data-driven decisions
- ▶ Empower DBEDT's economic development experts with data to facilitate deep evaluation and analysis that can generate compelling and innovative ideas for a sustainable economic future
- ▶ Foster connections and collaboration amongst all stakeholders in order to build trust, consensus, and buy-in

BUDGET ADJUSTMENTS: The department’s budget adjustments are listed on Table 4. The divisions/attached agencies that have budget adjustments will discuss the expected outcomes for each adjustment in its sections.

BUSINESS DEVELOPMENT & SUPPORT DIVISION – BED 100

MISSION: The Business Development & Support Division (BDS) promotes industry development and diversification in Hawaii by supporting existing and emerging industries; attracting new investment and businesses that can create more high-skilled, quality jobs in the State; increasing exports of Hawaii products and services; expanding Hawaii’s participation in global trade and commerce; by supporting small business and community-based organizations; and building resiliency to downturn in defense industry spending.

BUDGET REQUEST: Budget impacts are discussed under each project. See the section on [notable performance measures](#) for program milestones and measures.

CURRENT ECONOMIC AND FISCAL CONDITIONS: BDS’s share of DBEDT’s general funds restriction due to COVID-19 creates hardships on the Division’s ability to undertake planned projects and activities to meet its intended goals and objectives.

Due to COVID-19, BDS had to shift gears to assist the small businesses during these economically challenging times. BDS was appropriated CARES funding in Act 9, SLH 2020, those programs are as follows:

- **CARES Fund Projects:**

WORKFORCE DEVELOPMENT INITIATIVE UTILIZING CARES FUNDS

DBEDT was appropriated \$10 million for this project. DBEDT contracted with two non-profits, Kupu and the Economic Development Alliance of Hawaii (EDAH), to train and pair individuals in Hawaii’s workforce with companies to provide workers with an opportunity to transition their careers and provide companies with additional resources for business recovery.

Ten million dollars was allocated from the CARES funding for this project which employed workers through December 15, 2020. The target population served were displaced workers, and in some instances, college and high school graduates. Employing companies included those in clean energy, local food production, manufacturing, natural resource management, waste reduction services, smart sustainable communities, technology, STEM fields, healthcare and agriculture.

The objectives of the program were met as 346 individuals were placed in conservation, land management and agricultural jobs, assisting 151 organizations by Kupu.

EDAH placed 433 individuals in emerging industries (non-tourism) related jobs, assisting 134 companies.

CARES FUNDS TO SUPPORT THE HAWAII FISHING INDUSTRY

DBEDT was appropriated \$3 million for this project. The COVID-19 pandemic had a

substantial impact on the sale of fish caught by longline, non-longline and charter fishing vessels owned and employed by residents of Hawaii. The loss of tourism and decline in fresh fish sales to hotels and restaurants left the fishing industry economically challenged, thereby disincentivizing fishing vessels to make fishing trips.

In response, the State entered contracts with the Hawaii Longline Association (HLA) and the Pacific States Marine Fisheries Commission (PSMFC) to encourage a continued fish supply to fill food shortages and support local food security caused by the pandemic. The cost recovery for both programs will incentivize the fishing industry to maintain a fish supply and avert vessels from going out of business as a result of the pandemic.

The HLA contract is in the amount of \$2 million, to establish the Fishing Vessel Support Program (FVSP), for the purpose of providing economic support to Hawaii longline fishing vessels for their economic injury due to the pandemic. Qualified vessels may receive reimbursement up to \$7,500 in eligible expenditures. Up to 140 fishing vessels are eligible for this program.

The PSMFC contract addresses the substantial impact on the sale of fish caught by Commercial Non-longline Fishery of which there are 543 Commercial Marine License Holders in Hawaii and 189 fishing charter businesses in Hawaii. The State allocated \$780,000 to PSMFC for the purpose of providing economic support to Hawaii's Commercial Non-longline Fishery and Charter/For-Hire Fishing for their economic injury and for their trip expenses. Qualified applicants may receive reimbursement of up to \$7,500 in eligible expenditures.

- **Additional CARES funding:**

“PIVOT PROGRAM” FOR COMPANIES TO IMPLEMENT CHANGES AS A RESULT OF COVID-19 UTILIZING CARES FUNDS

Due to COVID-19, businesses in Hawaii needed to redesign and remodel the set-up of their physical operation, as well as adjust their operational practice, products and services. The “Pivot Program,” under contract with the Chamber of Commerce of Hawaii, serviced those organizations via a grant and assistance program to help companies “pivot” into the new way of providing products and services in the COVID economic environment. The amount allocated to this project was \$25 million.

The program provided technical assistance and a marketplace to find products or services to help businesses pivot. The core of the program is a grant program that provides Hawaii companies with financial assistance to retool their operations and products and address necessary changes. Eligible companies were Hawaii storefront companies with less than 100 employees, and funding was up to \$10,000.

Additional COVID-19 Related Projects Conducted

Due to the pandemic, DBEDT had to act quickly to assist businesses that were ordered to shut

down in late March 2020. BDS D conducted the following additional projects:

- **Disaster Designation:** DBEDT conducted a Small Business Administration (SBA) survey in order to get a “disaster designation” for the State in March, to show Hawaii businesses were hurt because of COVID-19. Over 6,000 responses were received. These responses were necessary for the State to be included in the Federal disaster designation programs, which made the Paycheck Protection Program (PPP) and the Economic Injury Disaster Loans (EIDL) funds available to Hawaii companies.
- **Buy Hawaii, Give Aloha:** BDS D created the online shopping site, [Buy Hawaii, Give Aloha](#)) to help Hawaii manufacturers and brick-and-mortar retailers begin recovering from the economic shutdown caused by COVID-19 pandemic. The official public launch was held on Monday, August 10, 2020, and BDS D began marketing to Local Hawaii shoppers initially, then later targeted shoppers on the Mainland continent. In late December 2020, a Japanese language web page will be created to attract Japanese shoppers.

Currently, there are 240 businesses registered, including eight (8) large marketplaces that feature multiple vendors. BDS D has supported these businesses by working with partners HTDC’s INNOVATE Hawaii (increasing e-commerce capability among small businesses), Shop Small Hawaii (marketing support for small businesses), and the Department of Agriculture (promoting Seal of Quality and Made in Hawaii With Aloha certifications). BDS D is also integrating the HiSTEP program, by offering export development to those registered companies who are ready to expand their sales abroad. BDS D will continue with this program.

One-year goal: 400 companies registered and listed at the end of FY 2021

Five-year goal: 1,000 company participants.

Action plan: Expansion into the Japan market.

Measure of success: Increase in export sales.

Budget Impacts: Unable to keep web site live and promoted to local, mainland and Japan audience.

NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

- **Hawaii State Trade Expansion Program ([HiSTEP](#)):** HiSTEP is an export development program designed to: 1) Expand exports and revenues from exports of Hawaii produced goods and services; 2) Grow the number of Hawaii companies active in global markets; and 3) Penetrate new markets for Hawaii produced goods and services. In the eighth year of this program, BDS D has participated in over 40 international and domestic trade shows and retailer promotions. More than 900 Hawaii companies from industries ranging from fashion, food, gifts, education, to life sciences, were featured at various DBEDT-produced Hawaii Pavilions in Japan, Taiwan, China, and major U.S. Cities such as Orlando, Denver, San Francisco, San Diego, Chicago, Boston, Philadelphia and Las Vegas.

To continue this export program, the division won a competitive grant award of \$528,000 from the U.S. Small Business Administration (SBA). The division's proposal included a series of overseas and domestic trade shows, export training and one-on-one business advising, and direct financial assistance to support companies' export development plans. During the eight years that this program has been in operation, the division has been **awarded over \$4.5 million in grant monies which resulted in a total of \$105 million in export sales, supported 971 jobs, and generated \$7 million in tax revenues.**

The COVID-19 pandemic in 2020 altered many of the HiSTEP activities due to travel restrictions and cancellation of several trade shows. Companies are turning to virtual means of selling and promoting their products and services, and the division is committed to supporting businesses in their efforts and will continue to monitor and revise the HiSTEP activities into 2021 as needed.

One-Year Goal: Secure \$800,000 SBA award; assist 225 companies; and achieve \$5.5 million in export sales.

Five-Year Goal: \$500,000 + grants each of 5-year period; \$20 million in export sales.

Action Plan: Tradeshows, missions and company assistance.

Measure of success: Increase in export sales.

Budget Impacts: **DBEDT would lose \$800,000 grant from the SBA.** As the effects of the pandemic continue to take its toll on our economy, Hawaii companies are looking for ways to grow sales, and exporting is one way for them to achieve that. HiSTEP is more important than ever.

- **Defense Industry:** Throughout 2020, DBEDT has managed Phase II of the Industry Resiliency grant provided through the Office of Economic Adjustment. During that time greater transparency of the local defense industrial base has been obtained, threats to the Hawaii defense contractor supply chain have been identified, and future growth opportunities have been recognized.

In September 2020, in partnership with the contractor and by using data from the Office of Economic Adjustment and the Defense Manpower Data Center, a high-level macro view of a defense industry dashboard was created and placed on the front page of the [Hawaii Defense Economy](#) website. Local businesses can utilize the new data tools and information to improve their understanding of Hawaii's military spending and contract trends, as well as access resources to explore and better engage in local defense contracting opportunities. In 2018, defense spending contributed \$7.2 billion to Hawaii's economy – \$4.9 billion in payroll and \$2.3 billion in contracts – accounting for 7.7 percent of Hawaii's GDP. During the current COVID-19 pandemic, defense spending in Hawaii remained stable, sustaining 49,000 local jobs including more than 30,000 through federal contracts awarded to local businesses, statewide.

One-Year Goal: DBEDT will be applying for Phase III of the OEA grant with an anticipated program cost of between 1 and 1.2 million dollars, of which 90% will

be funded through the federal match. The scope of work for the next grant period will focus on providing education and technical assistance to local defense contractors as it relates to new cyber security regulations, as well as fostering the development of a Defense Contractor Alliance which will identify and mitigate risks to the local defense industrial base. DBEDT will be requesting a February 1, 2021, effective start date for Phase III.

Five-Year Goal: \$1.2 million in additional grant from Office of Economic Adjustment.

Action Plan: Develop Hawaii Defense Alliance; increase cyber security capabilities.

Measure of success: \$50 million growth in defense sector.

Budget Impacts: DBEDT will lose out on a provisionally approved \$1.2 million grant from U.S. Dept. of Defense, Office of Economic Adjustment. The grant which has been given a provisional approval, would allow DBEDT to move into Phase III of the Industry Resiliency Grant. Phase III is designed to offer both technical assistance for local defense contractors to meet new acquisition regulations related to cyber security, as well as provide the impetus for the formation of a defense industry alliance which would work to contracts increase the number of contracting opportunities for local businesses. The failure to push these efforts forward has the potential for local businesses to be non-compliant with DoD requirements and decrease the amount of military procurement awarded to local companies.

- **2020 Tokyo International Gift Show:** In October 2020, despite the challenges of the global pandemic, DBEDT organized a Hawaii pavilion that represented 33 companies to promote a diverse selection of Hawaii-made products at the Tokyo International Gift Show (TIGS). TIGS is the largest international trade show in Japan, however, due the pandemic, the number of show attendees decreased. During the October 7-9, 2020 event, 180,214 buyers, wholesalers, distributors, brokers and retailers visited TIGS. Leveraging Hawaii's strong brand in Japan, 2020 marked the eighth year that DBEDT has participated in this export promotion project in Japan.

One-Year goal: 50 companies participating and reporting \$1.3 million in direct and mid-term export sales.

Five-Year goal: 75 companies reporting \$5 million in export sales.

Action Plan: Increase participation with partnership with Hawaii Tourism Japan and other partners.

Measure of success: Increase in export sales.

Budget Impacts: Will not be able to participate in event.

- **2020 Hankyu Hawaii Fair Hawaii:** DBEDT continued our annual participation in the Hankyu Hawaii Fair in July 2020, although the Fair was held as a virtual, online event for the very first time due to the COVID-19 pandemic. Despite the scale being greatly limited, the Hankyu team was very pleased with the first virtual Fair. The e-commerce channel featured 30 Hawaii vendors of food, fashion/apparel, and art – a new category

that showed great potential. Their Youtube channel of live-streaming and recorded talk shows, music and hula performances attracted over 23,000 Japanese viewers per week. Because of this year's success, the 2021 Hawaii Fair will be expanded to both in-store shopping and activities and e-commerce shopping with virtual events.

One-Year goal: 45 vendors topping \$700,000 in sales via e-commerce and in-store purchases.

Five-Year goal: 55 vendors topping \$1 million in sales.

Action Plan: Increase participation with partnership with Hawaii Tourism Japan and other partners.

Measure of success: Increase export sales.

Budget Impacts: Will not be able to participate in event.

- **International Student Attraction:** Within Hawaii's overseas offices in Taipei and Beijing, the Division has established Hawaii Education Service Centers to attract and increase international students at Hawaii's schools, colleges and universities. The Hawaii Education Service Centers work with the DBEDT-organized Study Hawaii Education Consortium of 21 schools. The overseas offices keep promoting Hawaii as an international student attraction by attending local education fairs, making presentations and speeches with different schools, answering enquires from parents and students, and visiting different principals and organizations for exchange programs in the future. The division organized an investment and trade symposium in Osaka in 2019 and the University of Hawaii-Manoa's provost was one of the featured speakers. The Student Ambassador Program, since its inception, deputized 1,273 international students as ambassadors to promote Hawaii as a learning destination.

For 2019, there were 13,371 international long-term and short-term students in Hawaii. They had a \$381.2 million economic impact, generated \$29.2 million in State taxes, and supported 3,756 jobs. For 2020, due to the global pandemic, Hawaii's colleges and universities were unable to proceed with plans to attract international students to their campuses. However, many international students continued their academic goals by enrolling in programs and completing classes remotely.

One-Year goal: Attract 14,000 students; and generate \$300 million in economic output (as to be reported for 2020).

Five-Year goal: 15,000 international students; generate \$400 million in economic output.

Action Plan: Rejuvenation of Study Hawaii organization.

Measure of success: Increase in international students.

Budget Impacts: Cancellation of program and initiative.

- **Enterprise Zones (EZ):** The EZ Partnership Program is a joint state-county effort intended to stimulate—via tax and other incentives—certain types of business activity, job preservation, and job creation in areas where they are most appropriate or most needed. At the end of 2019, the companies eligible to receive EZ benefits reported

1,659 new or maintained jobs statewide. There were 193 companies enrolled in the EZ Program at the end of 2019.

One-Year goal: 225 companies enrolled at the end of FY 2021.

Five-Year goal: 300 companies enrolled.

Action Plan: Market to agriculture related companies.

Measure of success: Increase in jobs maintained.

Budget Impacts: Unable to certify companies who are eligible for tax credits for doing business in the zone; unable to certify companies eligible to participate in EZ program.

- **Opportunity Zones:** The Opportunity Zones program provides a federal tax incentive for investors to re-invest their unrealized capital gains into Opportunity Funds that are dedicated to investing into Opportunity Zones, which are low-income urban and rural communities. There are 25 Opportunity Zones in Hawaii. The Division has held eleven promotional/informational sessions statewide to date.

One-Year goal: Five (5) community outreach sessions to assist community-based projects to become investment ready be presented to Opportunity Funds.

Five-Year goal: Partnership with private companies.

Action Plan: Hold five (5) community-based projects.

Measure of success: Investment of \$1 million in Opportunity Zone projects.

Budget Impacts: Program would be curtailed.

- **Hawaii Small Business Fair:** In FY2020, the CBED Program partnered with the Council for Native Hawaiian Advancement (CNHA) to sponsor a one-day event – the Small Business Resource Fair - at CNHA's 18th Annual CNHA Convention held at the Hawaii Convention Center on Oahu. More than 1500 attendees for the CNHA Convention attended the resource fair and received valuable business resource information.

One-Year Goal: Total 300 attendance at the annual fair.

Five-Year goal: Total 500 attendance.

Action Plan: Virtual Business Fair.

Measure of success: Increase in business participation.

Budget Impacts: Fair would be cancelled.

- **International Affairs:** Guangdong and Hawaii celebrated the 35th anniversary of their Sister-State Relationship. Due to the global pandemic, Hawaii and Guangdong were unable to plan a commemorative celebration, however, look forward to continuing their relationship of exchanges in the near future. The Division commemorated the 25th Anniversary of the Sister-State with Taiwan. The Division also organized one mission to promote trade and investment with Osaka.

One-Year goal: Produce the Philippines-Hawaii Sister States, Provinces and Cities Symposium and Expo and the Japan-Hawaii Sister-State Summit.

Five-Year goal: Leverage sister-state relations to increase trade and investment.

Action Plan: Leverage sister-state relations to increase trade and investment.

Measure of success: Increase in trade and investment.

Budget Impacts: Cancellation of summits/conferences designed to bring in an audience from out-of-state.

- **13th Festival of the Pacific Arts and Culture (FestPAC):** The Festival, held every four years at a different location in the Pacific, was to be hosted by Hawaii in June 2020. However, due to the global pandemic, the Festival has been rescheduled for June 2024. The FestPAC Commission continues to hold virtual meetings on a monthly basis to carry on the planning for this event.

One-Year goal: Re-affirm commitment of all partner organizations and confirm venues for all activities.

Five-Year goal: Assess success of Hawaii event and share with other Pacific Island nations; create a new hybrid model for this event combining live and virtual activities and performances.

Action Plan: Leverage partnerships with cultural and community organizations.

Measure of success: Selection of Hawaii to host other similar events.

- **Community Based Economic Development (CBED):** Through loans, grants and technical assistance the Community Based Economic Development (CBED) program provides training and capacity building opportunities to promote, support, and invest in community-based development projects that result in measurable economic impact.

CBED offers micro-loans usually up to \$50,000, to eligible small businesses that support economic development in their communities. The CBED loan program supports a broad range of businesses, including agricultural producers and manufacturing businesses. Loans may be used for: Start-up costs and working capital; Construction or improvement of facilities; Purchase of equipment; Payment of production and marketing expenses including materials, labor and services. CBED currently has co-lending agreements with the Hawaii Dept. of Agriculture (HDOA) to execute and service loans and also an agreement with Feed the Hunger to collaborate on participation loans.

In response to the COVID-19 pandemic, from April through June 2020, the CBED Program assisted the Small Business Administration (SBA) with promoting and advising business on the Paycheck Protection Program (PPP) and the Economic Injury Disaster Loans (EIDL). CBED also re-directed a current contract with the Hawaii Community Reinvestment Corporation (HCRC) to provide technical assistance to nonprofits to access SBA EIDL and PPP loans. HCRC consulted with nonprofits to understand their immediate (3 to 6 months out) cash flow needs and the Federal resources available. In addition, HCRC held several periodic webinars to reach a broader audience.

BDSD expects to have an additional \$1 million available from the Economic Development Administration (EDA) grant for the CBED Revolving Loan Fund to use for CBED Small Business Loans.

One-Year Goal: Eight (8) CBED Loans to Small Businesses

Five-Year Goal: Obtain federal funds to increase amount available to lend.

Action Plan: Obtain federal funds to increase amount available to lend.

Measure of success: 50 loans to fund businesses.

Budget Impacts: DBEDT will lose out on an approved \$1.0 million grant from the Economic Development Administration (EDA). This loan program will help those firms negatively affected by Covid-19 and are unable to obtain assistance elsewhere.

- **Overseas Offices:** Both overseas offices in Beijing and Taipei adjusted their plans in 2020, due to the COVID-19 pandemic. The Beijing office (SHOB) hosted a 11-session webinar series for Hawaii businesses to explore the opportunities and possibilities for exporting products to China; in an effort to diversify the economies of Hawaii, help Hawaii businesses to expand their markets, and to offset the effect of the abrupt halt to travel to Hawaii. Alibaba, a Chinese mega-company that is the world's largest online and mobile commerce company, was also included as one of the speakers to introduce their platform and help businesses to get their products online. There was an average of 30 businesses who attended the webinar in the past four (4) sessions since October 2020.

The Taipei office (SHOT) organized a virtual Hawaii coffee mart to promote Hawaii Coffee to the Taiwan Market. Seven (7) companies/farmers from Hawaii gave a presentation about their products, over 40 representatives/buyers from Taiwan coffee industry attended in Taipei, and coffee samples were distributed and tasted at the venue in Taipei. An interest form was filled for the post event follow up.

One-Year goal: Able to help Hawaii businesses to enter the China Market (Mainland China and Taipei)

Five-Year goal: Maintain the overseas offices, increase exports to the Chinese market.

Action Plan: Leverage sister-state relations and the local relationship in China to increase opportunities for Hawaii businesses through different projects.

Measure of success: Increase export sales.

Budget Impacts: Closure of the Beijing office (SHOB) will mean:

- Hawaii will lose a privilege as one of only 3 state offices that were legally approved by the Chinese central government.
- Hawaii may disconnect with government in China since SHOB understands well and keeps a very strong relationship with the offices among the Chinese central government, as well as the provincial officials, such as the Sister-States provinces (Guangdong and Hainan), and those officials are very supportive to the SHOB. Especially for Guangdong Province, because of the historical background, no other states have such a close relationship with China,
- With the recovery plan from COVID-19, SHOB just established an 11-session webinar on various topics to help Hawaii companies from October, 2020 to March, 2021, from starting a business and building a Hawaii branded business in China to marketing and advertising within the

Chinese market; Hawaii companies have a chance to learn and establish a business or connect businesses in China, including an opportunity with Alibaba, a Chinese mega-company, one of the world's largest online and mobile commerce firms. With great panelists and great feedback from the Hawaii companies, we could see more opportunities for Hawaii companies to do business in China in the future and helping the companies to expand their market and to grow their profit. By closing the SHOB, Hawaii companies will lose an important tool to connect their business in China.

Closure of the Taipei Office (SHOT):

- SHOT has been existence for 27 years, and the central government of Taiwan subsidizes 40 percent of the rent from year 2020 till now.
- Hawaii may lose the long-lasting relationship with the government in Taiwan:
 - Ministry of Foreign Affairs provides annual budget for SHOT to attend the Food and Product Show to promote Made in Hawaii products.
 - Bureau of Trade, Ministry of Economic provides funding to invite Hawaii government officials and company to Taiwan to attended "U.S. business day" event, to promote export assistant and investment attractions.
 - SHOT successfully lobbies the Council of Indigenous Peoples (CIP) to conduct two of the international conferences/event/workshop in Hawaii, and successfully lobbies the CIP to sponsors five of the Pacific country to participate the FestPAC, total of the ground costs of 150 people, the FestPAC is postponed to 2024.
- SHOT assists Taiwan Government officials and Sister-State County delegation to visit Hawaii, as well as assists and accompanies Hawaii State Legislator to visit Taiwan.

FEDERAL FUNDS: In 2019, the division was awarded \$511,000 and in 2020 it was awarded \$528,000 via competitive grants from the U.S. Small Business Administration (SBA) to increase the number of Hawaii small businesses that export, as well as to increase the dollar amount of exports from small businesses already involved in global markets. This program, called the Hawaii State Trade Expansion Program or HiSTEP, is a comprehensive program involving training, trade shows, consumer shows, and direct company assistance. DBEDT must compete again for federal funding from the SBA for up to \$ 800,000 in 2021.

Federal Award Title: State Trade Expansion Program

CFDA Number: 59.061.

In September 2019, the division received a \$399,500 grant from the Department of Defense/Office of Economic Adjustment to update and enhance a defense economy website

and perform a SWOT analysis focusing on the major state defense industry activities that are impacted by defense spending.

Federal Award Title: Hawaii Defense Economy Project Phase II
CFDA Number: 12.617.

NON-GENERAL FUNDS: <https://budget.hawaii.gov/wp-content/uploads/2020/12/BED.pdf>

BUDGET ADJUSTMENT:

- Reduction of \$128,550 in FY22 and FY23 for CBED Micro-loans.
- Reduction of \$200,000 in FY22 and FY23 for marketing, trade and investment with China.
- Reduction of \$1,050,000 in FY22 and FY23 for economic development funding.

LAND USE COMMISSION – BED 103

MISSION: The program objectives of the Land Use Commission (LUC) are to process, review, and act on petitions for housing and infrastructure projects and stimulate the construction industry and increase the state housing inventory. The primary way this is accomplished is through district boundary amendments involving lands over 15 acres in the State Agricultural, Rural, and Urban Districts and all petitions seeking reclassification of lands in the Conservation District; review and act on applications for special permits in the Agricultural and Rural Districts which are over 15 acres; process motions and boundary interpretation request ; and maintain , update, and disseminate official State Land Use district maps and land use information.

BUDGET REQUEST: The sum requested funds all currently filled positions and allows the LUC to continue its functions and hold hearings and contested case hearings via virtual meetings. See the section on [notable performance measures](#) for program milestones and measures.

CURRENT ECONOMIC AND FISCAL CONDITIONS: LUC's share of DBEDT's general funds restriction due to COVID-19 creates hardships on the Commissions ability to hold public hearings and contested case hearings. Virtual platforms have been used to continue to hold hearings in a method that allows for transparency and participation by the general public.

NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:
In the current fiscal year, the LUC has stimulated economic activity by meeting all of its projected goals and processing all petitions for district boundary amendments, special permits, Important Agricultural Land designations and Motions to Amend in a timely manner. Most Petitions and Motions were decided on and concluded within four (4) months of being deemed complete for hearing.

- **Petition Processing:** Using virtual platforms, the LUC will be able to continue to meet all long- and short-term goals in the approval of these matters. The LUC has also been able to meet all of its projected goal with regard to Boundary Interpretations stimulating and allowing for the Counties to process and issue construction permits for over 1200 small projects. The estimated economic impact of the LUC this fiscal year was:

 - Minimum Direct Development Investment of over \$700 million;
 - Post Development Economic Activity exceeding \$200 million;
 - 350 direct construction jobs exceeding \$250 million in wages;
 - Offsite and Post development economic activity exceeding \$250 million;
 - 260 acres of Industrial lands approved for construction; and
 - 200 hotel rooms approved.

One-Year Goal: Reduce the time for response to boundary determinations.
Five-Year Goal: Continue to streamline process.
Action Plan: Digitize archive materials. Update and modify the LUC website.
Measure of Success: Increase in number of Petitions handled annually.
Budget Impact: Staffing and hearing capabilities must be maintained.

- **Important Agricultural Land designation:** Pursuant to recently enacted legislation, private parties and the counties may submit petitions for various lands to be designated as “Important Agricultural Lands.” Counties may submit large scale proposals for designation.

One-Year Goal: Complete Petition by the City and County for Oahu designation.
Five-Year Goal: Complete Maui County and Hawaii County Petitions.
Action Plan: N/A
Measure of Success: Completion of designation process
Budget Impact: Staffing and Hearing capabilities must be maintained.

- **Special Permit Applications:** Various infrastructure projects such as the expansion of the Honouliuli wastewater treatment plant and continued operation of various public and private landfills, and quarrying operations to supply materials for road building and construction.

One-Year Goal: Complete processing of filed petitions.
Five-Year Goal: Continued processing of filed petitions.
Action Plan: N/A
Measure of Success: Completion of petitions.
Budget Impact: Staffing and hearing capabilities must be maintained.

- **Affordable Housing:** LUC activities are focused on approval and enabling of large and medium scale construction and housing projects to stimulate the construction industry and further the state inventory of affordable and market rate housing. This past fiscal year, over 2100 to 5000 affordable and market rate homes were approved.

One-Year Goal: Complete filed petitions within required time frames.
Five-Year Goal: Complete filed petitions within required time frames.

Action Plan: Work directly with petitioners to ensure a fair but expedited process.

Measure of Success: Decrease in affordable housing shortage.

Budget Impact: Staffing and hearing capabilities must be maintained.

- **Energy Projects:** The LUC is also responsible for the approval of Solar Projects on class A, B&C rated lands. Three major solar projects were approved this year.

One-Year Goal: Expedite processing of Solar permits.

Five-Year Goal: Continued processing of permits in an expedited manner.

Action Plan: N/A

Measure of Success: Processing of permits in a timely manner.

Budget Impact: Staffing and hearing capabilities must be maintained.

- **Enforcement of District Boundary Amendment Compliance:**

One-Year Goal: Finalize three outstanding enforcement actions.

Five-Year Goal: Reinstate activity upon budget restoration.

Action Plan: N/A

Measure of Success: Restoration of enforcement activity.

Budget Impact: Due to restrictions on re-hiring of staff that were lost to resignation or retirement the LUC has curtailed pro-active enforcement activity and is concentrating efforts on the processing of housing.

FEDERAL FUNDS: None.

NON-GENERAL FUNDS: None

BUDGET ADJUSTMENT:

- Reduction of \$66,231 FY22 and \$132,462 FY 23. Elimination of travel and hearing costs and savings from staff.

CREATIVE INDUSTRIES DIVISION – BED 105

MISSION: Creative Industries Division (CID) is charged with the effective development of Hawaii’s creative industry clusters, developing initiatives, infrastructure and connectivity between sectors which strengthen business opportunities, support a sustainable ecosystem framework resulting in a robust Creative Economy for the State.

Hawaii’s creative and cultural sectors are intrinsic to our State’s identity. Through targeted initiatives, CID builds business and digital export capacity across 13 sectors through three areas of focus: 1) talent and workforce development initiatives; 2) entertainment industries infrastructure development; and 3) access to capital and industry relationships designed to expand export of global creative content and intellectual property (IP).

Comprised of the Hawaii Film Office (HFO) and the Arts and Culture Development Branch (ACDB)

CID has increased the business capacity and growth of the state’s media, music and design clusters creative products and IP through Creative Lab Hawaii and CreativeSpace808 initiatives.

BUDGET REQUEST: Budget impacts are discussed under each project. See the section on [notable performance measures](#) for program milestones and measures.

CURRENT ECONOMIC AND FISCAL CONDITIONS:

Hawaii’s creative clusters in performing arts, cultural arts, music, design, and media were severely impacted by the COVID-19 pandemic, decimating revenue streams from live performances, travel for festivals, concerts due to visitor industry, hotel and restaurant shutdowns. Grammy and Hoku Award winning artists who rely on their income from touring, particularly in Japan, were 98% impacted, eliminating revenue sources beginning in March and projected to last through end of 2021.

Hawaii’s film and television industries workforce also had a significant impact, down 95% from March through June of 2020. Until modified quarantine programs could be safely put in place, production was at a standstill in Hollywood and around the world.

Hawaii Film Office and its sister Film Offices of the Hawaiian Islands worked with film industry studios, labor unions and local officials to develop protocols so filming could begin in summer of 2020. Using a phased in approach the State opened for local regional productions in June 2020, followed by offshore productions late summer once the “Safe Way Forward” protocols were ratified by Studios and Unions. Hawaii’s film and television production industries remain an important aspect of recovery and resiliency to put residents back to work and support visitor attraction. While it is estimated that production spend will be down by 50 to 60% for calendar year, four television series, feature films and commercials have cumulatively employed an estimated 800 to 1000 residents in high paying jobs.

Comprised of freelancers, gig workers and small businesses throughout the islands, it is anticipated that those Hawaii performing artists who did not receive UI or PUA, required them to look to online performances, pivoting from live to the digital realm of Facebook Live, YouTube and local television station broadcasts and streaming efforts. Though inventive, our artists cannot live by virtual tip jar contributions.

To underscore these statements, the June 2020 Brookings Institute provides insight into the devastating impacts on America’s Creative Economy, citing Hawaii as disproportionately affected:

“The creative economy is one of the sectors most at risk from the COVID-19 crisis. Arts, culture, and creativity are one of three key sectors (along with science and technology as well as business and management) that drive regional economies. Any lasting damage to the creative sector will drastically undercut our culture, well-being, and quality of life. Hawaii was disproportionately affected by the pandemic, along with New Mexico,

Louisiana, Nevada and Tennessee. This is due to the high concentration of creative sectors present in these regional economies.”

CID engaged in weekly dialogue with constituent clusters early in the pandemic, polling sectors particularly hard hit to effectuate solutions where CARES Act and other general fund support would help alleviate the adverse impacts. CID is in final stages of an U.S. Department of Commerce EDA grant for \$2.5 million to support workforce development/education to industry job placement and facilities. National Endowment of the Arts Our Town Grant is awaiting approval for \$300,000 to support a performing arts pivot to digital through classic Hawaii Theatre. Total general fund support FY21 = \$131,000 through Q2.

Creative Sectors Served During the Pandemic: Digital Transformation (DT), e-commerce and WFD to the following:

- Performing Arts Venues and Non-Profits – Digital Transformation Initiative
- UHCC KapCC and IATSE – Safety Coordinators and staff training (up skilling)
- UHCC KapCC New Media Arts and IATSE – On-Set Conduct 101 (up skilling)
- Digital Ready Hawaii Theatres Initiative (ongoing)
- NEA Grant in partnership with Hawaii Theater and City and County of Honolulu
- ManaUP Live Telecast/Streaming Global Showcase Events
- Hawaii Theater Holiday Streaming Concerts
- Drive In Theatres, Hawaii Filmmakers Section, Hawaii International Film Festival
- Maui Film Festival Online Fest
- Hawaii Academy of Recording Arts (HARA) Virtual Na Hoku Hanohano Awards
- Hawaii Academy of Recording Arts (HARA) Annual Music Legacy Awards
- ID8 Studios & Coworking Space – Entrepreneurs Sandbox
- Creative Hawaii Hui – Ongoing dialogue with creative sector constituents
- Creative Lab Virtual Programs – music and media

In partnership with the Research and Economic Analysis Division (READ) at DBEDT, cluster specific data on the arts community has been collected since 2003 when the division launched. Through tracking the overall growth of Hawaii’s creative sectors in arts, culture, music, media, film, design, fashion, and interactive media, it is estimated that in 2018-19 the following provides details on the composition of these creative clusters:

- 53,464 jobs
- 6.1% of the state total civilian jobs
- \$4.2 billion Gross Domestic Product (GDP)
- 4.5% of total State of Hawaii GDP

Hawaii’s Film and Television Industry Metrics:

- 2019 calendar year, \$405 million in estimated production expenditures generated
- Estimated \$707 million of economic impact (granular detail provided in Act 275 report)
- \$43.7 million in estimated tax revenues
- Total job impacts of 3,303 jobs.

The proposed abolishment of 5 FTE positions which are currently unfunded will impact CID's ability to:

1. Fulfill the statutory mandates for film tax credit management (2 positions; EDSVI and Accountant IV).
2. Fulfill the statutory mandate for film permitting, one-stop servicing (1 position; EDSV)
3. Elimination of the Branch Manager for all creative economy initiatives including oversight of the Act 228 fund, supporting administrator and implementation of all grants. This in essence collapses the division structure.
4. Total G-fund savings \$310,000.

NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

- **Hawaii Film Office:**

- **Staffing Capacity & Skill Sets:** Film production in Hawaii has seen its biggest year in CY 2018. With the startup of the industry in Summer 2020, multiple television series, feature films, national commercials and regional Hawaii film production is on the rise, so much so that given this volume of production, the inability to hire full time staff, current capacity continues to be stretched impacting operations.

An online film permit system and film tax credit submission system will both be priorities for end of FY21 and FY22. This, along with retaining positions in the division, is critical to our role in economic recovery and resiliency.

- **Film Production:** Film Production in calendar year 2019 totaled to \$405 million with multiple series including *Hawaii 5-0* and *Magnum P.I.*, a locally developed web series SURF HOTEL and PBS television series FAMILY INGREDIENTS along with feature films

One-Year Goal: Implement online e-systems to streamline reporting, data collection and ease of analysis. Mitigate any position impacts with contract workers. Launch the industry workforce development programs in partnership with higher education.

Five-Year Goal: Resilient film and television production, Increased contributions to Act 228 Hawaii Film and Creative Industries Development Fund.

Action Plan: Continue partnerships with private sector, foundations, federal support to mitigate fiscal impacts to program.

Measure of Success: Maintain steady offshore production and increase infrastructure capacity.

Budget Impacts: Devastating impact to the legacy of Hawaii as a production destination. Staffing cuts mean inability to handle the statutory responsibilities of film permitting and tax credit management.

- **Entrepreneurial Ecosystem Development:** CID's Arts and Culture Development Branch (ACDB) handles business and workforce development for Hawaii's creative ecosystem

development, focusing initiatives in the areas of: 1) talent/ workforce development; 2) infrastructure development; and 3) investment and policy development, to establish a continuum of job and business opportunities from education to workforce which are strategically designed to accelerate export of creative Intellectual Property (IP) products and services – all key aspects of a thriving innovation ecosystem.

One-Year Goal: Continue expansion of collaborative initiatives, fund Act 228 and launch initiative to provide seed capital for qualified Hawaii creative entrepreneurs with projects under \$200,000.

Five-Year Goal: Hawaii has developed a self-sustaining ecosystem with vibrant economic impact, export of original works increased through global IP licensing.

Action Plan: Build out infrastructure (see items below), Secure partnerships with New Zealand, Japan and Korea for business to business remote work opportunities for Hawaii residents in media, VR/AR, content creation.

Measure of Success: Pipeline of business opportunities generated from industry relationships nets \$1 million annually. Number of films, series and music licensed, pipeline of jobs filled by local residents in emerging industries.

Budget Impacts: No budget requests for FY22.

- **Creative Lab Hawaii & Digital Transformation Initiatives:** Hawaii’s creative economy showed continued growth until the pandemic hit. The first signs of recovery came in the form of film and television production; both offshore and increased volume in the locally written, produced content – from short films to online series and features. Creative Lab Hawaii programs demonstrated the power of business acumen in the entertainment industries with six figure placements for original Hawaii music during the pandemic. The increased digital export of original content and music has reached a record number despite the pandemic. This signals a significant opportunity to shift focus on digital transformation for Hawaii creatives.

One-Year Goal: Build digital online hub to showcase original content. Workshops in legal, business and IP creation/protection in conjunction with Senator Hirono’s team in D.C. Continue to build out the pipeline of education-to-workforce opportunities in media, indigenous storytelling, VR/AR storytelling music and design. Build partnerships and secure funding from foundations and federal dollars.

Five-Year Goal: Increase jobs in e-commerce, export of creative IP, postproduction, licensing of original songs in mainstream film, television, streaming and commercials.

Action Plan: MOA’s and P3’s developed to accelerate placement in new sectors of emerging industries.

Measure of Success: 30 to 50% of increase of jobs across creative and emerging sectors.

Budget Impacts: Program will seek funds from foundations, grants and contributions to the Act 228 Hawaii Film and Creative Industries Development Fund.

- Co-Working Space & Studio at Entrepreneurs Sandbox:** CID in partnership with Hawaii Technology Development Corporation (HTDC) will launch a studio space and creative co-working at the Entrepreneurs Sandbox in Kakaako. This purpose-built stage will provide the needed infrastructure for creatives who are developing content, creating online shows and rehearsal space. BizGym and former president of 1013 manage the space slated to open in Q1 2021. To expand postproduction training for the potential of local workforce being sought for productions, CID's Creative Spaces at the FTZ Homer Maxey Center focused on postproduction in sound and editorial, the other at the Entrepreneurs Sandbox. Each space will feature the tools necessary to create content in media, music and design/fashion.

One-Year Goal: Increase export of local music and media IP.

Five-Year Goal: Launch a content platform similar to the Korean Creative Content Agency model (KOCCA).

Action Plan: Partnership with KOCCA and regional accelerators, coworking hubs in Japan, Korea and Mainland U.S.

Measure of Success: Increased revenues to local creatives

Budget Impacts: Pivot to a private sector model.
- Neighbor Island Creative Co-Working Sites:** A Memorandum of Agreement with the Public Access Stations will augment this infrastructure project, to deliver the same tools and programming to neighbor islands at PEG Access Centers. Integration of programming will include CLH High School to industry level opportunities.

One-Year Goal: Open Kakaako Studio Q3 FY21.

Five-Year Goal: Generate income from site rentals which are deposited into the Act 228 fund to sustain/maintain facilities, seed fund content for export, continue training programs.

Action Plan: Contractors to implement programs in concert with PEG stations.

Measure of Success: Increased original content, programming from throughout Hawaii for licensing to global markets, complete MOA with all neighbor island PEGS, seek private sector donors to maintain the facilities.

Budget Impacts: Privatize the effort with an industry partner.
- New Studio with Creative Media, Film Production Facilities:** CID has worked with UH leadership and DAGS and their consultants G70 to complete the initial plans required to obtain an EA for a site in the West Oahu region.

One-Year Goal: Attract private sector partners in the industry to design/build/operate a new multi-stage Creative Media/Film Studio Complex on Oahu.

Five-Year Goal: Structure completed and open for business.

Action Plan: Work with industry and UH.

Measure of Success: Multi-million-dollar industry cluster. Increased jobs, production, export of local content and taxes generated.

Budget Impacts: There is currently no budget allocation for underground

infrastructure, consulting or other means of financing.

FEDERAL FUNDS: CID partnered with Hawaii Theatre Center on a \$300,000 National Endowment of the Arts grant to support digital content creation and facilities upgrades. If awarded, programs start in April 2021. The Our Town Grant requires a match of cash and/or in-kind. In addition to CID, the City and County of Honolulu Mayor's office are partners. The division is completing a U.S. Department of Commerce Economic Development Agency grant to augment expansion of the statewide entrepreneurial ecosystem, through its Creative Lab Hawaii (CLH) Accelerator Program in media, VR/AR and music.

NON-GENERAL FUNDS: <https://budget.hawaii.gov/wp-content/uploads/2020/12/BED.pdf>

BUDGET ADJUSTMENTS:

- Abolish four (4) unfunded positions.
- Reduction of \$30,000 in FY 22 and FY23 for Creative Lab Hawaii program.
- Reduction of \$13,703 in FY22 and FY23 for marketing efforts.
- Eliminates one Film Industry Development Specialist IV of \$52,956 in FY22 and FY23.
- Reduction of \$30,000 in FY22 and FY23 for film studio repairs and maintenance.

FOREIGN-TRADE ZONE DIVISION – BED 107

MISSION: The Foreign-Trade Zone Division No. 9's (FTZ9) mission is to establish, maintain, and administer general-purpose Foreign-Trade Zones and special-purpose Foreign-Trade Subzones throughout the State; provide storage and distribution services to firms engaged in the import/export of merchandise; and lease office, warehouse, and manufacturing space to firms engaged in international trade. The FTZ9 receives no general funds.

BUDGET REQUEST: No budget adjustment is being requested at this time. See the section on [notable performance measures](#) for program milestones and measures.

CURRENT ECONOMIC AND FISCAL CONDITIONS: This past year was a challenge for the Foreign-Trade Zone division as well as Foreign-Trade Zones nationally. With the administration's continued implementation of trade remedies, impending international trade agreements, and the restrictive actions by the USTR relating to FTZ manufacturers using imported component parts, the year began on uncertain footing.

Add to that, the onset of the COVID-19 pandemic early in the year caused a severe disruption to the world's trade environment as logistics providers, shipping companies, exporters and importers, and manufacturing supply chains scrambled to adjust and find ways to adapt to the new climate. Internationally, the world's trade environment slowed as it tried to understand, manage, and mitigate the impacts of the virus on companies and employees worldwide. Resources were shifted to managing and continuing operations under difficult circumstances.

FTZ9 had to quickly adjust to the new operating environment as well. Because the program interacts directly with the public and supports over 290 companies made up of mostly small mom-and-pop businesses that would have a difficult time operating without the ability to leverage the services of FTZ9, the program made the commitment to these small businesses to remain open and operational for the duration of the pandemic. Working with the Department and the unions, FTZ implemented a rotational and work-from-home staff schedule to limit employee's potential contact with the virus and ensuring basic services were always available from the program. Because of this, FTZ9 was able to continue to support its clients and work to expand its services during these difficult times. It is important to note that 290 is the highest number of companies served by any Foreign-Trade Zone in the nation.

Even with the difficult economic circumstances, FTZ9 continues to operate at a high capacity with 90% of its offices occupied and 85% of the warehouse capacity filled. The Pier 2 zone facility has remained active with goods continuing to be received and delivered at a consistent activity level.

NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

- **Self-Sustaining Program:** The FTZ9 program services 369 companies statewide, providing revenues of over \$2.2 million annually, which wholly supports the program. During the last reporting year:
 - FTZ9 had over \$9.3 billion in cargo and merchandise that transited through Hawaii's FTZ sites which was up nearly 8 percent from the previous reporting year.
 - One hundred and ten (110) different types of foreign merchandise were received into the FTZ9 from 34 countries.
 - Hawaii's FTZ remains in the top 25 FTZs in the nation, with total exports of \$439 million annually, ranked as the 20th highest in the nation according to the Foreign-Trade Zones Board Annual Report to Congress.
 - FTZ9 ranked 23rd highest in the nation for exports from warehouse/distribution activity, totaling \$2.3 billion, which was a 7.8 percent increase from the previous year.
 - Zone activity supports 2,901 jobs for Hawaii.
 - Total value-added and manufacturing activities over \$5.1 billion, an 18.6% increase.

One-Year Goal: Continue its excellent service and provide support to its clients. Update and modernize the FTZ Procedures Manual.

Five-Year Goal: Continue to serve FTZ clients to their highest expectation by adjusting program offerings to meet client demands. Continue to expand the FTZ Special Fund to in order to fulfill its mission and expand services.

Action Plan: Through the use of on-line platforms with the eventual goal of in-person sessions, FTZ will develop a series of seminars designed to educate potential clients as to what is involved in international

commerce and how to participate. FTZ will work with industry partners such as the U.S. Commercial Services, Small Business Administration, Chambers of Commerce, Mana Up, and DBEDT sister agencies to develop and present these seminars.

Measure of Success: The number of clients and jobs the program continues to support as well as program's continued Special Fund financial position throughout the year.

Budget Impacts: No anticipated impacts if the special fund balance is maintained at the current level.

- **Alternative Site Framework Zone (ASFZ):** FTZ9 also aggressively began to market to companies who may be able to benefit from activating as an Alternative Site Framework Zone. The program reached out to multiple companies regarding the opportunity and now has three companies interested in activating and are currently in the application and activation phase. A fourth company has also expressed interest and FTZ9 will begin formal discussions with this company early in 2021.

One-Year Goal: 3 companies approved as ASF Zone location.

Five-Year Goal: 6 companies approved as ASF Zone location.

Action Plan: Work with identified companies to complete the Zone application to the FTZ Board, ensure the site meets Customs and Border Protection security and operations guidelines, and completes a Zone User Agreement. FTZ is working with Innovate Hawaii and other applicable agencies to identify and open discussions with companies who could benefit from using FTZ procedures in their operations. Improve application process and relative speed of activation.

Measures of Success: Success for this initiative will be measured in the number of potential clients engaged, and how many have begun the FTZ application process.

Budget Impacts: No anticipated impacts if the special fund balance is maintained at the current level.

- **Renovations to the Pier 2 Facilities:** The renovations to the Makai side of the Pier 2 facility were completed with an update and conversion to ADA compliant restrooms, an updated elevator, and a new chiller system. These renovations were greatly needed and helped to modernize the facility to bring it up to current standards and make it an attractive place to conduct business for many years into the future.

One-Year Goal: With the given financial constraints to the state's budget, FTZ will be deferring any additional CIP requests for facility's maintenance or improvement projects.

Five-Year Goal: Depending on the state's financial position as time progresses, FTZ has identified its parking lots and marshalling yard for resurfacing, upgrading its antiquated, original DELTA electric distribution system, and complete the roof encapsulation over the warehouse.

Action Plan: In the interim, FTZ will utilize its Special Fund for facility maintenance and repair as needed but depending on the economy and the

program's financial position, the FTZ may not have sufficient funds for major repairs or needed renovation projects.

Measure of Success: Continued maintenance and operation of the facility for the duration to ensure it is a safe and attractive place for international trade business to be conducted.

Budget Impacts: No anticipated impacts if the special fund balance is maintained at the current level.

- **Expand the FTZ Energy Generation System.** In 2017, FTZ9 installed what was the largest photovoltaic array in the core downtown area. This system, coupled with other energy saving measures, produces enough energy to nearly fulfill all of FTZ's daily energy requirements.

One-Year Goal: Expand this system to reduce its dependence on the electric grid and shift toward renewable energy sources. In order to fully optimize the system, the photovoltaic should be augmented by a battery system to extend its usefulness, lower the FTZ's operating and energy costs, and provide a resource for energy resiliency in the event of a natural or other type of disaster.

Five-Year Goal: FTZ is identified in the State's COOP plan as a site for intake, storage, and mobilization of critical goods and materials to help the State in its recovery effort. The addition of a battery system will create a microgrid which could provide electricity for the area if electric feeder lines are in operable or supply lines are cut. The battery system would allow FTZ and surrounding neighbors to operate 24/7 solely on renewable energy.

Action Plan: Seek financing to underwrite the cost of the project.

Measure of Success: Receive funding to start the project.

Budget Impacts: No anticipated impacts if the special fund balance is maintained at the current level.

FEDERAL FUNDS: None.

NON-GENERAL FUNDS: <https://budget.hawaii.gov/wp-content/uploads/2020/12/BED.pdf>

BUDGET ADJUSTMENTS: None.

HAWAII TOURISM AUTHORITY – BED 113

MISSION: The Hawaii Tourism Authority (HTA) is the official agency for tourism in the State of Hawaii. HTA is guided by four pillars which are: natural resources, Hawaiian culture, community, and brand marketing. Its mission is to strategically manage Hawaii's tourism in a sustainable manner consistent with economic goals, cultural values, preservation of natural resources, community desires and visitor industry needs.

BUDGET REQUEST: \$95,500,000 (Total Combined)

Hawaii Tourism Authority (TSF)	\$79,000,000
Hawaii Convention Center (CCESF)	\$16,500,000

CURRENT ECONOMIC AND FISCAL CONDITIONS:

In 2020, HTA had planned to fund hundreds of events and nonprofit organizations across the state that benefit our natural resources, Hawaiian culture, and community. However, the COVID-19 pandemic changed that, and HTA’s year has been focused on assisting with COVID-19 response efforts, crisis communications, visitor education and assistance, and tourism recovery.

HTA and the programs it supports are funded by the Transient Accommodations Tax (TAT) -- the 10.25% tax that people pay when they stay in legal accommodations across the state. However, because of the pandemic and substantial drop in tourism, the last TAT disbursement HTA received was in April 2020, shortly after the State’s travel quarantine order went into effect.

Despite that, HTA continued to support programs that benefit the Hawaiian culture and natural resources but on a much smaller scale.

Marketing efforts were paused for part of the year, but they started up again once the pre-travel testing program started in mid-October as a way for travelers to bypass the 14-day self-quarantine. HTA’s marketing contractor for the U.S., the Hawaii Visitors and Convention Bureau, was also heavily involved in the COVID-19 call center efforts, both for checking on quarantined travelers as well as answering questions from future travelers.

COVID-19 Related Projects:

In 2020, HTA was asked to become involved in numerous COVID-19 missions through the direction of Incident Commander Kenneth Hara and the Hawaii Emergency Management Agency (HI-EMA). The primary goal of these missions was to assist in the prevention of COVID-19 spread throughout Hawaii. They included the Visitor Aloha Society of Hawaii Flight Assistance Program, support and funding for screening at Hawaii’s airports, passenger form scanning, traveler data processing, dissemination of traveler data to HI-EMA, counties, Department of Health, and other state agencies, scanning, organizing, and storing Order for Self-Quarantine for the Attorney General, provided quarantine enforcement support to state and county law enforcement and prosecutors, and a call center to contact passengers who had arrived from out of state. In addition, HTA funded and helped develop a digital data collection tool for interisland travelers. HTA also developed a daily tourism brief and other research reports to provide market intelligence to stakeholders. HTA continues communications outreach efforts, updating the visitor industry and HTA’s marketing team around the world on COVID-related orders such as the travel quarantine and pre-travel testing program.

NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

Understanding the significance of tourism’s role to the state as the largest single source of private capital for Hawaii’s economy, HTA’s primary focus is to protect Hawaii’s iconic brand. We also see the relaunch of tourism as an opportunity to reshape the model for tourism. Our

natural environment, host culture and community are collectively Hawaii's brand – they play a major role in the appeal of the destination to our guests, to whom our marketing efforts are focused. For this reason, HTA serves as the connecting point between tourism, the community and other state departments. We are guided by our four pillars in everything that we do and are supported by research and data.

For HTA, 2021 will be focused on recovery and rebuilding tourism in Hawaii, thereby helping to get more of our residents back to work and bringing more money into our State through visitor spending. HTA will use the Destination Management Action Plans as roadmaps. Part of rebuilding process includes the Malama Hawaii marketing campaign. It's an effort to inspire mindful travel by encouraging visitors to help make a positive impact and leave Hawaii better than when they arrived. Hotels, industry partners and organizations across the state are working together to encourage voluntourism projects, in the spirit of helping to care for or "malama" our precious resources.

- **Destination Management Action Plan:** HTA launched a community-based tourism program in 2020, getting members of the public, visitor industry, island visitor bureaus and the counties involved in creating DMAPs to recover and rebuild tourism. The HTA Board of Directors approved the DMAPs for the islands of Kauai, Maui, and Molokai in December 2020. Hawaii Island and Lanai's DMAPs are still being finalized as of December 2020, and Oahu's DMAP process will begin in January/February 2021.
 - One-Year Goal:** HTA will work with the counties to implement actions outlined in the DMAPs, and the goal is to address as many of those issues as possible. It will involve working with other state departments, the counties, lawmakers, visitor industry, and the community. HTA will work from the premise that what's good for residents is good for tourism. In addition, HTA plans to continue supporting education and prevention programs to improve safety among visitors and residents, in an effort to maintain Hawaii's reputation as a safe destination.
 - Five-Year Goal:** Over the next five years, HTA plans to continue efforts to rebuild tourism in a sustainable and regenerative manner.
 - Action Plan:**
 - HTA plans to work with the counties towards carrying out actions that are laid out in the DMAPs for each island.
 - HTA plans to increase its attention to improving and enhancing visitor-impacted infrastructure and natural resources, such as forests, parks, trails, cultural sites, beaches, and reefs.
 - HTA plans to encourage and support responsible tourism by increasing the number of training sessions provided for visitor industry partners and management.
 - HTA will continue to reach out to lawmakers and community groups to see how it can help with efforts to minimize the economic, environmental and social impacts of tourism.
 - Measure of Success:** Milestones and measures will be based on the number of issues addressed.

Budget Impacts: HTA needs the funding to help implement the actions in the DMAPs and address the concerns outlined by Hawaii's residents. The DMAPs are prioritizing actions that meet the communities' values and lifestyles, minimize impact, provide a positive experience for residents and visitors, and bring the desired economic and social benefits to residents.

- **Kukulu Ola Program to perpetuate the Hawaiian Culture:** In 2020, HTA had planned to support 43 community-created initiatives that perpetuate the Hawaiian culture through its Kukulu Ola program. However, because of the pandemic, restrictions on large gatherings and budget impacts, all the Native Hawaiian festivals and events that HTA had planned to support were either cancelled or moved online. HTA reduced the funding provided to the other programs and nonprofits in its Kukulu Ola program. HTA continued to support the Native Hawaiian Hospitality Association and efforts to preserve olelo Hawaii (Hawaiian language). It also provided support to Iolani Palace for the removal of bees and to make emergency repairs.

One-Year Goal: HTA aims to resume and continue funding programs and events that benefit the community, Hawaiian culture and natural resources because those are key components of Hawaii's brand. Regarding the host culture, HTA aims to give increased emphasis to the Hawaiian language by preserving language resources, and by encouraging appropriate use of the language.

Five-Year Goal: Over the next five years, HTA plans to continue to support Hawaiian programs and cultural practitioners, craftsmen, musicians, linguists, and other artists to help preserve and perpetuate the Hawaiian culture.

Action Plan:

- HTA plans to establish a system for measuring and reporting the number of accommodations that have on-site cultural practice programs and practitioners, with the results tracked and reported annually.
- HTA plans to develop a partnership with recognized Hawaiian cultural organizations to identify sites that are being used appropriately or inappropriately for tourism purposes.

Measure of Success: HTA will track results through its annual surveys.

Budget Impacts: HTA needs the funding to continue efforts to perpetuate the Hawaiian culture, which is tied to Hawaii's branding. The host culture is what helps set Hawaii apart from other tropical visitor destinations. Kamaaina are vital to the quality of the visitor experience.

- **Branding and Marketing:** HTA contracts marketing organizations to promote Hawaii around the world. HTA's coverage in 2020 included the U.S. mainland, Canada, Japan, Oceania, Korea and Taiwan. During 2020, HTA discontinued its contracts to market in Europe, China and Southeast Asia, in large part due to the circumstances of COVID-19. HTA works to ensure that Hawaii delivers on its brand promise. HTA's marketing efforts are focused on working with contractors in markets who share our commitment to attracting high value visitors while staying true to Hawaii's brand.

One-Year Goal: HTA will continue to focus on marketing and brand

management aimed at bringing more high-spending, low-impact visitors as part of its sustainable, responsible and regenerative tourism plan. The Mālama Hawaii program encourages visitors to responsibly participate in unique experiences that give back to Hawaii.

Five-Year Goal: Over the next five years, HTA will continue to work towards bringing more high-spending, low impact visitors. HTA will also continue to educate visitors on cultural etiquette, including the do's and don'ts while in Hawaii.

Action Plan:

- HTA plans to continue encouraging responsible and regenerative tourism through education.
- HTA plans to continue marketing efforts that are aimed at attracting higher-spending visitors.
- HTA will work to ensure the iconic brand of the Hawaiian Islands is protected and that Hawaii delivers on its brand promise.

Measure of Success: HTA's measures of success are visitor satisfaction, resident sentiment, per-person per-day spend, and total visitor expenditures.

Budget Impacts: If HTA's budget is cut, the State of Hawaii will no longer be able to market and brand the Hawaiian Islands on the mainland and around the world or will significantly reduce its effectiveness. Under the direction of John De Fries, HTA's president and CEO, the marketing teams have adopted his "mālama mindset" and vision for a sustainable future for Hawaii.

- **Research:** HTA serves as a source for vital information on tourism market research. During the COVID-19 pandemic, HTA's research team also served as a resource for the Governor's office, the Department of Transportation, the Department of Health, the Attorney General's office and the local police departments.
 - HTA's Tourism Research Division continuously provides insightful information benefitting businesses and individuals who rely on having timely, accurate and comprehensive data about Hawaii tourism for their own usage.
 - Regular Tourism Research reports include the Monthly Visitor Statistics and news releases, Market Area Highlights and Fact Sheets, monthly Air Seat Outlook reports, monthly Hotel Performance Report, the Vacation Rental Performance Report, the annual visitor research reports, Hawaii Timeshare Quarterly report quarterly and annual Visitor Satisfaction & Activity reports, Resident Sentiment Survey report, Visitor Plant Inventory, and Marketing Effectiveness Study.
 - In response to the pandemic, the Tourism Research team produced additional market intelligence reports for stakeholders including a daily Tourism Brief, weekly Destination Brand Index Trend reports, and weekly Travel Agency Bookings reports. In addition, the research team monitored and updated air seat outlook reports more frequently due to rapid changes in air service.

One-Year Goal: Tourism Research will continue to provide regular, timely, and relevant market intelligence to stakeholders.

Five-Year Goal: Over the next five years, Tourism Research leverage technology to enhance research methods and improve the accessibility and user-friendliness of research reports

Action Plan:

- Tourism Research will maintain programs which provide the Measures of Success.
- Tourism Research will ensure that reports and market intelligence are timely, relevant, and regular.
- Tourism Research will leverage technology to enhance research methods.
- Tourism Research will leverage technology to improve data dissemination.
- Tourism Research will maintain the integrity and continuity of key data series and programs.
- Pending the availability of funding, Tourism Research will pursue additional relevant research opportunities.

Measure of Success: Research report and projects that are produced on time and on budget.

Budget Impacts: If the Tourism Research budget is cut, HTA will not be able to provide stakeholders with data and market intelligence that they rely upon for their business decisions.

- **Community Festivals and Events:** HTA had also planned to support 92 community festivals and events in 2020, but 78 of those were either terminated or cancelled due to COVID-19 and lack of funding. HTA's community efforts, however, were shifted to creating collaborative tourism plans based on input from the community, visitor industry and counties. During 2020, since most of the festivals and events were cancelled, HTA reallocated much of the funding meant for the Community Enrichment Program to the DMAP process instead. Because of the COVID-19 pandemic and social distancing requirements, it's uncertain when festivals and events will be able to resume in Hawai'i on a large scale.

FEDERAL FUNDS: None.

NON-GENERAL FUNDS: <https://budget.hawaii.gov/wp-content/uploads/2020/12/BED.pdf>

BUDGET ADJUSTMENT: None.

HAWAII STATE ENERGY OFFICE - BED120

MISSION: The statutorily mandated mission of the Hawaii State Energy Office (HSEO) is to promote energy efficiency, renewable energy and clean transportation to help achieve a resilient, clean energy, decarbonized economy. Toward this end HSEO provides energy sector stakeholders and others with information, analysis, tools and technical assistance needed to carry out Hawaii's clean energy transformation. HSEO also engages with the broader community to educate and solicit feedback about Hawaii's clean energy and decarbonization goals. Hawaii's pursuit of energy independence is stimulating economic growth in an innovation economy, elevating job growth prospects and business opportunities.

BUDGET REQUEST: FB 2021-23 budget requests aim to address HSEO's top priorities as the critical path to a resilient clean energy economy while recognizing the critical need to support the State's economic recovery. Funding for HSEO positions through the transfer of funds from Other Current Expenses is requested. Having undergone reductions of both positions and Payroll funds in recent years, HSEO's positions must be funded and then filled in order to carry out its mission. HSEO's budget requests also include an expenditure ceiling for the Energy Security Special Fund (ESSF) to address gaps in the office's programmatic needs, including continuance of the electric vehicle charging system rebate program established by Act 142, SLH 2019; to provide funds to leverage federal grant funding; and to make its special fund assessment payments. These requests are detailed below, and performance measures are discussed in the [notable performance section](#).

CURRENT ECONOMIC AND FISCAL CONDITIONS: In March 2020, Hawaii lost a total of 961 clean energy jobs due to the COVID-19 pandemic representing the highest decline of all the states at 6.4 percent. An analysis of October unemployment filings nationwide showed more than half a million energy industry professionals remained jobless despite the U.S. clean energy sector gaining nearly 24,000 jobs; the largest segment was energy efficiency. If this were a more normal year, energy efficiency would have grown by at least 34,500 jobs from March through October. The slow recovery for clean energy workers experienced an even smaller rate of job growth in November. (Source: BW Research Partnership Clean Energy Employment Impacts from the COVID-19 Economic Crisis memos, 3/11/20, 11/12/20, 12/8/20).

Comparatively, in 2019 Hawaii boasted 15,512 Traditional Energy workers representing 0.5 percent of all U.S. Traditional Energy jobs. Hawaii's Traditional Energy sector represents 2.4 percent of total state employment. In comparison, the U.S. Traditional Energy sector represents 2.3 percent of national employment. Hawaii had an additional 6,083 jobs in Energy Efficiency and 4,054 jobs in Motor Vehicles. Overall, Hawaii's Traditional Energy jobs grew by 2.3 percent since the 2019 report, increasing by 346 jobs over the period. Energy Efficiency jobs grew by 4 percent adding 233 jobs and motor vehicles declined by 2.5 percent losing 102 jobs. (Source: National Association of State Energy Offices: US Energy and Employment Report-2020).

The Hawaii State Energy Office has undertaken a host of initiatives in response to the COVID-19 emergency while continuing to carry out its core mission to help achieve a resilient, clean energy, decarbonized economy, despite restrictions on general funds resulting from the pandemic. HSEO is focusing its efforts simultaneously on support for energy efficiency and renewable energy deployment, energy assurance, particularly with regard to disaster preparedness and response, and job retention and creation to help fuel economic recovery.

HSEO's involvement in the COVID-19 emergency response is wide ranging, including working with emergency response officials to prioritize energy workers for the COVID-19 vaccine and promoting a green jobs pipeline to help strengthen and diversify the pandemic-ravaged economy.

The fiscal challenges facing HSEO as a result of the restrictions on general funds follow major changes to HSEO's structure and operation mandated by the Legislature in 2019, shifting the Office's personnel and operating expenses primarily to general funds. Among other changes, HSEO's allocation from the Environmental Response, Energy, and Food Security Tax ("Barrel Tax") was reduced, and the expenditure ceiling for the ESSF was eliminated, except for payments of FY21 special fund assessments, leaving the fund unavailable to respond to needs as they arise, including providing state matches for federal grant applications.

Four HSEO positions were eliminated as of July 1, 2019. A general freeze on position vacancies, which was instituted to minimize potential budget shortfalls attributed to the impacts of the COVID-19 pandemic, continues to impact HSEO programmatic activities. The loss of two additional positions due to retirements that cannot be filled have added to HSEO's constraints. Also, Act 9, SLH 2020, further reduced HSEO's FY20 General Fund appropriation with a permanent reduction of \$212,812 for personnel, leaving three positions unfunded in FY21.

Reductions and restrictions of General Funds will impact HSEO's programmatic activities. HSEO will need to leverage existing and potentially new federal funds to address some of its priorities. HSEO plans to carry out priority data analytics work and provide technical assistance to public agencies for building codes and energy efficient facilities using repurposed American Recovery and Reinvestment Act (ARRA) funds. HSEO will apply for a federal grant for building resilient infrastructure and communities (BRIC) to augment its energy assurance and resiliency activities. For HSEO to pursue federal funding opportunities, it must have nonfederal funds available to meet the cost match requirements of federal grant programs.

NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

- **Energy Assurance and Resiliency:** While all HSEO's priorities are essential to meet the State's clean energy goals, HSEO's top priority is to ensure the continued availability and delivery of reliable fuel and electricity energy to support economic recovery and meet the demands of a growing green economy. In this role, HSEO is responsible for maintaining what is referred to as a "common operating picture" (COP) – a continuously

updated overview of Hawaii's energy system both from a planning and incident response perspective. HSEO utilizes a COP in its role of the primary and coordinating agency for the State under the Hawaii Emergency Management Agency (Hi-EMA) for State Emergency Support Function 12: Energy (SESF-12) to coordinate and respond to "all hazards," including hurricanes and pandemics. In July, HSEO's State Emergency Response Team (SERT) found itself responding to both simultaneously.

HSEO's SERT for SESF-12 is led by one dedicated staff member and supported by HSEO staff serving as core team members and all other HSEO staff receiving cross-training on support functions for the core team members. Even with these measures in place, HSEO's ability to resource the SERT during COVID-19 and hurricane events became strained due to staff attrition and a hiring freeze. With category 4 Hurricane Douglas bearing down on the islands in July, members of the HSEO SERT staffed the HI-EMA Emergency Operations Center around the clock at Diamond Head while sequestering other team members in an offsite location to reduce exposure to COVID-19. While the SERT was successful in carrying out its duties, other HSEO programmatic activities were hampered during this time.

COVID-19 Related Projects under Energy Assurance and Resiliency:

- **Energy Workers Best Practice:** HSEO developed a national best practice for keeping energy workers safe during the early days of COVID. In its SESF-12 capacity, HSEO proactively worked with stakeholders to address issues supporting critical infrastructure workers in the energy industry. The Energy Office worked with emergency management agencies and the energy industry to address priority testing of these critical energy infrastructure workers, which was highlighted as a best practice by the National Association of State Energy Officials (NASEO) to the US Department of Energy (USDOE) Office of Cybersecurity, Energy Security, and Emergency Response (CESER) and in their nationwide coordination efforts for COVID-19 response.
- **State of Hawaii Vaccination Plan:** As part of the planning and implementation of the State of Hawaii Vaccination Plan, HSEO participates in the Communications, and the Allocation/Prioritization Working Groups to ensure effective and timely information exchange with energy companies, and providing guidance on identification and prioritization of mission- and business-critical energy workers for the COVID-19 vaccine.
- **Energy Demand Destruction:** Analyzing and assessing the capacity of Hawaii's energy system to adjust to the near-total collapse of tourism travel and its effects on energy demand and supply such as jet fuel, diesel, and low-sulfur fuel oil (LSFO) throughout the state. COVID-19 created a scenario that was largely not considered in prior emergency planning: the demand destruction of jet fuel due to the absence of millions of tourists flying into and out of Hawaii. As a result, Hawaii's sole refinery operator renegotiated numerous contracts, including its LSFO contract with the State's largest electric utility, which resulted in an interim increase of about \$4.50

per month on Oahu electricity customers' bills. It is unclear whether and when the demand for jet fuel will return to pre-COVID levels--and if it does not--what the long-term solution is. The possibility that Hawaii could switch to 100 percent importation of refined products in response to future demand or supply disruption and the potential impact on fuel supplies and distribution in Hawaii is a priority investigation for the Energy Office.

One-Year goal: Contract for services to develop training exercise workshops for SESF-12/SERT; identify and obtain funding for a second position to support energy assurance operations and training.

Five-Year goal: All HSEO staff cross trained in SERT responsibilities and business continuity of operations to ensure SERT capacity and effectiveness.

Action Plan:

- Continue to build out HSEO's SERT and expand office-wide capability to support SESF-12 activities to prepare for effective discussion-based exercises, as well as development and implementation of the actual exercises that provide needed feedback and input needed for updating state level plans and developing institutionalized capacity within the HSEO and State.
- Develop an Energy Common Operating Picture (COP) for both energy assurance and resiliency planning and emergency response.
- Advance resiliency and investment in resilient energy supply infrastructure throughout Hawaii.
- BRIC, Advance Assistance grants, and other energy resiliency grant opportunities coordinated as relevant with sister agencies at the State and county level.

Measure of success: Number of staff and stakeholders trained in the roles and responsibilities related to SESF-12.

Budget impacts: The transfer of funds to payroll will allow unfunded positions to be filled and trained to support HSEO's SERT to provide readiness for responding to anticipated SESF-12 activations.

- **Renewable Energy Deployment:** HSEO is prioritizing support for renewable energy projects that will replace the existing coal plant and limit negative impacts on communities, while advancing the State's decarbonized economy goals. This includes the scheduled replacement of 180 megawatts of capacity from coal on Oahu's grid, which is a substantial undertaking and dependent on the successful deployment and operation of several solar and battery storage projects over the next two years. Toward this end, HSEO is supporting the deployment of 17 solar-plus-battery-storage projects and three standalone battery storage projects on Oahu, Maui and Hawaii Island.

Actions undertaken by HSEO to support renewable energy deployment include:

- **Workforce Development in Energy Industry Jobs:** HSEO met with all Hawaiian Electric Stage 1 and some Stage 2 renewable energy developers to discern their progress and needs, and to identify current and near-term jobs and skills to enhance opportunities for Hawaii residents to enter the clean energy industry. Meeting results indicated several technical skills and certifications are desired to enhance the competitiveness of Hawaii's local workforce. The HSEO is working with schools and universities, trades, and workforce development organizations such as the Chamber of Commerce and Workforce Development Council to ensure Hawaii residents have access and opportunity to obtain these skills and certifications and pathways into being a part of Hawaii's clean energy future.
- **Hawaii Renewable Energy Projects Directory:** HSEO has upgraded and will continue to upgrade its lauded Hawaii Renewable Energy Projects Directory, which is the only state-controlled public resource that identifies all existing and proposed renewable energy projects in Hawaii. The Directory provides an important resource to inform the public and regulators of large projects proposed in their areas and to track the status of large renewable energy projects that contribute to Hawaii's renewable energy mandate. HSEO is transitioning the Directory to a data-based geographic information systems (GIS) platform that will facilitate the sharing and analysis of more project-specific information and plans to launch the updated Directory in the beginning of 2021. The Directory, a popular component of HSEO's Developer & Investor Center suite, garnered 29,127 page views in FY20, a 60 percent increase over FY19. The Hawaii Clean Power Alliance tweeted that the Developer and Investor Center is "Hands down one of the best tool packages for all stakeholders engaged in the development of renewable energy projects in Hawaii."

One-Year goal: Conduct needs assessment with renewable energy developers, consultants, and permitting agencies to identify potential project siting and permitting needs.

Five-Year goal: Maintain and update the tools to address contemporary issues and subjects regarding the siting and permitting of large renewable energy projects in Hawaii.

Action Plan: Support implementation of the Stage 1 and 2 solar plus battery storage and standalone battery storage projects to ensure the timely decommissioning of Hawaii's only coal plant in support of Act 23, SLH 2020. Identify and facilitate local workforce employment opportunities. Support siting and permitting of large renewable energy and related projects to reduce risks and facilitate more appropriate siting of grid-scale projects.

Measure of success: Leverage state funds to obtain federal funds. Successful deployment of tools. Number of users. Successful renewable energy projects.

Budget impacts: An expenditure ceiling for the ESSF is needed to provide funds to leverage federal grant funding in the form of nonfederal cost match.

- **Energy Efficiency:** To support the State’s economic recovery from the COVID-19 pandemic, HSEO is prioritizing initiatives that lower costs and support job creation and workforce development. Efforts to improve energy-efficient building codes and efficiency standards are recognized as cost-effective measures that set the bar for the minimum energy performance for commercial and residential buildings in Hawaii. Hawaii’s energy policy is to maximize cost effective investments and foster high impact programs. Especially in these critical times, energy efficiency saves money for agencies, businesses, and residents.

Actions undertaken by HSEO to support energy efficiency include:

- **International Energy Code Adoption:** As an ex-officio voting member and Chair of the State Building Code Council, HSEO was instrumental in the Council’s recent adoption of the 2018 International Energy Conservation Code with Hawaii-specific amendments. Efforts to improve energy-efficient building codes and efficiency standards are recognized as cost-effective measures that establish minimum energy performance standards for commercial, residential, and other buildings in Hawaii. Hawaii’s energy policy is focused on maximizing cost-effective investments and fostering high-impact programs. The adoption of Hawaii’s 2015 International Energy Conservation Code alone is projected to save Hawaii’s ratepayers some \$1.4 billion by 2040. HSEO works closely with federal, state, county, energy stakeholders and others to promote and facilitate energy efficiency and conservation through technical assistance and training to state agencies, county and energy-related stakeholders, as well as businesses, non-profits and professionals.
- **Hawaii Green Business Program:** HSEO coordinates the Hawaii Green Business Program (HGBP), which provides technical assistance to businesses to implement energy and resource-efficient practices and recognizes their success by communicating the environmental and financial value of their green practices during an annual award ceremony. Now in its seventeenth year, the Hawaii Green Business Program was established as a partnership between the HSEO, the Department of Health, the Board of Water Supply, and the Chamber of Commerce of Hawaii. During COVID-19, HSEO co-sponsored educational webinars on how to address air quality, at places of lodging, and safely returning to work. Through an active outreach and engagement program HGBP recruits new businesses and organizations to participate in the program each year alongside returning Program participants. The 20 businesses, including major hotels, venues and events that participated in the 2019-2020 HGBP cohort achieved significant results, including the reduction of 19,000 pounds of solid waste, 15,000 therms of liquid propane gas, 1.1 million kilowatt-hours of electricity and 91.6 million gallons of water.
- **Energy Efficiency Technical Assistance and Collaboration:** HSEO collaborates with, and provides information and technical review to government agencies, professional

associations, and educational institutions in Hawaii to reduce energy use and to participate in performance contracting. In addition to in-house expertise, HSEO contracts with technical and contracting experts to provide in-depth review and analysis services. In its role as advisor to government agencies, HSEO:

- Assisted the Department of Accounting and General Services in its successful application for ENERGY STAR® certification for the State Office Tower. HSEO performed site inspection, data entry into ENERGY STAR® Portfolio Manager, verification of results, and submission of the application to ENERGY STAR®.
- Gave presentations to the Department of Public Safety and the Department of Accounting and General Services about Energy Performance Contracts (EPCs) and the responsibilities of agencies and HSEO.
- Reviewed and provided input to the Department of Transportation (DOT)- Harbors and DOT-Highways on Measurement & Verification Reports given to them by their contractor and assisted the Department of Public Safety by reviewing their Photovoltaic (PV) Power Purchase Agreement presentation for Maui Community Correctional Center.
- Assisted the University of Hawaii at Mānoa on potential approaches to their strategic plan for achieving their clean energy goals.

One-Year goal: Provide training on the 2018 IECC and Hawaii and county amendments. Conduct 2021 IECC Working Group meetings to discuss industry, code official and other stakeholder concerns. Obtain federal funding. Use results of previous State benchmarking of 416 public facilities to identify highest potential for immediate action to reduce energy use.

Five-Year goal: Adopt 2021 IECC at the SBCC with Hawaii amendments and at the county level with county amendments. Recruit and expand training programs to trade and professional associations via on-going partnership with the community colleges. Provide technical assistance to support State agencies in financing energy efficiency and cost reductions via operational changes, EPCs or other mechanisms.

Action Plan:

- Provide leadership and support to reduce state energy use by 20% (from 2005 levels) by 2025.
- Provide leadership in Energy Code and Community College Train the Trainer events and toolkits.
- Increase the knowledge of advanced design and construction practices in community college and continuing education programs.
- Improve the awareness of and interest in employment opportunities in code official and code verification professions.
- Establish a working group to develop Hawaii-specific provisions for the 2021 IECC for the State Building Code Council.

Measure of success: Utilization of train-the-trainer toolkit. Number of instructors and students participating. Number of other states that participate with Hawaii, Illinois, and Nevada. Meetings of the 2021 IECC working group and list of provisions for Hawaii amendments. For State facilities: number of State facilities benchmarked; rebate or energy cost savings identified for capital improvement projects; measured energy savings; and calculated bill savings.

Budget impacts: The reduction of one project staff position will impact the review and processing of solar water heater variances unless this responsibility is shifted from HSEO to the counties.

- **Clean Transportation:** HSEO has taken a leadership role in advancing the adoption of clean transportation across Hawaii, including facilitating ZEV deployment and associated electric vehicle charging and hydrogen infrastructure, which directly contribute to reducing petroleum consumption and emissions in the transportation sector. To transition to a decarbonized transportation sector, HSEO works with the local community; federal, state, and county agencies; energy stakeholders; and clean transportation stakeholders to encourage and facilitate the adoption of clean transportation.

Actions undertaken by HSEO to support clean transportation include:

- **Volkswagen Settlement:** Investment of \$8.125 million allocated to Hawaii as part of a federal settlement with Volkswagen to mitigate vehicle emissions through the replacement of medium and heavy-duty vehicles, as well as the deployment of light duty vehicle supply equipment. HSEO has undertaken three major initiatives so far with the VW funds:
 - VW Funding Request: Submitted a funding request to allocate \$1.2 million of Trust funds to contribute toward the purchase, installation and maintenance of light duty EV charging stations;
 - HDOH Public Fleet Collaboration: Collaborated with the Hawaii Department of Health (HDOH) to offer rebates to private and public fleet owners looking to replace older, diesel buses with battery-electric vehicles; these collaborations will continue; and
 - HDOH EV Bus Collaboration: Partnered with HDOH to leverage federal funds to help with the procurement of a battery electric bus and charging equipment for the City and County of Honolulu. This partnership will continue.
- **EV Charging Infrastructure:** HSEO assisted the Hawaii Department of Transportation in its effort to procure the services of a contractor to provide electric vehicles and charging infrastructure statewide. The winning bidder will create a user fee-based program for battery electric vehicles and charging infrastructure under a 10-year service contract. The program could be used to help with the electrification of government fleet vehicles.

One-Year goal: Release the Vehicle Assistance Program (VAP) for eBuses rebates funded through the Volkswagen Settlement fund and DERA. Refine deployment plan for the investment of the remaining EV charging infrastructure dollars and eBus program under the Volkswagen Settlement.

Five-Year goal: Deploy all Volkswagen Settlement funds except for the final two years of VAP rebates. Through collaboration with HDOT, counties, and relevant state agencies and stakeholders, develop a plan to systematically access and deploy federal funds through a variety of programs strategically filling market gaps.

Action Plan: Advance investment in clean transportation infrastructure and vehicle adoption throughout Hawaii through the Volkswagen Settlement, Diesel Emission Reduction Act (DERA) and other federal grants, and designation of clean transportation corridors coordinated as relevant with sister agencies at the State and county level and transportation stakeholders. Explore and participate in innovative ways to adopt alternative fuel vehicles. Support other State and county agencies as they transition to a decarbonized fleet.

Measure of success: Alternative fuel vehicles adopted, GHG and NOx emission reductions, federal and private funds leveraged.

Budget impacts: The transfer of funds to payroll will allow an unfunded position to be filled to support HSEO clean transportation initiatives, including public fleet conversion. HSEO would otherwise only have the capacity for Volkswagen Trust funded activity which is restricted to diesel replacement actions. An expenditure ceiling for the ESSF would allow the Electric Vehicle Charging System Rebate Program to continue for 2 additional years.

- **Stakeholder and Community Education, Outreach and Engagement:** HSEO is prioritizing a more comprehensive public clean energy education, outreach and engagement program, which is critical to achieving HSEO's broader mission to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient, clean energy economy. In order to increase living wage jobs, capital investment in energy efficiency and renewable energy projects, access to energy efficiency opportunities, and decarbonize the economy, HSEO must include everyone in Hawaii. The increasing public challenges and vocalized community concerns about energy projects' impacts on host communities has made it clear there needs to be a more focused effort to reach out to and include grassroots community in stakeholder engagements and collaborations to more effectively, efficiently, and equitably advance Hawaii's clean economy goals.

Actions undertaken by HSEO to support stakeholder and community education, outreach and engagement include:

- **Clean Energy Education Program:** Working in partnership with the Hawaii Department of Education to support the development and further expansion of clean energy education programs that will empower Hawaii's youth and citizens to meet our clean energy goals, while strengthening science, technology, engineering, and math (STEM) education and introducing students to potential energy job opportunities.
- **Stakeholder Outreach:** Participating in numerous educational and outreach events with staff serving as subject matter experts in a myriad of clean energy-focused topics. Event topics and themes include energy building codes, energy performance contracting, environmental/climate change, renewable energy, energy awareness fairs, EV/clean transportation, and energy-focused community meetings.
- **Dedicated Website:** Maintaining a dedicated website that educates viewers about Hawaii's growing clean energy economy and vision and the HSEO's initiatives, activities and programs. Viewers can find up-to-date information about energy planning, renewable energy and energy projects, energy efficiency, and clean transportation, including the annual Hawaii Energy Facts and Figures, and numerous reports and studies. In FY20, there were 338,214 page views to energy.hawaii.gov, a 94 percent increase over FY19.
- **Publications:** Developing and distributing publications and collateral material to raise awareness and communicate progress of clean energy efforts of the HSEO. To educate and update stakeholders on Hawaii's constantly changing energy landscape, HSEO distributes an annual report, a quarterly e-newsletter, an annual compendium of Hawaii's key energy data, and various collateral pieces. In FY20 e-newsletters and e-blasts communications were sent to 19,403 subscribers, a 21 percent increase over FY19.

One-Year goal: Overhaul HSEO communications and website; and launch a long-term stakeholder and community engagement strategy to educate the broader community about Hawaii's energy needs and goals, what it will take to reach them, as well as to provide all Hawaii's stakeholders a voice in project and policy development to support the State's successful achievement of its decarbonization goals. Utilize web-based community engagement software to solicit feedback from communities on their views toward large-scale renewable energy projects.

Five-Year goal: Refine the website and continue strengthening community outreach and stakeholder engagement to solidify HSEO's emerging role as a trusted, unbiased navigator on Hawaii's voyage to a clean energy economy.

Action Plan: Procure the services of two contractors to 1) overhaul HSEO's communications and website; and 2) assist HSEO in planning and executing a more robust community outreach and stakeholder engagement strategy.

Measure of success: Number of viewers to HSEO information platforms. Compare community engagement feedback over time to measure effectiveness of each approach.

Budget impacts: HSEO staff reductions have impacted the office's ability to launch this program as early as anticipated. While HSEO will use federal funds to contract services in support of the energy education, communications and website overhaul, and broader community engagement, management of these programs and contracts now falls on fewer people who are already doing double duties.

- **Data Analytics:** HSEO is prioritizing the establishment and implementation of an energy ecosystem data governance framework. Accessible, reliable, high quality data undergirds all efforts to achieve a resilient clean energy decarbonized economy. Collection, analysis, and open access to quality data is critical to Hawaii's successful transition to a decarbonized economy. Data supports the development of equitable and economically viable energy efficiency programs. Data is used to monitor and track progress towards state energy and climate goal, as well as objectives such as the conversion of medium- and heavy-duty vehicles.

Actions undertaken by HSEO to support data analytics include:

- **Engage Modeling Tool:** HSEO has continued developing its "Engage" energy system modeling tool. Previously known as Hawaii Energy Visualization Initiative or HEVI, HSEO developed this in collaboration with the United States Department of Energy's (DOE) National Renewable Energy Laboratory (NREL). "Engage" can augment the energy system planning process by empowering more stakeholders to better understand and solve energy system planning problems.
- **HAVEN Tool:** The deployment of its HAVEN visualization platform as a community engagement tool. HAVEN supports the analysis and communication of information contained within complex energy data sets highlighting energy and related sector interdependencies and scenarios. HAVEN continued to be utilized in community engagements to advance the discussion on the tradeoffs of alternative renewable energy buildout pathways, in particular how they impact land utilization. USDOE requested HAVEN to be featured in the USDOE innovation exhibit at CERAWEEK in Houston, TX. CERAWEEK provides an integrated framework for understanding what's ahead for global energy markets, geopolitics, and technology.

One-Year goal: Create and fill data scientist position with 3-year dedicated federal funding. Support the position with graduate data scientist students. Identify priority data governance activities. Create data sharing platform.

Five-Year goal: With a data governance framework largely in place, advanced data analytics are underway and available to the public. Explore monetization of data analytics per HRS §196-72(c)12. Dedicated funding source supports ongoing data science activities.

Action Plan: Develop a data governance framework for energy data to support measurement and evaluation of progress towards state energy goals, identify opportunities, and promote outreach and education. Design the framework to better disseminate data to the public. Develop the energy data governance framework for Hawaii through a federally funded Data Scientist and Fellows in partnership with UH Data Science Institute.

Measure of success: Common data standards and practices across Hawaii's energy ecosystem. Accessibility of data sets.

Budget impacts: HSEO plans to address funding for data analytics from its repurposed federal ARRA funds.

FEDERAL FUNDS: US Department of Energy's State Energy Program (SEP) Formula Award CFDA 81.041 is a recurring award. HSEO does not anticipate any change to the State of Hawaii's allocation of State Energy Program (SEP) funds in the current year and upcoming years. HSEO has and will continue to lose out on other federal funding opportunities, however, without access to state matching funds.

Federal Award Title: State Energy Program (SEP) Formula – State of Hawai'i
CFDA Number: 81.041

NON-GENERAL FUNDS: <https://budget.hawaii.gov/wp-content/uploads/2020/12/BED.pdf>

BUDGET ADJUSTMENTS:

- **Request to transfer \$108,000 (each FY 22 and FY 23) from OCE to Personal Services to fund 2 unfunded positions.** The transfer is needed to address HSEO program needs. The Energy Analyst and Energy Program Specialist positions are critical for HSEO in accomplishing its mission.
- **Request to transfer \$88,208 (each FY 22 and FY 23) to cover payroll shortage.** The transfer is needed to cover payroll shortage resulting from departmental actions taken in FY20.
- **Request to convert permanent Energy Conservation Program Manager to temporary Energy Efficiency & Renewable Energy Manager.** The conversion is to comply with Act 122, SLH 2019, which provides that employees of the HSEO shall be exempt from Chapter 76 and shall not be considered civil service employees.
- **Request to transfer Research Statistician V position and \$64,476 (each FY 22 and FY 23) to BED130/FA.** Efficiencies would result from the transfer to the Research and Economic Analysis Division where it could support the department's research and data needs.
- **Request an expenditure ceiling for the Energy Security Special Fund \$350,000 (each FY 22 and FY 23) to continue the Electric Vehicle Charging System Rebate Program.** The rebate program, created by Act 142, SLH 2019 and administered by the Public Utilities Commission in consultation with HSEO and EV stakeholders to incentivize the installation or upgrade of EV charging systems, supports one of HSEO's purposes – to

promote clean transportation.

- **Request an expenditure ceiling for the Energy Security Special Fund \$500,000 (each FY 22 and FY 23) to provide funds to leverage federal grant funding.** The ability to contribute cost match would position the HSEO to apply or partner with other entities for federal grants. Special fund dollars would leverage federal funds up to 3-4 times for projects in support of the State's energy and decarbonization goals.
- **Request an expenditure ceiling for the Energy Security Special Fund \$155,000 (FY 22) and \$75,000 (FY 23) to pay Special Fund Assessments.** Special fund reimbursements for departmental administrative expenses are mandated pursuant to Section 36-30, HRS. Transfers from special funds for central service expenses are mandated pursuant to Section 36-27, HRS.
- **Request a Federal fund appropriation \$500,000 (each FY 22 and FY 23) for State Energy Program federal award.** State Energy Program CFDA No. 81.041.
- **Request to convert positions from General Funds to Special Funds \$733,531 MOF A and \$1,107,632 MOF B (each FY 22 and FY 23).** The conversion of 10.00 positions to Special Funds would reduce the burden on the General Fund.
- **Request to abolish 1 unfunded position (Energy Analyst).** The position was unfunded last legislative session.
- **Reduce 1 management staff FTE and associated costs \$73,308 (FY 22) and \$146,516 (FY 23).**
- **Reduce 1 project staff FTE and associated costs \$41,532 (FY 22) and \$83,064 (FY 23).**
- **Reduce OCE – Services on a Fee \$113,210 (each FY 22 and FY 23).**

OFFICE OF AEROSPACE DEVELOPMENT – BED 128

MISSION: The Hawaii Office of Aerospace Development (OAD) facilitates coordination among Hawaii's government, private and academic sectors to promote the growth and diversification of Hawaii's aerospace industry.

OAD is committed to engaging the aerospace, aviation, and emerging industries to promote Hawaii as a place to do business, with focus on creating an ecosystem of STEM (science, technology, engineering, and math) education and workforce development leading to innovative careers.

BUDGET REQUEST: Budget impacts are discussed under each project. See the section on notable performance for program milestones and measures.

CURRENT ECONOMIC AND FISCAL CONDITIONS:

The global defense aerospace industry experienced growth through 2018 and 2019 while commercial aerospace, affected mostly by production related issues, experienced slowed growth during the same period. In 2020, the commercial aerospace was expected to rebound with modernization and innovation and with rebound in global commercial airline traffic.

Due to the COVID-19 pandemic, the global airline industry saw deep decline in travel which resulted in grounding of airline fleets, causing the ripple effects of declining demand, particularly in manufacturing. The industry is expected to experience a net loss of approximately \$120 billion in 2020, and the trend will continue into 2021 with expected loss of about \$40 billion. The bright spot in aviation is cargo revenue which gained \$15 billion in 2020. The industry overall is not expected to regain its 2019 strength until 2024. Modernization of the airlines and shifting to a more innovative air travel, such as electric powered autonomous vehicles will help reduce costs, particularly in fuel.

Aerospace in space and defense sectors continues to see strong investments and opportunities in 2020 and expected to continue into 2021. Space launch services, space exploration, and stable military/defense budgets are keeping these sectors economically stable.

Although faced with business challenges, particularly in high cost to import and export, Hawaii remains strategically ideal location for equatorial launches, astronomy, and the defense industry. The OAD will continue to focus on helping to develop local start-ups and entrepreneurs as well as engaging large companies in aerospace (e.g. Boeing, Lockheed Martin) to expand their presence in Hawaii. Balancing the support for STEM education, local entrepreneurs, and large businesses will be keys to developing successful ecosystems of STEM careers in the state.

OAD operates on a modest budget and as a single-person operation. With emerging industries in robotics, drones, and autonomous vehicles expecting steep growth in coming decades, Hawaii would benefit from having more resources to build up the economic development team to undertake the task of better positioning Hawaii to global growth in the emerging industries.

OAD 's operating budget covers its operations costs as well as programs: PISCES with \$550,000; UAS with \$150,000; and the Challenger Center with \$325,241.

NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

- **Unmanned Aerial Systems (UAS):** As contracted agency with DBEDT to lead the State's Pan-Pacific Unmanned Aerial Systems (UAS) Test Range Complex, the Applied Research Laboratory at University of Hawaii (ARL at UH):
 - In collaboration with the U.S. Pacific Fleet Submarine Force, successfully delivered a five-pound payload to an underway submarine a mile off the coast of Oahu.
 - Continue to engage the High-Altitude Platform Station (HAPS) Mobile project to test their next generation telecom system for global coverage—using unmanned drones from the stratosphere—from the island of Lanai.
 - Heads the working group to monitor national UAS policies for consideration to promote responsible commercialization of drones in the state.

One-Year Goal: Continue to operate the state's UAS test range complex.

Five-Year Goal: Seek out economic opportunities, particularly in commercialization of UAS and autonomous vehicle operation in the

State. Expand on proof-of-concept research, with emphasis on drone deliveries to rural areas of the State.

Action Plan: Develop plans to increase commercial opportunities in the state.

Measure of Success: Meet statutory requirements and increase commercial opportunities in UAS for the state.

Budget Impact: UAS annual budget of \$150,000 is very modest, with the expectation of managing the testing complex and being the UAS economic driver for the state.

- **Challenger Center Hawaii:** The Challenger Center Hawaii is a STEM learning center for middle school students to apply critical and creative thinking through collaborative space exploration scenario, received national recognition for most student missions flown for 2017-2018. Experiencing record participation, the Center had high hopes of upskilling the instructors, upgrading its systems and scenario missions, and expanding its outreach with neighbor island student's participation in its missions for the 2019-20 school year. With the COVID-19 pandemic virtually halting its activities, the Center is looking forward to welcoming back the students.

One-Year Goal: Continue its mission to provide space exploration missions to middle school students.

Five-Year Goal: Maintain its level of service and expand its outreach to neighbor islands.

Action Plan: Develop plans to expand its outreach.

Measure of Success: Completing missions for 5,000 students annually.

Budget Impact: The budget for the Challenger Center covers the salaries of the Center staff.

- **Aviation Education:** Wing Spirit, a Hawaii-based corporation, started in 2019 to focus on aviation education and chartered interisland flights.
 - The company has begun charter operation and committed to a fleet of 15 Honda Jets for VIP transportation, air ambulance, and aviation training.
 - The proposed Japan Aviation Academy campus on Oahu will train future pilots, mechanics, engineers, and flight attendants to fill the needs in the aviation career. They have already established a partnership with the University of Hawaii's aeronautics program for the pilot training portion of the 4-year degree program.
 - The project is currently on hold due to the COVID-19 pandemic and will reassess the need for a Hawaii campus.
- **Aerospace Opportunities:** OAD has had very tangible discussions with aerospace companies, both civil and defense, for potential new and expanded Hawaii-based operations in manufacturing, launches, artificial intelligence, autonomous vehicles, and space travel. With almost all opportunities coming to a halt in 2020, OAD continues its

involvement through virtual participation and is currently maintaining its discussions through the office of DBEDT Deputy Director.

One-Year Goal: Have tangible economic impact to the State.

Five-Year Goal: Establish an aerospace hub in the State of Hawaii with research and manufacturing capabilities. Continue to promote Hawaii's aerospace capabilities through various global networking opportunities, support local conferences, and expand the UAS commercial opportunities.

Action Plan: Have targeted approach to aerospace development in the State, establishing private partnerships and leveraging the DBEDT's Economic Innovation Team's capabilities as necessary.

Measure of Success: Have direct economic impact of at least \$5 million annually.

Budget Impact: OAD has an operational budget of \$85,000 to drive the State's aerospace economic opportunities. The single-person operation has been effective in its outreach and support for businesses and local conferences in the State. Anticipating no increase in the budget, the office will continue to maximize its effectiveness through continued partnerships.

- **Pacific International Space Center for Exploration Systems:** PISCES is a state-funded Hawaii aerospace center administratively attached to the Department of Business, Economic Development, and Tourism (DBEDT). The Hilo-based agency is working to position the State as a leader in space exploration while developing sustainable products and technologies that benefit the State of Hawaii. Through initiatives in Economic Development, Workforce Development and Applied Research, PISCES provides hands-on work experience to Hawaii's future scientists and engineers, preparing them to meet the demands of a highly competitive industry while improving the local economy through job diversification, innovative products and new industries.

BUDGET REQUEST: The PISCES program will be eliminated due to budgetary restrictions.

PISCES CURRENT ECONOMIC AND FISCAL CONDITIONS: PISCES' appropriated base budget for FY21 was \$550,000. Due to the pandemic and the related uncertainties of future State revenue, only half of the appropriation (\$275,000) was released in time to extend the existing contract with RCUH for six months. A 10.2% holdback was applied to the \$275,000 making the total for the 6-month extension to the RCUH contract \$245,000.

The current allocation of \$245,000 will allow PISCES to continue its operations and meet its financial obligations through June 2021. Leases will be negotiated for 6 months instead of 12.

Starting in FY22, PISCES is scheduled to transfer its personnel and administrative

services from RCUH based contracts the State of Hawaii system.

COVID-19 Related Projects Conducted

Due to the pandemic, PISCES quickly collaborated with a local group (Hawaii STEM Community Care) to provide support and manufacture PPE components and equipment for health care providers, first responders and community service providers during the COVID-19 pandemic on the Island of Hawaii. Work resulted in production of mask stress release bands, face shields, UV mask irradiators, and community outreach educational and informational material. The coalition includes Hawaii Science & Technology Museum, NexTech, Canada-France-Hawaii Telescope, PISCES and volunteers from the Big Island Community Coronavirus Response Initiative.

NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

- **Hawaii Space Flight Laboratory (HSFL) and HAPS Mobile:** Collaborated with the Hawaii Space Flight Laboratory (HSFL) and HAPS Mobile in evaluating potential operations site for HAPS including Lanai airfield and Hilo International Airport for an operation that will provide on-ground telecommunication services through a network of UAS aircraft flying at high altitude.

One-Year Goal: Secure site where airfield can be developed. Coordinate with local (county and state) authorities to obtain land use permits and zoning. Begin construction of airfield.

Five-Year Goal: Have completed construction of airfield. Complete low and high-altitude test flights. Begin commercial flights operations and develop maintenance and refurbishing facility in Hawaii.

Action Plan:

- Continue to work with HSFL, HAPS Mobile and County and State legislators to advance the possibility of creating an operations airfield in Hawaii for HAPS Mobile.
- Determine land use and zoning permit and requirements.
- Generate outside income by entering into a contract with HAPS mobile to help them in the pursuit of completing the Lanai airfield and/or a site on Hawaii island.
- Secure funding for EA if necessary.
- Construction of airfield and set up of infrastructure for operations.

Measure of Success: Establishing HAPS Mobile test flight operations program during next 2 years.

Budget Impacts: Depending on the level of budget cuts, PISCES may not be able to properly continue supporting the effort with HAPS.

- **Opportunities for Economic Development in Aerospace Industry:** Collaborated with HSFL in preparing a white paper identifying various opportunities for economic development in the Aerospace Industry.

One-Year Goal: Identify the opportunities with higher probability of materializing and work with the involved parties in developing a plan to attract them to Hawaii.

Five-Year Goal: Establish an Aerospace Industry Park based on the projects identified in the white paper.

Action Plan: Work with County and State Legislators to find ways to advance opportunities in Aerospace Industry identified in white paper.

Measure of Success: Companies that can be attracted to set operations in Hawaii.

Budget Impacts: Depending on the level of budget cuts, PISCES may not have the resources to establish negotiations with companies that can be attracted to set operations in Hawaii.

- **Exploring Opportunities for Basalt Manufacturing:** Advance basalt-binder research for potential commercialization of tiles and for lunar/mars 3D printing and additive manufacturing. This technology could have direct applications for space construction as well as in-state construction. It also has the potential to bring in funds through NASA and NSF grants. Testing Sintered Basalt tile for landing pad material with Masten Space Systems was conducted in January and results were positive, creating interest in further testing. Production of second round of test tiles was delayed due to COVID. Access to the sintering lab was denied from March through June 2020. Applied for 2 NASA federal grants but was not awarded.

One-Year Goal: Finalize proper basalt to binder ratios, sintering temperatures and structural characteristics. Produce tiles and send to third party to perform structural testing and compare to reference of basalt only sintered tiles. Develop prototype 3D extruder for additive manufacturing using basalt-binder mix.

Five-Year Goal: Develop commercialization of basalt-binder tile products and 3D printing capabilities. Creation of Commercial Basalt Factory with 81 jobs with average annual salaries of \$75,000.

Action Plan:

- Apply for NASA research grants to advance development of vacuum & CO2 curing process and to develop 3D printing extruder.
- Produce test samples and submit to structural testing.
- Work with potential investors to commercialize applications.
- Collaborate in 2 different NASA STTR and NASA landing pad construction with 2 different companies with proposals based on PISCES work with basalt and binders.

Measurement of Success: Number of agreements secured, number of grants secured, successful production of test samples.

Budget Impact: Depending on the level of the cuts, staffing and procurement of materials and equipment can be affected, resulting in insufficient resources to carry on the work, especially if the grants are not awarded to PISCES.

- **Educational Programs:** Raised funds to organize STEM Aerospace Research Scholars (STARS) Summer Camp Program for high school girls: \$22,000 were donated from sponsors Microsoft and Caterpillar but event was cancelled due to COVID-19. Funds are reserved for 2021 event. Launched a virtual event called WiSE (Women in Space Exploration) to reach STARS target audience during pandemic social isolation. Due to COVID-19, the mentorship program was put on hold. Since 2013, a total of 105 students have been mentored in robotics and material science projects.

One-Year Goal: Conduct the STARS Summer Camp Program with funds that are reserved from this past year's event which was cancelled due to COVID.

Five-Year Goal: Secure funding from multiple sponsors to make this program self-sustainable and increase the reach of the applicants.

Action Plan:

- Increase number of classroom visits and presentations to encourage youth interest in STEM.
- Plan and execute sixth-annual Women's STARS program with new improvements based on staff and student feedback from past event.
- Plan and coordinate with Microsoft & HSTM continuation of WiSE talks program as a biannual event to take place during Spring and Fall breaks.
- Participate in 2021 Virtual Journey Through the Universe Program.

Measure of Success: Number of sponsors, funds raised and number of events and participants.

Budget Impact: This program is funded from external sources, budget cuts to PISCES, depending on how severe, could affect the hire status of the staff member responsible for coordinating these events.

- **Hawaii Space Exploration and Robotics Challenge (HI-SEARCH):** Advance robotics opportunities to include international robotic mining competition (HI-SEARCH) in collaboration with Caterpillar, and lunar rover remote operations with NASA & JPL engineers. The event was planned to take place at NELHA's HOST Park, which offers a high-fidelity lunar analog site for the competition. The event could bring an estimated \$500,000 to \$750,000 in revenue to the state. Unfortunately, planning and execution of the international robotic mining competition stopped due to COVID-19. Hi-SEARCH is intended to engage youth in STEM activities, while attracting new visitors to the state and highlighting Hawaii's value as a proving ground for aerospace and robotics.

One-Year Goal: Hold the competition at NELHA's HOST Park.
Five-Year Goal: Establish annual HI-SEARCH competition in Hawaii and expand sponsors.
Action Plan: Secure funding for Hi-SEARCH from Caterpillar and resume planning for event in 2021/2022.
Measure of Success: Number of teams attending, number of participants attending, number of sponsors and amount raised for event, revenue brought to the State, and overall satisfaction from participants and willingness to return.
Budget Impact: This program is funded from external sources, budget cuts to PISCES, depending on how severe, could affect the hire status of the staff member responsible for coordinating these events.

- **Laser Communication Ground Station:** In collaboration with the State of Hawaii and private companies, PISCES is facilitating the development of a Laser Communication Ground Station in Hawaii to support the next generation of space communication technologies.

One-Year Goal: Resurrect talks with the private company interested in establishing a base of operations in Hawaii and with the National Oceanic & Atmospheric Administration (NOAA) both at State and Federal level to search for a solution to the apparent impasse to using the Mauna Loa Observatory (MLO) site as the base for the telescope.

Five-Year Goal: If the impasse with NOAA and MLO is solved, establish a permanent laser communication ground base station at MLO.

Action Plan: Work with private party, NOAA at State and Federal Level, County Mayor and State Legislators to find a solution to the use of MLO as a site for the ground station.

Measure of Success: Approval from NOAA to use the site (short-term), construction of the ground station (long-term).

Budget Impact: Depending on the level of budget cuts, the ability of PISCES to engage in the above negotiations may be hampered.

- **Innovation and Manufacturing Center:** PISCES is part of a working group to create an Innovation and Manufacturing Center (IMC) in East Hawaii to grow and support the local technology sector. HTDC is the lead agency in this project.

One-Year Goal: Work with HTDC to secure a site where the IMC can be developed and collaborate in the design process for the project.

Five-Year Goal: Construction of the IMC and full commercial operation. PISCES to use site as base for its headquarters.

Action Plan: Collaborate with HTDC in any way that PISCES can provide help, support and guidance.

Measure of Success: Construction of the facility.

Budget Impact: Little to none since this is a project directed by a different agency.

FEDERAL FUNDS: None.

NON-GENERAL FUNDS: <https://budget.hawaii.gov/wp-content/uploads/2020/12/BED.pdf>

BUDGET ADJUSTMENT:

- Reduce \$500,000 of special fund ceiling for FY22 and FY23.
- Abolish funding of \$550,000 for the PISCES program.

RESEARCH & ECONOMIC ANALYSIS DIVISION – BED 130

MISSION: The Research & Economic Analysis Division (READ) enhances and contributes to the economic development of the State by providing plans, analyses and policy recommendations on economic issues; conducting and reporting on basic research into the economy of the state, collecting, compiling, interpreting and publishing data and statistics on all aspects of business activity, the economy and demographic characteristics of the State; and developing and maintaining a statewide statistical reporting system.

BUDGET REQUEST: No additional funds are being requested but requesting to reallocate a Research Statistician V position from BED 120 to BED 130. The position has been teamed with READ since 2006 on energy data and has been maintaining the Energy Industry Information Reporting Program (EIIRP) as required by Act 151 (2010). The energy team maintains two energy databases, produces the monthly energy statistics report, updates the monthly energy dashboard, and produces an average of three energy studies annually.

CURRENT ECONOMIC AND FISCAL CONDITIONS: The COVID-19 pandemic not only created drastic impact on Hawaii’s economy, it created a lot of difficulties in the long planned 2020 Census activities. The demand for economic data, analysis, and presentation increased significantly. Most of the READ staff worked remotely without reducing productivity.

Additional COVID-19 Related Projects Conducted:

- Created a new dashboard on the [economic impact of COVID-19](#) and updates the dashboard on a weekly basis.
- Produced a report on COVID-19 and the Economically Vulnerable Populations in Hawaii.
- Partnered with 16 private organizations, READ designed, implemented the Hawaii Commercial Rent Survey and tabulated the data. The survey was conducted in July, September, and December 2020. The objectives of the survey included finding out the business operation status, their revenue projections, tourism contribution to their businesses, and the status of rent payments. Results revealed that 16% of Hawaii

businesses were closed in July, 24% were closed in September due the second stay-home order for Honolulu County, and 10% closed in December 2020. This survey has become a nation-wide survey since December 1, 2020, with the mainland states included.

- Made 12 presentations on the economy at various business and community associations and groups.

NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

- **Census 2020:** The division hosted and operated the Hawaii Government Complete Count Committee for the 2020 Census with representatives from the Federal, State, and County government agencies as well as the non-profit organizations. They participated in 13 committee meetings, designed and produced brochures in 13 languages, distributed promotional materials to the public and participated in 20 community meetings and events. As of October 15, 2020, 99.9% of Hawaii residents were counted.

One-Year Goal: Develop one new dashboard on Hawaii population. Work with the U.S. Census Bureau and organize 3 training sessions on 2020 Census data.

Five-Year Goal: Work with the U.S. Census Bureau and organize at least 30 training sessions in Hawaii on Census data. Develop one new dashboard on Hawaii population. Conduct five comprehensive studies on Hawaii's population and demographic changes based on 2020 Census data.

Action Plan: Monthly meetings with the U.S. Census Bureau; Participate in the trainings at the U.S. Census Bureau. Monthly meetings with the State Data Center affiliates, periodic newsletters to the public.

Measurement of success: Number of Census data trainings organized, number of attendees, % of excellent evaluations, website visits, and media coverage of population studies.

Budget Impacts: If budget cut occurs, the dashboard development may be canceled, Census data trainings will be either reduced or canceled, and the number of studies and quality of the studies will be reduced.

- **Gathering of Data:** READ houses the Hawaii State Data Center and the Federal-State Cooperative for Population Estimates (FSCPE) that partners with the U.S. Census Bureau and publishes Hawaii data, including the decennial census, the annual American Community Survey, Economic Census, and the annual population estimates.
 - READ developed and hosts two data warehouses, one for the [general economic data](#), and the other is specific on [tourism data](#). The data can be accessed via READ's website. READ's website receives an average of 54,000 page views a month in 2020, representing an 80% increase from that of 2019.
 - As of December 2020, the Economic Data Warehouse has 403,078 data points, and the tourism data warehouse consists of 438,223 data points. READ also developed a Tourism dashboard. The data warehouses and the dashboard are updated on a monthly basis and provides users with tools for selecting the data series, the frequency, and the history, and ability to export data to excel

spreadsheets and convert to PDF formats.

- READ collects data and maintains the database on Hawaii petroleum industry and the State government electricity usage by account. READ also created the [Energy Data Dashboard](#), which is updated on a monthly basis, and provides users with tools for selecting the data series, the frequency, and the history, and ability to export data to excel spreadsheets and convert to PDF formats.

One-Year Goal: Increase the data points by 20,000.

Five-Year Goal: READ will develop 5 more data dashboards on the economy and the population.

Action Plan: Assignments are given to specific employees with specific goals. Weekly meetings are held with employees to discuss work in progress. All projects are based on team work so that everyone on the team can substitute for each other if one is on leave. Periodic trainings are held in-house or by invited experts.

Measurement of success: The data products and studies will be measured by media coverage, citations, website visits, and comments from the legislature, administration, and the public.

Budget Impacts: If budget cut occurs, number of data series maintained will be reduced and the timing of the updates will be delayed.

- **Economic Analysis Reports:** The Research and Economic Analysis Division (READ) produces an average of 50 [economic and statistical reports a year](#), covering all aspects related to Hawaii's economy and the population including economic issues on energy, industry structure, workforce, household consumption, population, taxation, and businesses. The division assesses the economic conditions, identifies growth potentials, and projects future trends. READ also prepares economic documents for the Department of Accounting and General Services, Department of Transportation, and Department of Budget and Finance for the State's revenue bond and general obligation bond credit rating and sales.

One-Year Goal:

- Assess economic conditions, identify growth potentials, and project future trends.
- One report on economic impacts of aging in Hawaii.
- Two comprehensive studies on Hawaii's labor force, including brain drain, occupational development, place of work status.
- Develop methodology and models to measure economic impacts and industry performance. Update and maintain the State and county Input-Output Models using the 2017 Economic Census data.
- Complete 45 other economic and statistical reports.

Five-Year Goal: Plans to complete five comprehensive population studies along with other economic studies.

Action Plan: Assignments are given to specific employees with specific goals. Weekly meetings are held with employees to discuss work in progress. All projects are based on team work so that everyone on the team can substitute

for each other if one is on leave. Periodic trainings are held in-house or by invited experts.

Measurement of success: Will be determined on whether the studies are produced and media coverage, citations, and comments from the Legislature, Administration and the public.

Budget Impacts: If budget cut occurs, the quantity and quality of the economic studies will be reduced, and the studies will be delayed.

- **Community Outreach and Education:** READ participates with the State agency bond rating and sales activities every year. Prepare documents for State financial reports and budget. READ also participate in business community events and provide training on data use and present the state economic conditions and projections.

One-Year Goal: 20 community event participations.

Five-Year Goal: 100 community event participation and training.

Action Plan: Join membership with business communities and organizations. Work with local communities in event planning. Taking the leadership positions in the communities.

Measurement of success: Good to excellent grade in event evaluations.

Budget Impacts: Event participations and training will be reduced if budget cut occurs.

FEDERAL FUNDS: None.

NON-GENERAL FUND: None.

BUDGET ADJUSTMENT:

- **Reallocate a Research Statistician V position from BED 120 to BED 130.** The position has been teamed with READ since 2006 on energy data and has been maintaining the Energy Industry Information Reporting Program (EIIRP) as required by Act 151 (2010). The energy team maintains two energy databases, produces the monthly energy statistics report, updates the monthly energy dashboard, and produces an average of three energy studies annually.

HAWAII GREEN INFRASTRUCTURE AUTHORITY – BED 138

MISSION: Pursuant to Act 211, the Hawaii Green Infrastructure Authority (“Authority” or “HGIA”) was constituted in November 2014 to administer the Green Energy Market Securitization (“GEMS”) Program. The mission of HGIA is to make clean energy investments accessible and affordable for Hawaii’s underserved and hard-to-reach ratepayers.

HGIA was capitalized with the proceeds from the Green Energy Market Securitization (“GEMS”) Bond, an innovative, market-driven financing mechanism, to advance the State’s Energy Efficiency Portfolio Standards (“EEPS”) and support efforts to achieve its 100% renewable

portfolio standards (“RPS”) goal in the electricity sector by 2045.

BUDGET REQUEST: The source of funding for HGIA is the one-time GEMS bond issuance in 2014. The GEMS Bond is not an obligation of the State of Hawaii. Its sole obligor are the ratepayers of the Hawaiian Electric Companies’ through a non-by-passable Green Infrastructure Fee on ratepayers’ utility bills.

HGIA’s \$85,937,211 base budget consists of the following:

- \$ 856,917 – Salary and Fringe
- \$ 265,294 – OCE
- \$50,000,000 – Special Fund Lending Ceiling
- \$15,000,000 – State Revolving Fund Lending Ceiling
- \$19,815,000 – GEMS Bond Fund Ceiling

Approval of the budget is necessary for HGIA to continue to provide financing to democratize clean energy for underserved ratepayers, as well as help sister state agencies and departments to lower its energy costs.

The GEMS Bond Fund ceiling is necessary for the administration and repayment of the GEMS Bond, through fees assessed to the ratepayers of the Hawaiian Electric Company, Inc.

CURRENT ECONOMIC AND FISCAL CONDITIONS:

Like the rest of the state, nation and world, the COVID-19 pandemic disrupted HGIA’s implementation of its 2020 goals and objectives. In spite of a number of commitments to finance clean energy projects aggregating some \$11.1 million being cancelled during the year, the Authority accomplished the following:

- continued its focus on providing clean energy financing to underserved ratepayers by committing an additional \$5.4 million in loan capital. Aggregate loan funds committed as of September 30, 2020, totaled \$84.4 million, facilitating over \$105.6 million in clean energy projects;
- was recognized by the U.S. Department of Energy as a 2020 Goal Achiever for exceeding its \$25.0 million funding goal for fiscal 2020;
- responded in a number of ways to the COVID-19 pandemic; and
- started its risk mitigation, automation and efficiency projects.

HGIA’s COVID-19 Related Projects Included the Following:

1. **Loan Deferrals:** The Authority initially started the development of new loan products; however, in response to the Governor’s Stay-At-Home order effective March 25, 2020, the Authority quickly shifted its focus from loan origination to loan servicing to help borrowers negatively impacted by the COVID-19 pandemic, by offering loan deferrals for up to six months. Approximately 63% of HGIA’s residential portfolio and 89% of its commercial portfolio opted in for the deferral.

2. **SBA Paycheck Protection Program Outreach and Technical Assistance:** As an agency attached to DBEDT, HGIA supported small businesses by participating in a number of community outreach efforts in April 2020, encouraging small businesses to apply for SBA's Paycheck Protection Program (PPP). Outreach included:
- The Windward Business and Non-Profits Town Hall sponsored by Senators Laura Thielen and Jarrett Keohokalole; Representatives Chris Lee, Cynthia Thielen, Lisa Kitagawa and Scot Matayoshi; and Councilmember Ikaika Anderson on April 6, 2020;
 - Governor Ige's Community Connection Broadcast on April 7, 2020, along with Dennis Ling, which posted 12,600 views;
 - The Chinatown Small Business Technical Assistance Training sponsored by Congressman Ed Case and Councilmember Carol Fukunaga on April 16, 2020; and
 - With Ryan and Yunji on an April 27, 2020, broadcast following Governor Ige.

Additionally, through the various ethnic Chambers, HGIA facilitated the translation of the SBA's PPP application into Chinese, Korean, Japanese, Tagalog, Thai and Vietnamese to assist our [English as a Second Language] small business owners.

3. **Hawaii Restaurant Card:** HGIA served as project lead for the Hawaii Restaurant Card, a public-private economic stimulus program to inject millions of Federal CARES Act dollars into Hawaii's economy to immediately drive business to the struggling restaurant industry and stimulate economic activity for the State's entire food supply chain, while providing direct assistance to unemployed residents who have been negatively impacted by the COVID-19 pandemic.

In order to expeditiously galvanize a large number of residents statewide to frequent local restaurants and eateries, individuals who were receiving Unemployment Insurance (UI) and Pandemic Unemployment Assistance (PUA) benefits, who met CARES Act Funds eligibility requirements, were selected to receive a restaurant card preloaded with \$500 per recipient. These prepaid debit card could be used to purchase meals (excluding non-alcoholic beverages) from restaurants, fast food establishments, bakeries and caterers throughout the Hawaiian Islands.

This initiative, with administrative overhead at less than 1%, enabled over 99% of CARES funds to reach the intended beneficiaries, as follows:

- 4,232 restaurants, bakeries and caterers;
- Food supply chain businesses (e.g., farmers, fishermen, ranchers, distributors); and
- 142,504 displaced workers statewide.

Preliminary Hawaii Restaurant Card Economic Impacts as of December 15, 2020

# Accounts Enrolled	146,576	Multiplier Output	\$ 151,233,083
Cards Activated	141,378 or 96.45%	State Tax Revenue Generated	\$ 8,858,929
Dollars Loaded	\$ 74,288,000	Jobs Created/Retained	1,162
Dollars Spent	\$69,372,974 or 93.38%		

While every County benefitted, the spend was in line with the County’s displaced workforce (both UI and PUA), as follows:

1. City and County of Honolulu – 59%
2. County of Maui - 20%
3. County of Hawaii – 13%
4. County of Kauai – 8%

Due to the success of the HRC Program, private industry banded together to purchase Hawaii Restaurant Card – Business Holiday Cards to continue to help and invest private capital into the struggling restaurant industry and food supply chain through the first quarter 2021, beyond the December 15, 2020, deadline for the original Restaurant Card program. This program was a public-private partnership between DBEDT, Chamber of Commerce of Hawaii, the Hawaii Restaurant Association and the Hawaii Agricultural Foundation.

NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

The U.S. Department of Energy recognized the Hawaii Green Infrastructure Authority as a 2020 Goal Achiever for exceeding its \$25.0 million funding goal this past fiscal year.

- **Expand Lending Activities:** In early 2020, the US Department of Agriculture made its Rural Energy Savings Program, which previously offered 0.0% interest loans only to rural utilities, available to Green Banks nationwide. In order to access this capital source, HGIA needs a revision in its statute to allow debt from the Federal government.

One-Year Goal: Pass legislation to get HGIA’s statute changed. Apply for the US Dept. of Agriculture grant.

Five-Year Goal: Process loans through Rural Energy Savings Program while seeking additional sources of loan capital.

Action Plan:

- Work with the Legislature to create a clean energy and energy efficiency revolving fund under HGIA.
- Apply for Federal (and other) loan capital funds.
- Identify access to capital gaps within the State.

- Design loan products.
- Outreach with partners and stakeholders.
- Incorporate program into existing HGIA infrastructure for greater efficiencies.
- Launch new loan product/program.

Measure of Success: Number of loans to facilitate clean energy projects, which results in additional economic and environmental impacts, all of which are reported quarterly.

Budget Impacts: Ensuring that the agency has sufficient capacity and resources to expand lending activities will be necessary for timely roll-out of new programs to lower ratepayer energy costs.

- **Servicing the underserved ratepayers:** The Authority continued to originate, underwrite, approve and fund loans to underserved ratepayers during the year leveraging its on-bill repayment mechanism and making clean energy more accessible to previously hard to reach ratepayers. For program visibility, HGIA was featured in several local and national publications, and participated in a number of national presentations. Due to the pandemic, many unemployed LMI households are unable to pay their energy bill, underwriting modifications will be required to assist these ratepayers by lowering their energy cost after the moratorium on utility disconnections is lifted.

One-Year Goal: Continue deploying funds to facilitate clean energy adoption for underserved ratepayers. Underwrite modifications to lower the underserved ratepayers' energy costs.

Five-Year Goal: Develop new products to further help underserved ratepayers.

Action Plan:

- Source and accept loan applications.
- Work with the PUC on this modification.
- Underwrite loans depending on program criteria.
- Approve, document and fund loans.
- Service loans (including collection efforts) until all loans are paid in full.

Measure of Success: Based on the specific metrics of the individual loan product(s), such as jobs created, tax revenue generated kWh produced or reduced, etc.

Budget Impacts: If HGIA's program budget is reduced, it will slow the Authority's ability to approve loans, deploy funds, and most importantly, assist the State's most vulnerable ratepayers to lower their energy cost.

- **Opportunity Zone Investment Funds:** Collaborate with BDSO, Office of Planning, and Hawaii Community Reinvestment Corporation in an application for \$35 million in Opportunity Zone Investment Funds.

One-Year Goal: Receive award.

Action Plan: Application was submitted in November 2020. Due diligence continues with award announcements expected in early 2021. If successful in being awarded Opportunity Zone Investment Funds,

- Work with the PUC to allow GEMS to finance utility scale projects (specifically community based solar).
- Source opportunity zone energy projects (e.g., Molokai Community Based Solar Project, etc.)
- Underwrite and approve project financing. Document and fund loans.
- Service loans (including collection efforts) until all loans are paid in full.

Measure of Success: Based on the specific metrics of the projects financed, such as jobs created, tax revenue generated kWh produced or reduced, etc.

Budget Impacts: If HGIA’s program budget is reduced, it will slow the Authority’s ability to obtain the necessary approvals necessary from the Commission, as well as conduct outreach to source and originate eligible Opportunity Zone projects.

- **Mitigate Operational Risks:** HGIA’s loan portfolio had grown from \$10,100 at fiscal year ended June 30, 2016 to \$38.3 million at fiscal year ended June 30, 2019. As of June 30, 2020, HGIA’s loan receivable was \$60.1 million. An important goal during the year has been mitigating operational risks and increasing efficiencies.

In December 2019, HGIA and DFI executed a MOU for DFI to conduct a 3rd party review on the Authority’s lending operations. The review was scheduled to start on March 30, 2020. However, due to the Governor’s Stay at Home order, the review was cancelled.

One-Year Goal: Increase efficiencies and reporting accuracy. Launch residential loan portal.

Five-Year Goal: Fully functioning platform.

Action Plan:

- Outsource accounting functions - completed.
- Develop an automated online underwriting portal, utilizing Salesforce as a data warehouse for increased reporting accuracy and flexibility – 60% complete.
- Transition the current manual commercial loan servicing process to a commercial loan servicing platform.

Measure of Success: Completed projects.

Budget Impacts: No anticipated impacts if special fund balance is maintained at current level.

- **Increase leverage of private capital:** Similarly, the Authority hoped to explore the opportunity and viability of increasing leverage of private capital from banks and credit unions during 2020. Unfortunately, the pandemic has decimated Hawaii’s tourism industry and economy with temporary and permanent closure of businesses and the highest unemployment rate in the nation. This has also resulted in a shift in priorities for banks and credit unions from expansion in lending, to risk mitigation, debt restructuring and other loss prevention activities.

One-Year Goal: On hold until the economy stabilizes.

Five-Year Goal: Expand programs to increase leverage of private capital.

Action Plan: Outreach to banks and credit unions to structure a loan loss reserves or other risk mitigation programs to leverage public funds, as may be required or necessary.

Measure of Success: Deployment of program (as required).

Budget Impacts: Ensuring that the agency has sufficient capacity and resources to expand lending activities will be necessary for timely roll-out of new programs.

FEDERAL FUNDS: None.

NON-GENERAL FUNDS: <https://budget.hawaii.gov/wp-content/uploads/2020/12/BED.pdf>

BED 138 EXECUTIVE BUDGET ADJUSTMENT: None.

OFFICE OF THE DIRECTOR & ADMINISTRATIVE SERVICES OFFICE – BED 142

MISSION: The Office of the Director provides overall direction and coordination of statewide economic development and energy programs. It formulates and executes economic development policies of the Governor and the executive branch and economic development initiatives proposed and approved by the Legislature. The Administrative Services Office provides internal management, fiscal, budgetary, contract, personnel, information technology and other administrative services in support of DBEDT's five core programs and nine attached agencies.

- **HAWAII BROADBAND INITIATIVE**

MISSION: The Hawaii Broadband Initiative's (HBI) mission is to provide a foundation for economic growth and global competitiveness for all of Hawaii's residents and businesses. Taking a holistic approach to the HBI, it is widely recognized that broadband touches the community by providing the foundation for innovation, economic development, healthcare, education, public safety, entertainment, etc. through the entire continuum of broadband connectivity including:

1. Transpacific fiber optic cable and carrier neutral fiber landing station;
2. Terrestrial backhaul to connect subsea cables to data centers and aggregation points on-island;
3. Wireless broadband deployment including 5G small cells;
4. Inter-island fiber optic connectivity between the Hawaiian Islands;
5. Rural broadband, last mile/first mile and community networks; and
6. Broadband application drivers: telehealth, big data, smart city, smart grid, machine learning, artificial intelligence, autonomous vehicles, augmented reality, eSports, etc.

CURRENT ECONOMIC AND FISCAL CONDITIONS:

In 2020, the pandemic revealed that Hawaii was not prepared for the first stay-at-home, work-from-home orders triggered by the COVID-19. From day one, local government, businesses, educators, and residents felt Hawaii's vulnerability due to the inadequacy of the digital infrastructure that we had otherwise taken for granted. Broadband and its related facets of access, literacy, applications like telehealth, and distance learning, and the economy became among the State's most pressing challenges. Each day brought growing numbers of business disruptions, stranded students, and reduced options to receive health care and other essential services.

Since March 2020, the State's Broadband Strategy Officer in collaboration with the nonprofit organizations - Transform Hawaii Government and the Economic Development Alliance of Hawaii (EDAH) began gathering an informal Hawaii Broadband Hui. Its initial focus centered on broadband-related initiatives that would enable Hawaii to weather the impacts of the pandemic, such as offers from providers to ease connectivity to students and homes. The premise drew participation from more than 200 empowered leaders from businesses including the carriers and providers; federal, state, and county levels of government; public and private education; and nonprofits with community initiatives.

Through the diverse input gathered in this collective forum, it became overwhelmingly apparent that communities throughout Hawaii lacked the necessary tools to work, learn, receive healthcare, access government services and stay connected to their social support networks. These communities varied from rural, native Hawaiian, low-income, disenfranchised and oftentimes forgotten. Many of the members, representing communities and subgroups of the Broadband Hui, identified projects that helped close the digital divide, from Wi-fi on Wheels, refurbished computers, community networks, data and mapping, etc. One of those projects, to support telehealth for homeless communities received CARES Act funding.

Additional CARES Funding Released:

- **Telehealth and Broadband Access:** HOPE Services Hawaii based in Hilo, Hawaii, was awarded \$131,150 in CARES funding for telehealth and broadband access to service the homeless community on Hawaii Island. The project involved purchasing of iPads and wireless connections for field workers for preventative efforts of the spread of COVID-19 among the homeless population. The project provided immediate access to primary and specialty care via telehealth and mobile wi-fi hotspots for the homeless population living on the streets and in shelters.

Other projects that were conducted due to COVID included:

- **Safe Travels App:** HBI created the team that developed the first generation of the Safe Travels app. The app provided an automated way for visitors to provide their personal information, where they are staying, health condition and daily reminders

for health updates during the quarantine period. Phase 1 of the application was successfully launched and used by both visitors and returning residents. Phase 2 of the project was taken over and developed by ESRI.

NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

- **Broadband Hui:** The Broadband Hui consists of more than 200 individuals representing wireline, wireless carriers, legislators, local national, and international non-profits, public and private schools, universities, commercial sector, local and state government leaders, and Congressional representatives. This collective forum meets on a weekly basis and has met over 40 weeks since the initial meeting. The Broadband Hui published the [Digital Equity Declaration](#). It is a call for collective action to address the three pillars of digital equity also known as Broadband for A.L.L.:
 1. Access: Broadband access and infrastructure for all of Hawaii’s residents;
 2. Literacy: The tools and learning to bring everyone up to a level of digital literacy; and
 3. Livelihood: The ability to thrive in the digital economy also referred to our digital “pilina” or web of relationships.

Other projects include:

1. Wifi on Wheels - Bringing connectivity to students in underserved communities.
2. Kuauli Digital Opportunity - Providing refurbished hardware to needy families.
3. Data Gathering and Mapping - Crowdsourcing of data to determine areas that are unserved or underserved with broadband.
4. Community Networks - Connecting communities like Puuhonua o Waianae, Kipahulu and Molokai.

One-Year Goal: Continue convening Broadband Hui.

Five-Year Goal: Achieve goals stated in the Digital Equity Declaration.

Action Plan: See [Digital Equity Declaration](#).

Measure of Success: Eliminate digital inequity.

Budget Impacts: There is currently no budget.

- **Broadband Strategic Plan:** In addition to the work done on the Digital Equity Declaration, DBEDT published the 2020 [Hawaii Broadband Strategic Plan](#). The four overarching strategic goals include:
 1. Ensure Robust Broadband Infrastructure to All Hawaii Residents;
 2. Expand Digital Inclusion and Adoption to Achieve Digital Equity;
 3. Enable Hawaii to Thrive in a Digital Economy; and
 4. Strengthen Community Resiliency through Broadband.

One-Year Goal: Continue convening Broadband Hui.

Five-Year Goal: Achieve goals stated in the Digital Equity Declaration.

Action Plan: See Digital Equity Declaration.

Measure of Success: Eliminate digital inequity.

Budget Impacts: Completed through the Office of Planning.

- **Transpacific Cable Landing Station:** Focus on building a carrier neutral cable landing station on Oahu and the neighbor islands to extend broadband width to the entire State and create an environment for Hawaii to thrive in the global digital economy.

One-Year Goal: Obtain funding to build a carrier neutral cable landing station on Oahu and Hawaii Island.

Five-Year Goal: Apply for construction grant for cable landing Infrastructure of Oahu and Hawaii Island.

Action Plan: Apply for an Engineering and Design Grant in 2021.

Measure of Success: Grant awarded

Budget Impacts: Currently there is no budget.

- **SMALL BUSINESS REGULATORY REVIEW BOARD**

MISSION: The Small Business Regulatory Review Board (SBRRB) is governed by the Hawaii Small Business Regulatory Flexibility Act (RFA), Chapter 201M, Hawaii Revised Statutes. The purpose of the RFA is to lessen the economic burden on small businesses and improve the State's entrepreneurial climate.

Under the RFA, the SBRRB acts as a gatekeeper for laws affecting small businesses, and an avenue for regulatory change and complaints. Thus, the SBRRB's contribution to sustainable economic development comes from reviewing state and county proposed new and amended administrative rules impacting small business and making recommendations for a rule change or for legislation to the agencies, to the Governor or Mayors, and to the Legislature. The SBRRB may also recommend a rule or legislative change based on any request from small business owners for the review of any rule adopted by a state or county agency.

BUDGET REQUEST: The SBRRB program requires sufficient funds for outreach purposes to the small business community and attendance of the neighbor island members at future board meetings.

CURRENT ECONOMIC AND FISCAL CONDITIONS: Despite the pandemic, the Board was able to hold nine out of twelve meetings, usually the meetings are held monthly. The Board meetings were conducted remotely rather than in-person. The Board established a strategic plan for FY 20-21.

NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

- **Review proposed new and amended Hawaii Administrative Rules (HAR):** The SBRRB reviewed more than 220 existing HARs of State and County agencies and

reviewed more than 30 pre- and post-public hearing HARs.

One-Year Goal: Continue to meet monthly and review State and County HARs.

Five-Year Goal: Strategic plans are established annually.

Action Plan: In order to achieve these goals, Board members must review, evaluate and update its action plan on a regular basis.

Measure of Success: Attendance at monthly board meetings, albeit remotely, will allow the SBRRB to continue to review pre- and post-public hearing HARs.

Budget Impacts: Meeting remotely has shown notably less attendance from testifiers regarding regulatory concerns from small businesses.

- **Outreach:** This year, conferences and events were scheduled to be attended for outreach purposes. However, due to the pandemic the events were held virtually. In order to provide information to the small business community, SBRRB brochures were mailed to hundreds of Hawaii businesses; a monthly e-newsletter was emailed; and continued outreach via social media platforms – Facebook, Twitter and Instagram.

One-Year Goal: Expand current and projected outreach activities and identify small business organizations to explore potential cooperative outreach.

Five-Year Goal: Strategic plans are established annually.

Action Plan: Review and improve upon collateral material, if necessary.

Measure of Success: Outreach activities will be measured by the number of activities attended, and small business organizations approached.

Budget Impacts: Limited outreach efforts due to budget constraints.

FEDERAL FUNDS: None

NON-GENERAL FUNDS: None.

BUDGET ADJUSTMENTS:

- Abolish two (2) unfunded positions.

HAWAII TECHNOLOGY DEVELOPMENT CORPORATION – BED 143

MISSION: The Hawaii Technology Development Corporation (HTDC) is leading the State of Hawaii's effort to grow the technology industry sector with the objectives of diversifying the economy and creating high-wage job opportunities for the people of the State.

BUDGET REQUEST: No additional budget adjustment is being requested. See the section on [notable performance](#) for program milestones and measures.

CURRENT ECONOMIC AND FISCAL CONDITIONS: In Fiscal year 2019-2020, HTDC moved its

headquarters from the Manoa Innovation Center to the Foreign Trade Zone and began its first year operating the Entrepreneurs Sandbox. The Hawaii Strategic Development Corporation's (HSDC) statute and mission were incorporated into HTDC last year; however, no staff or financial resources were provided so the program was temporarily put on hold.

Due to COVID-19, HTDC had to shift gears to assist the small businesses during these economically challenging times. HTDC was appropriated CARES funding in Act 9, SLH 2020, as follows:

CARES Fund Projects:

CREATE A SUPPLY CHAIN OF CLEANING SUPPLIES AND PERSONAL PROTECTION EQUIPMENT.

HTDC was appropriated \$10 million for this project. The Program provides grants to small businesses in Hawaii to help establish a local supply chain of cleaning supplies and personal protective equipment (PPE) in response to the COVID-19 public health emergency.

From the onset of the pandemic, front line workers and essential workers throughout the world experienced a shortage of available cleaning supplies and PPE. In Hawaii, with very limited local capacity for manufacturing PPE, our community was left vulnerable to compete in a race to import supplies.

At the same time, the local community stepped in to help fill the demand by repurposing their manufacturing capacities. With cloth sewn masks, 3-D printed face shields, hand sanitizers made at distilleries, etc. local businesses showed how a local supply chain can rapidly adapt and prioritize the needs of the community in ways that imported products cannot. Furthermore, the World Health Organization calls on industry and governments to increase manufacturing by 40 percent to meet rising global demand of PPE.¹

The goals of the Program were to:

- Increase the local capacity for producing cleaning supplies and PPE for the safety of the public in case the import supply chain is disrupted due to global escalation of COVID-19 cases;
- Provide economic support and new opportunity to small businesses that demonstrate potential to provide employment opportunities for displaced workers on all islands caused by the COVID-19-related business closures;
- Advance innovative solutions related to creating a supply chain of PPE that could benefit the State of Hawaii; and

¹ <https://www.who.int/news-room/detail/03-03-2020-shortage-of-personal-protective-equipment-endangering-health-workers-worldwide>

- Maximize the total benefit for Hawaii by coordinating with other programs/funds and prioritizing projects that commit matching funds and/or resources to help our community to endure and recover from the impacts of COVID-19.

There was a total of 79 completed application received. Twenty-two applications were either deemed to be incomplete or not submitted by the deadline. A total of 36 companies were awarded \$9.9 million of that two companies declined the award because they could not meet the committed deadlines, as all expenses must be incurred by December 30, 2020. Awards ranged between \$15,000-\$500,000 per company. The balance of the funds was used for administrative costs, PR/marketing and for auditor services.

Additional COVID-19 Related Projects Conducted

Due to the pandemic, HTDC had to act quickly to assist businesses that were ordered to shut down in late March 2020. HTDC conducted the following projects:

- **UPSKILL FOR DISPLACED WORKERS**
To assist displaced workers during COVID-19, this initiative, administered through HTDC in September offered educational resources to Hawaii’s workforce. The program was targeted to assist unemployed workers, so they can equip themselves with technology skills and reposition for new career opportunities. Those currently employed or furloughed could also leverage Coursera’s offerings to upskill themselves and take on more advanced technology projects. HTDC has also hosted virtual job fairs to compliment the program.
- **E-COMMERCE AND DIGITAL MARKETING TRAINING**
INNOVATE Hawaii received \$132,000 in CARES federal funding from the National Institute of Standards and Technology Manufacturing Extension Partnership. A three-month e-commerce training pilot program was developed to target manufacturers who were new to e-commerce. Details are provided under the INNOVATE Hawaii program.

In November, HTDC partnered with the Chamber of Commerce of Hawaii to upscale the e-commerce program and offer the program to a broader business audience as part of the Hawaii Business Pivot Grant program. It was a combination of webinars, workshops and 1-1 consulting sessions designed to raise e-commerce and digital marketing capabilities for Hawaii’s businesses. The program provided in-depth assistance to 103 companies and hosted 11 webinar workshops.

NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

- **80/80 Initiative:** HTDC continues working toward the 80/80 Initiative: a goal for Hawaii to create 80,000 new tech and innovation jobs earning more than \$80,000/year by 2030. HTDC conducts an Economic Impact survey of all its clients. Due to COVID-19, the annual survey was not conducted this past year. For 2018, 107 companies responded

reporting \$560 million in revenues, \$277 million in income generating \$48 million in State taxes, over \$1 billion in economic impact and supporting 3,870 jobs.

One-Year Goal: Collect data in a more consistent manner

Five-Year Goal: Publish a report on our progress toward 80/80

Action Plan:

- HTDC is partnering with other agencies and the private sector to build the infrastructure, provide the capital and develop the talent needed for innovation to thrive.
- Conduct the annual economic impact survey. Evaluate existing measuring system for better indicators to measure program performance. Additional measurables to consider: number of new companies engaged, and number of tech jobs within companies.

Measure of Success: 80,000 new tech and innovation jobs earning more than \$80,000/year created.

Budget Impacts: The activities and progress toward 80/80 has slowed considerably over the past two years with a decrease of funds available for HTDC programs. With further budget cuts, this goal is no longer a good target. With the proposed budget cuts, HTDC will give up our office, leave federal grant opportunities on the table because of the lack of general funds and general funded positions that are required as match, and will spend our time focused on the manufacturing industry where our program receives federal funds and our tech programs at the Sandbox where we need to generate revenue to cover operational expenses.

- **HTDC Sandbox:** The Sandbox had a tremendous start between July 1, 2019, up to the COVID-19 shutdown in March 2020. All of the offices were rented, the TRUE Initiative was launched, and there were activities going on every single day of the month, including weekends prior to COVID-19.

Due to COVID-19, the Entrepreneurs Sandbox moved online. The Sandbox currently hosts approximately three (3) webinars a month including relevant topics such as resume and linked-in tips, virtual job fairs, women in tech, transitioning to a tech job, and more. A HTDC Covid-19 resource page was set-up.

In April 2020, the Sandbox quickly re-tooled facility space into a call center for the Department of Labor to help manage a record number of jobless claims. Later that month, the facility was used as a socially distanced assembly line for a special Mother's Day Gift Boxes in a partnership with the Chamber of Commerce of Hawaii and the Hawaii Food Manufacturing Association. The Sandbox was designed as an innovation hub for tech, entrepreneurs and creatives with the flexibility to accommodate various projects of different dimensions and now has demonstrated the ability to quickly adjust to support our urgent community needs.

One-Year Goal: Revamp the Sandbox to positive operating cashflow

Five-Year Goal: Begin the planning of an adjacent facility

Action Plan: Building demand with Sandbox reaching full capacity and fully developed and engaged with the community

Measure of Success: Full capacity and positive cashflow

Budget Impacts: The Sandbox revenue and cashflow was dramatically impacted by COVID-19. Fortunately, many of the corporate partners retained their innovation offices and provide approximately 50% of the required cash to maintain operations. The innovation divisions of our corporate partners are extremely active with COVID accelerating the need for digital presence. However, the events, activities, and coworking had been providing the other 50% of the required cash to maintain operations. This has been effectively 0 since the start of the pandemic and will require at least one year to recover AFTER Honolulu reaches the advanced stages of reopening. Fortunately, we have a trust fund from our Japanese investor which will be used to finance our recovery.

- **INNOVATE Hawaii program:** In 2017, HTDC's INNOVATE Hawaii program was awarded a 5-year \$2.5 million federal contract with the National Institute of Standards and Technology (NIST) Manufacturing Extension Partnership. In 2019, that contract was increased to \$3.05 million and another \$1 million Manufacturing workforce Development grant was also awarded in 2019. The INNOVATE Hawaii program has also been successful in establishing a Tech Bridge center in Hawaii with the Office of Naval Research. The Hawaii Tech Bridge is the latest effort by the Navy to enable greater collaboration with non-traditional partners and develop partnerships that will make the sea service stronger.

The following additional federal funds were awarded to the INNOVATE Hawaii program in FY20:

- \$132,000 (NIST) CARES Act funds to support manufacturers
- \$125,000 (SBA) 1-year SBIR outreach and assistance (secured for third straight year)
- \$69,000 (USDA) + \$20,000 (Hawaii County) to support the Neighbor Island Innovation
- \$75,000 (OMEP) to support advanced manufacturing

The INNOVATE Hawaii program started a suite of E-commerce and Digital Marketing training activities to help local businesses reach new markets. First, using federal CARES Act funding from NIST a 3-month e-commerce training pilot program was started to target manufacturers that were new to e-commerce. The program provided a comprehensive introduction to e-commerce and digital marketing best practices. The program also introduced companies to local expert consultants who were available to help. Subsequently, assistance was offered to manufacturers who were ready to move past the basics and into higher performance and analytics. This program continues and consists largely of assessing a company's needs and matching them with a local specialist.

One-Year Goal: Continue program.

Five-Year Goal: Increase funding for the program.

Action Plan: Continue the efforts in workforce development, food safety, advanced manufacturing, and e-commerce. Adapt to the changing needs of the companies.

Measure of Success: Successful award from NIST. NIST survey and scorecard.

Budget Impacts: The federal government has been consistent in providing funds for manufacturing in Hawaii. Our program has been very successful securing additional federal funding. COVID-19 allowed us to request and receive a 1-year exemption from the match requirements. With further restrictions, HTDC will need to find private sector partners to help us meet the committed deliverables this year and will likely forego additional funding opportunities. The staff support for this program is a mix of federally funded and general funded employees. We anticipate some program delays.

- **SBIR Grants:** The Hawaii SBIR provides matching grants and wraparound services to assist companies further the development of new products to solve critical issues. Applicants must have received a federal SBIR grant in order to qualify for the State's matching grant. The HSBIR program provides up to 50% match for companies receiving SBIR awards. The SBIR grant program is one of HTDC's core programs.

Phase 0/1

10 Applications Received

10 Applications Funded

4 First-time Applicants Funded

\$1.7MM Federal Grants Awarded

\$639k Total Match Requested

\$520k Total Matching Grants Awarded

49 New Full-time Employees Over 5 Years

113 Jobs Saved Over 5 Years

Phase 2/3

16 Applications Received

14 Applications Funded

3 First-time Applicants Funded

\$53MM Federal Grants Awarded

\$6.3MM Total Match Requested

\$900k Total Matching Grants Awarded

509 New Full-time Employees Over 5 Years

168 Jobs Saved Over 5 Years

One-Year Goal: Continue funding and grant support for Hawaii SBIR and Manufacturing small businesses and the wrap around support services.

Five-Year Goal: Expand efforts with University of Hawaii to increase pipeline and with DOD through Hawaii Tech Bridge program.

Action Plan: Seek capital to continue growth of the program. The Hawaii Tech Bridge is envisioned to provide a competitive advantage for Hawaii in commercializing technologies for DoD priorities.

Measure of Success: Number of jobs provided by companies in program,

Budget Impacts: Without funding for the SBIR matching grant program, the amount of federal funds these companies bring into the State will decrease. Last year was a record year for the Phase 2/3 SBIR program with 14 phase 2 awards and 2 phase 3 awards bringing \$53 million into the State. This steady increase in federal awards from the program is a direct result of the SBIR Phase 2/3 matching grant program started in 2017. The previous year, the companies won 12 Phase 2 and \$11 million.

- **MAP Grants:** HTDC's Manufacturing Assistance Program (MAP) offers Hawaii-based manufacturers up to a 20% reimbursement (up to \$100,000) on qualified expenses to help Hawaii manufacturers become globally competitive. The MAP grant program also provides wrap around services and is one of HTDC's core programs.

45 Applications Received

18 Applications Funded

10 First-time Applicants Funded

\$9.0MM Total Company Investment

\$1.5MM Total Match Requested

\$486k Total Matching Grants Awarded

281 New Full-time Employees Over 3 Years

227 Jobs Saved Over 3 Years

One-Year Goal: Continue funding and grant support for Hawaii SBIR and manufacturing small businesses and the wrap around support services.

Five-Year Goal: Double the company investment and total match requested by the companies. Use this program to justify an increase in the amount of annual federal funds received from NIST.

Action Plan: Revamp of MAP grant program to include support for workforce development for manufacturers to address challenges with skills gap and employee retention.

Measure of Success: Number of jobs provided by companies in program.

Budget Impacts: The program is not funded for 2021. The growth of the manufacturing sector will be slower.

- **HCATT Programs:** Current 5-year cooperative agreement for the HCATT program. HCATT continues working on its \$30 million contract with the U.S. Air Force Research Lab. HCATT continues to solicit Federal funding from a variety of sources to diversify its income stream. HCATT currently does not receive any State funding. The program includes 5 full time staff. HCATT operates the only operational renewable hydrogen production and dispensing station on Oahu and over the years has brought more than

\$40 million in federal funds into the State, matched by another \$23 million from private partners.

One-Year Goal: Secure funding for program.

Five-Year Goal: Integrate program into common renewable energy goals of DOD and the State.

Action Plan: Collaborate with the State Energy Office, Air Force, and Navy.

Measure of Success: Federal funds brought into the state.

Budget Impacts: This program is entirely funded by the Federal government. However, the admin support for this program is provided by general funded employees. We anticipate some program delays.

- **Accelerator Programs:** The Accelerator programs provide funding, mentorship, and training for startup companies. HTDC funded four (4) accelerator programs – Blue Startups, Elemental Excelerator, ManaUp and XLR8HI -- a total of \$300,000 in FY20. Each program is required to have at least a 1:1 match in order to receive funding from the State.

One-Year Goal: Develop next generation of accelerator programs and continue to provide financial support and mentorship for startups.

Five-Year Goal: Programs continue successfully.

Action Plan: Evaluate existing measuring system for better indicators to measure program performance. Additional measurables to consider include: total number of activities, total attendance, number of companies through the accelerator programs, private sector engagement/dollar leveraged.

Measure of Success: Number of companies running through program and still in operation.

Budget Impacts: Funding for the accelerator programs were not provided in FY21. The Blue Startups accelerator program that we have been supporting will likely be at risk of ceasing operation in the upcoming year leaving no remaining options in state available for new startups. Startups that require support will be forced to leave the state.

- **TRUE Initiative:** In March, Hawaii executives and civic leaders gathered at the Entrepreneurs Sandbox to launch the TRUE Initiative, a technology solutions-focused collaboration between local private sector business leaders, HTDC, other State departments, and our local universities and colleges. Housed out of the Sandbox, TRUE stands for Technology Readiness User Evaluation. The initiative seeks to tech-enable organizations and local businesses through sharing of solutions to common business challenges. The goal is to help create quality jobs and new opportunities with higher wages throughout the State for sustainable living in Hawaii and attract kamaaina looking for opportunities to return home.

One-Year Goal: Companies readily collaborating and implementing new tech projects

Five-Year Goal: Wide adoption from many companies.

Action Plan: TRUE initiative will mostly operate independently with input and guidance from HTDC.

Measure of Success: TRUE initiative operates independently and is recognized by industry.

Budget Impacts: This program is almost entirely funded by the private sector with only administrative and facility support provided by HTDC and the Sandbox. HTDC may lose this program if the amount of admin support provided is reduced. A secondary consequence may be the companies may leave the Sandbox which would provide short term fiscal impact while we recruit new tenants. The program is critical to HTDC's long-term vision because it is elevating the priority for innovation in the local business community. This is the key to sustainable innovation in Hawaii. If this program folds, we will have lost approximately 5 years of momentum that got us to this point. It is a major impact for our innovation strategy.

- **Innovation and Manufacturing Center (IMC) in Hilo:** Contractors for the Hilo and FRTC projects were secured and initiated work.

One-Year Goal: Assess the feasibility of the project.

Five-Year Goal: Complete construction and begin operation.

Action Plan:

- Create a Public-private partnership by working together with the community and state partners on a sustainable working model.
- Secure public/private commitments for project.
- Enhance opportunities for local businesses with workforce training and light manufacturing resources and help meet increasing demands as these industries grow in Hawaii.

Measure of Success: Positive cashflow.

Budget Impacts: Reduced staff support for this project which will slow down the progress.

- **Digital Currency Innovation:** Created through a partnership between HTDC and the Department of Commerce and Consumer Affairs, Division of Financial Institutions (DFI), the Innovation Lab explores digital currency innovation. During this period of participation, the 12 companies that were carefully screened and accepted into this pilot program are committed to providing key metrics specified by DFI. The data collected will be instrumental in developing local legislation around digital currency that will help advance the State, while laying the groundwork for the next phase of this pilot program.

One-Year Goal: Process in place for new virtual currency companies to do business in Hawaii.

Five-Year Goal: Integrate digital currency into economic development initiatives.

Action Plan: Continue building relationships with digital currency companies.

Measure of Success: Progress measured by engagement with new fintech businesses.

Budget Impacts: Reduced staff support for this project which will slow down the progress.

- **Maui Research and Tech Park:** The MRTC provides office space, coworking space, and workshops for the Maui tech community. Last year HTDC hosted 8 events at the MRTC facility.

One-Year Goal: Cash Flow positive. Facility at 50% capacity.

Five-Year Goal: Facility at 90% capacity.

Action Plan: Revamp the facility to cater to remote workers.

Measure of Success: Number of new tenants and supporting workshop attendance.

- **Kakaako Innovation Block Plan:** The Kakaako Innovation Block is an innovation cluster expanding on the success of the Entrepreneurs Sandbox.

One-Year Goal: Leveraging partnerships and community resources to create sustainable model to help move the industry forward. Secure additional commitments from non-state sources.

Five-Year Goal: Begin planning on other components of the block.

Action Plan: Continue activities at the Sandbox and further relationship with UH and the private sector.

Measure of Success: Non-state funds secured for the project.

Budget Impacts: Reduced staff support for this project which will slow down the progress.

- **First Responders Tech Campus:** The FRTC is a technology campus for first responders located at the Mililani Tech Park.

One-Year Goal: Project planning and permitting

Five-Year Goal: Secure partnership with agencies and begin construction.

Action Plan: Contractor hired to plan.

Measure of Success: Federal dollars secured for project.

Budget Impacts: Reduced staff support for this project which will slow down the progress.

- **Creative Industries Partnerships:** A partnership agreement with the Creative Industries Division was established to run the soundstage at the Sandbox.

One-Year Goal: Open the ID8 studios.

Five-Year Goal: Fill the ID8 studios to capacity.

Action Plan: Work with DBEDT CID and secure additional public/private stakeholder commitments for project.

Measure of Success: Positive cashflow.

Budget Impacts: Reduced staff support for this project which will slow down the progress.

FEDERAL FUNDS: INNOVATE Hawaii is in year 4 of its \$500,000 annual contract with the US Department of Commerce’s National Institute of Standards and Technology to support the Manufacturing Extension Partnership (MEP) program for FY17 through FY21. The program provides direct consulting assistance to manufacturers and administers the MAP and SBIR matching grant programs. Because of the program’s outstanding performance, NIST has **increased the contract to \$600,000 annually**. The federal funding requires an in-kind match that HTDC is providing by leveraging the funds received to support the MAP and HSBIR grant programs. INNOVATE Hawaii is also in its final year of its 3-year \$1,000,000 award for an apprenticeship program for Hawaii manufacturers. The metrics above demonstrate the importance of the INNOVATE Hawaii program in saving jobs and creating new jobs.

Federal Award Title: Award Competitions for Hollings Manufacturing Extension Partnership (MEP) Centers in the States of Delaware, Hawaii, Iowa, Kansas, Maine, Mississippi, New Mexico, Nevada, North Dakota, South Carolina and Wyoming
CFDA Number: CFDA 11.611, Contract # 70NANB17H012

Federal Award Title: HTDC INNOVATE Hawaii NIST MEP CAP – Smart Talent
CFDA Number: CFDA 11.611, Contract # 70NANB18H233_0

HCATT is working in partnership with the U.S. Air Force Research Lab and the Hawaii Air National Guard to design and develop micro grid stations utilizing 100 percent renewable energy.

Federal Award Title: The Hawaii Center for Advanced Transportation Technologies National Demonstration Center for Alternative Fuel Vehicles at Joint Base Pearl Harbor Hickam
CFDA Number: CFDA 12.800), Contract # FA8650-11-2-5605

In 2020, HTDC received a \$125,000 federal grant from the U.S. Small Business Administration to expand the SBIR program participation on the Neighbor Islands.

Federal Award Title: FY 2020 Fast Partnership Program
CFDA Number: CFDA 59.058, Contract # SBAOIIFT200019-01-00

NON-GENERAL FUNDS: <https://budget.hawaii.gov/wp-content/uploads/2020/12/BED.pdf>

BUDGET ADJUSTMENT:

- Reduce residual OCE of \$1,000 in FY22 and FY23.
- Abolish two (2) permanent and one (1) temporary unfunded positions.
- Reduction of \$159,759 in FY22 and FY23 for HSBIR grant program.
- Reduction of \$11,500 in FY22 and FY23 for neighbor island innovation initiative and neighbor island outreach.
- Reduction of \$23,210 in FY22 and \$46,419 in FY23 for office space and related expenses

and will work remotely 100%.

- Reduction of residual OCE of Special Funds of \$1,000 in FY22 and FY23 for BED145 VC (formerly HSDC).
- Reduction of residual OCE of Revolving Funds of \$1,000 in FY22 and FY23 for BED145 VC (formerly HSDC).

OFFICE OF PLANNING – BED 144

MISSION: The Office of Planning’s (OP) mission is to guide the overall growth and development of the State of Hawaii through a statewide comprehensive planning framework. OP prepares plans and studies, conducts policy analysis, and facilitates the formulation of state policies and strategies. OP consists of two divisions that collaborate with local, state and federal government agencies, academia, and community stakeholders to provide research, data and policy guidance to support an integrated statewide planning system. Collaboration allows for broad community input in meeting OP’s mission and responsibilities.

OP is organized into the Land Use Division and Planning Division. The **Land Use Division** coordinates with state agencies and prepares the State’s position before the State Land Use Commission to promote sustainable use of limited state resources such as land, water and infrastructure facilities. The **Planning Division** includes the Hawaii Coastal Zone Management (CZM) Program, Hawaii Geographic Information System (GIS) Program, the Special Plans Branch and the Sustainability Branch. The **CZM Program** guides and facilitates activities for the effective management, beneficial use, protection, and development of the coastal zone. The **GIS Program** leads the State’s effort to establish, promote, and coordinate the use of GIS technology and improve data-driven government decision-making. The **Special Plans Branch** carries out the statewide planning functions of OP as established by the Hawaii State Planning Act, HRS Chapter 226 and collaborates on updates to the comprehensive economic development strategy (CEDS). The **Sustainability Program** carries out the statewide planning functions of OP as established by the Hawaii State Planning Act, HRS Chapter 226, collaborates on updates to the comprehensive economic development strategy (CEDS), and coordinates statewide sustainability.

In addition, OP serves as lead or co-lead on several initiatives, including:

- Chair of the **Greenhouse Gas Sequestration Task Force (GHGSTF)** pursuant to HRS § 225P-4, which is tasked with establishing a baseline for greenhouse gas emissions within Hawaii and short- and long-term benchmarks for increasing greenhouse gas sequestration in the State’s agricultural and natural environment.
- Co-chair (with the Hawaii Housing Finance and Development Corporation) of the **Hawaii Interagency Transit-Oriented Development (TOD) Council** charged with planning and facilitating collaboration between the state and counties on smart growth and TOD initiatives.

- Co-chair (with the Department of Land and Natural Resources (DLNR)) of the **Hawaii Climate Change Mitigation and Adaptation Commission (Climate Commission)**, established under HRS § 225P-3.

COVID-19 Related Projects Conducted:

- **GIS Support:** The GIS Program provided staff support to Hawaii Emergency Management Agency (HI-EMA) to develop multiple data sets, maps, dashboards, and a consolidated hub website related to the State’s response to COVID-19. The GIS Program also provided resources to the Hawaii Tourism Authority for its interisland travel initiative to track airline passengers between islands and monitor their compliance with quarantine restrictions. In addition, the GIS Program is assisting the Office of Enterprise technology Services (ETS) with its transpacific Safe Travels application by facilitating access to traveler and daily quarantine check-in data to appropriate county and state enforcement agencies. And currently the GIS Program is providing staff support to the Hawaii Department of Health (DOH) as it works to integrate data from various data sources (VAMS, Tiberius, etc.) to develop vaccine distribution tracking data, maps, and dashboards.
- **State’s Disaster Recovery Planning and Coordination:** Since April 2020, the State’s Sustainability Coordinator was deployed to provide statewide disaster planning assistance to the HI-EMA to reopen the State’s economy and the creation and activation of the State Disaster Recover Framework and the State’s Recovery Support Functions.
- **Beyond Recovery: Reopening Hawaii:** The State’s Sustainability Coordinator assisted in the planning, development, and launch of the State’s Beyond Recovery: Reopening Hawaii strategy.
- **Beyond Recovery: Safe Travels Hawaii:** The State’s Sustainability Coordinator assisted in the planning and development of the Beyond Recovery: Safe Travels Hawaii strategy.
- **State Unified Recovery and Resiliency Facilitation Team:** The State’s Sustainability Coordinator and the Planning Director provided emergency planning assistance and co-founded the creation of the State Unified Recovery and Resiliency Facilitation Team (SURRF Team) in May 2020.

NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

- **Coastal Zone Management – Federally Funded Program**
 - **Ocean Resources Management Plan (ORMP):** The ORMP sets forth the guiding principles and recommendations for the State to achieve comprehensive and integrated ocean and coastal resources management. HRS § 205A-62, charges the CZM Program with the review and periodic update of the ORMP, as well as coordination of the overall implementation of the plan. The ORMP is an

integrated, place-based approach to management of ocean resources in the island, based on recognition of the ecological connection between the land and sea, the link between human activities and their impact on the environment, and the need for improved collaboration and stewardship in natural resources governance.

OP accomplished the 2020 goal to finalize and adopt the updated ORMP. The update involved public outreach through listening sessions conducted in eight (8) community meetings statewide. The final report incorporates Traditional Ecological Knowledge (TEK) and highlights three areas: Development and Coastal Hazards, Land-Based Pollution, and Marine Ecosystems.

One-Year Goal: The CZM Program seeks to establish multi-agency actions teams to implement ORMP focus area projects to inform decisions related to identified management gaps.

Five-Year Goal: The CZM Program will continue to collaborate with state, county and federal partners to implement projects to inform the management gaps to develop guidance for existing policies and/or to inform potential policy enhancements.

Action Plan: Collaboration with ORMP Working Group and Council on Ocean Resources to develop action teams. Specific projects and desired outcomes are identified specifically in the ORMP.

Measure of Success: The success of the various metrics will be measured and report on the ORMP dashboard and webpage.

Budget Impacts: Funding for this project will come from the CZM Program federal funding, however if OP's budget is reduced, the CZM Program's ability to expend federal funding may also be reduced as it requires a 1:1 dollar-for-dollar non-federal match.

- **Probabilistic Tsunami Design Zone Maps:** Managing development and impacts from coastal hazards remains a concern for the State of Hawaii. In particular, climate change adaptation has been identified as a high management priority in need of significant investment towards quantifying impacts and implementing reasonable planning and regulatory solutions. The CZM Program developed a strategy to advance implementation of a priority of the 2013 State of Hawaii Multi-Hazard Mitigation Plan, in collaboration with the Hawaii Emergency Management Agency. The strategy addresses Hawaii's high exposure to tsunami risk by modeling and mapping of comprehensive high-resolution probabilistic tsunami design zone maps for the State of Hawaii.

OP accomplished the 2020 goal to complete the integration of tsunami design zone maps into the ASCE Tsunami Hazard Tool and facilitated application into the City and County of Honolulu's building codes to strengthen resilience of critical infrastructure for the island of Oahu.

One-Year Goal: The CZM Program plans to complete the mapping and modeling of Maui’s tsunami design zone maps for integration into the ASCE Tsunami Hazard Tool which will strengthen resilience of critical infrastructure.

Five-Year Goal: The CZM Program plans to complete the integration of tsunami design zone mapping and modeling for the counties of Maui and Kauai.

Action Plan: Utilizing the CZM Program federal funding and additional funding through the NOAA Project of Special Merit competition, the CZM Program will coordinate with counties to contract the modeling and mapping of probabilistic tsunami design zone maps.

Measure of Success: The adoption and use of the high-resolution maps in the International Building Code 2018/American Society of Civil Engineers (ASCE) 7-2016 Standard which include load and effects.

Budget Impact: Funding for this project will come from the CZM Program federal funding, however if OP’s budget is cut, the CZM Program federal funding may be reduced as a portion of the funding requires a dollar-for-dollar non-federal match.

- **Federal Approval of the Section 309 Assessment and Strategy:** OP accomplished the 2021 goal to complete and obtain NOAA approval of an Assessment and Strategy to be eligible to received funding through Section 309 of the CZMA funding. Every five years the Hawaii CZM Program conducts a self-assessment of its coastal management program within each of the nine enhancement areas. Hawaii CZM then develops strategies with a stepwise approach to reach a stated goal and lead to enhancement in the federally approved Hawaii CZM Program.

One-Year Goal: The CZM Program plans to work on the implementation of the NOAA approved Section 309 Strategy. The Strategy is specifically aligned with the implementation of the ORMP.

Five-Year Goal: Development of new or revised authorities including statutes, regulations, CZM enforceable policies, administrative decisions that will improve Hawaii’s ability to address development and coastal hazards, reduction of land-based pollution, and/or marine ecosystems. Development of new or revised guidelines, procedures and policy documents that provide specific interpretations of CZM enforceable policy.

Action Plan: The Action Plan is outlined in the NOAA-approved 5-year Strategy.

Measure of Success: Development of administrative guidance 3-5 projects applied for and funded through NOAA eligible funding.

Budget Impact: Funding for this project will come from the CZM Program federal funding, however if OP’s budget is reduced, the CZM Program’s

ability to expend federal funds may be reduced as a portion of the funding requires a dollar-for-dollar non-federal match

- **Sustainability Program**

- **Feasibility and Implications of Establishing a Carbon Offset Program for the State of Hawaii:** OP accomplished the 2020 goal to finalize and publish a report which investigates the feasibility of establishing a state-administered carbon offset program in partnership with the Greenhouse Gas Sequestration Task Force. This feasibility report recommended the combination of local sequestration of atmospheric carbon dioxide and greenhouse gases with Hawaii’s coordinated greenhouse gas emission reductions to guide Hawaii to achieve the Zero Emissions Clean Economy Target by 2045, pursuant to HRS § 225P-5. Funded by appropriation of Act 16, SLH 2018.

One-Year Goal: Completed report and publicized in 2020.

Five-Year Goal: Progress towards Zero Emissions Clean Economy Target.

Action Plan: Collaborate with DOH and DOA on keeping sequestration and carbon dioxide gas.

Measure of Success: Reduction of greenhouse gas emission and carbon dioxide sequestration.

Budget Impacts: Funds were appropriated by the State Legislature through Act 16, SLH 2018.

- **Hawaii 2050 Sustainability Plan:** Act 146, SLH 2019, added new language clarifying that the newly updated Hawaii 2050 Sustainability Plan “shall serve as the State’s climate and sustainability action plan.” The Hawaii 2050 Sustainability Plan will embrace the United Nations’ 2030 Sustainability Development Goals as the decennial framework while aligning the Aloha+ Challenge and the various sustainability and climate statutory targets, policies, plans, and initiatives.

One-Year Goal: OP plans to complete the decennial updates to the Hawaii 2050 Sustainability Plan as required by Act 146, SLH 2019.

Five-Year Goal: OP Plans to work towards the statewide implementation of the Hawaii 2050 Sustainability Plan. OP plans to conduct a 5-year review of the Hawaii 2050 Sustainability Plan (2020-2030) update, to ensure the plan’s progress toward achieving recommended actions. This review will provide an analysis of accomplishments through the UN’s “Decade of Action” to ensure the State of Hawaii continues in its progress in achieving Hawaii’s sustainability and climate-resilient statutory targets.

Action Plan: Implementation of the Hawaii 2050 Sustainability Plan.

Measure of Success: Progress toward achieving recommended actions. This review will provide an analysis of accomplishments through the UN’s “Decade of Action” to ensure the State of Hawaii continues in its progress in achieving Hawaii’s sustainability and climate-resilient statutory targets.

Budget Impacts: Funds were appropriated by the State Legislature through Act 146, SLH 2019.

- **Greenhouse Gas Sequestration Task Force:** The Greenhouse Gas Sequestration Task Force, established by HRS § 225P-4, includes State agencies, academia, county representatives, and members appointed by the President of the Senate and Speaker of the House of Representatives. OP plans to fulfill the requirements set forth by HRS § 225P-4, to submit a report of the Greenhouse Gas Sequestration Task Force’s findings and recommendations, including any proposed legislation, to the Legislature and the climate change mitigation and adaptation commission. In December 2020, the OP joined 3 other state agencies to participate in the “Climate Ready Hawaii” AmeriCorps VISTA Cohort. As a part of this cohort, the OP secured one AmeriCorps VISTA Member, who will serve as a Climate Adaptation Research Analyst, under the supervision of the State Sustainability Coordinator. The AmeriCorp VISTA Member will also support the State Sustainability Branch and the OP to host future Greenhouse Gas Sequestration Task Force meetings in 2021.

One-Year Goal: OP plans to continue to host GHGSTF meetings and develop recommendations to align the State’s clean energy and carbon sequestration efforts with climate initiative goals.

Five-Year Goal: OP plans to continue to advocate for the increased staffing and budgetary support to the Statewide Sustainability Program and to host GHGSTF meetings and assist in examining opportunities to exploit carbon sequestering trees and vegetation to reduce urban temperatures and thereby protect public health.

Action Plan: Continue collaboration with managers of working and natural lands.

Measure of Success: Increase in sequestration of greenhouse gases.

Budget Impacts: Funds were not requested for FY 22 - 23.

- **Land Use Planning:**

- **Periodic Review of State Land Use Districts:** The OP is conducting a five-year boundary review required by HRS § 205-18 which calls for the periodic “review of the classification and districting of all lands in the state.” The OP will evaluate GIS maps and data files and examine the status of land use, particularly in the urban and agricultural districts, relative to urban growth areas identified by county general and community/development plans. The use and availability of agriculturally productive lands will also be assessed.

One-Year Goal: Complete and disseminate the Periodic Review to the Governor, Legislature, State Land Use Commission, counties, and the general public. Proceed with recommended actions to the extent possible given limitation of staff and funding.

Five-Year Goal: Collaborate with state, county, and landowners to implement recommended actions including legislation as deemed necessary.

Action Plan: Employ GIS overlays and analyses to compare the current status of the district boundaries relative to county land use plans, resources, and developments. Consult with counties, the Land Use Commission and stakeholders in the State Land Use process in the implementation of report recommendations. Recommendations for district boundary amendments may be pursued if funding becomes available.

Measure of Success: Adoption of recommendations by state and county.

Budget Impacts: If budget cuts occur, the project may be delayed as staff and resources must be prioritized to other tasks.

- **Act 278 Study of Subdivision and CPR on Agricultural Lands on Oahu.** The OP has completed and submitted its report prepared pursuant to Act 278, SLH 2019 which directs the OP, LUC, Real Estate Commission, and the City & County of Honolulu Department of Planning and Permitting to study land subdivision and condominium property regime (CPR) laws related to agricultural land on Oahu. A Stakeholders Group was convened in Fall 2019, and legislation addressing the identified problems and recommendations relative to defining “farm dwelling,” allowing expanded county review of CPRs, and bolstering county enforcement capabilities for leasehold agricultural subdivisions will be introduced in the 2021 Legislative session.

One-year Goal: Enactment of legislation amending HRS Chapter 205 and 514B as recommended by the Study; reconvening Stakeholders Group to address Neighbor Island county issues and other ownership vehicles currently avoiding State and county review.

Five-year Goal: Pursue additional legislation as deemed needed. Monitor implementation of any legislation and county amendments to their ordinances and rules.

Action Plan: Meet with legislators and testify as needed before legislative committee hearings. Reconvene Stakeholders Group to continue discussions and remedial measures as needed.

Measure of Success: Enactment of legislation as recommended by the Study.

Budget Impacts: If budget cuts occur, the project may be delayed as staff and resources must be prioritized to other tasks.

- **State Transit-Oriented Development (TOD):** In August 2018, OP published the *State of Hawaii Strategic Plan for TOD*, which included over 65 proposed TOD projects on State and county lands Statewide in various stages of planning and development. The Strategic Plan has continued to evolve with the undertaking of master plans and the addition of new projects endorsed by the TOD Council.

In 2020, OP completed the State TOD Planning and Implementation Project for the Island of Oahu which sets forth the infrastructure and investment needs and financing strategy to enable development of planned State TOD projects in three priority regions along the Honolulu Rail Transit Project’s rail line on Oahu – East Kapolei, Halawa-Stadium, and Iwilei-Kapalama.

One-Year Goal: Disseminate the report’s data and findings to agencies pursuing TOD master planning and infrastructure need and cost assessments in priority areas along Honolulu rail line to assist in planning, design, and construction of backbone infrastructure projects.

Five-Year Goal: Monitor the implementation of the State TOD Master Plan’s infrastructure assessments and costs.

Action Plan: Use the Implementation Project findings to assist and track actions needed to facilitate shared infrastructure investments and individual State agency project development.

Measure of Success: Use of the study cost information and financing strategies to guide development and infrastructure decisions.

Budget Impacts: Funding is through the State CIP fund resources. Curtailment of TOD funding will diminish the prospects for use of the study in TOD planning and infrastructure development.

- **OP TOD CIP-Funded Projects.** In 2020, the Legislature appropriated \$1.5 million in CIP funds to OP for statewide planning of TOD projects identified in the *State TOD Strategic Plan*. TOD CIP funds were directed to Neighbor Island TOD projects, since previous years’ funding had been limited to Oahu. The primary purpose of the funds is to jumpstart master planning or infrastructure assessment work that is critical to advancing TOD projects in proximity to transit nodes—with particular emphasis on projects that require multi-agency cooperation and collaboration and meet State TOD objectives and principles in the *State TOD Strategic Plan*. Nine proposals were submitted requesting a total of \$3.43 million in funding. Four projects were selected by OP:

- Lanakila Homes/County of Hawaii Multi-Modal Transportation Project, Hilo, Hawaii (Hawaii Public Housing Authority and County of Hawaii) \$550,000.
- West Maui TOD Corridor Plan, Lahaina to Kaanapali, Maui (County of Maui), \$500,000.
- Lihue Civic Center Mobility Plan, Lihue, Kauai (County of Kauai) \$250,000.
- Integrated Kahului Library/Kahului Mixed-Use Civic Center Complex, Kahului, Maui (Hawaii State Public Library System and Department of Accounting and General Services) \$200,000.

One-Year Goal: Consultant/contractor selected, and project initiated.

Five-Year Goal: Completion of all planning work (within two years).

Action Plan: Finalize Memoranda of Agreement and contractual and funding disbursement arrangements with lead project agencies;

participate in project planning and monitor project progress and deliverables for timely completion.

Measure of success: Completion of funded projects and initiation of development.

Budget impacts: Essential to ensure adequate OP TOD staffing to enable OP to monitor and ensure projects are completed and deliverables are satisfactory.

- **Hawaii Brownfields Cleanup Revolving Loan Fund Program:** The Hawaii Brownfields Cleanup Revolving Loan Fund Program (HBCRLF) program was seeded by a \$2 million grant from the U.S. EPA in 2005. The HBCRLF funds are intended to encourage assessment, cleanup, and redevelopment of contaminated property. The HBCRLF program was established by Act 173, SLH 2002 and codified as HRS § 201-18(e).

The HBCRLF program provides low- and no-interest loans to eligible public and private entities to cleanup brownfield sites where economic or community development projects show the greatest need, exhibit long-term project viability, and demonstrate the capacity for repayment. The program is currently operating under a closeout agreement with the U.S. EPA, which governs the type of brownfields activities eligible for HBCRLF funding and eligibility requirements for borrowers.

One-Year Goal: OP has proposed legislation to amend HRS § 201-18(e) to enable greater use and flexibility of the HBCRLF funds. This change will allow funds to be granted in FY 2022 for several brownfields projects. OP will also continue to work with DOH HEER Office and U.S. EPA to respond to interest in HBCRLF loans.

Five-Year Goal: OP will continue to collaborate with the DOH HEER Office and U.S. EPA to distribute the balance of the HBCRLF to enable two or more brownfields cleanups to be completed. Once all HBCRLF-funded cleanup activities have been completed and DOH has issued no further action letters, OP will seek legislation to repeal HRS § 201-18(e), close the special fund, and end the HBCRLF program.

Action Plan: OP will pursue legislation to amend HRS § 201-18(e) to enable greater use and flexibility of the HBCRLF funds. This will allow funds to be released in FY 2022 for several brownfields projects that have requested grant funding to proceed. Pending enactment of amendments to HRS § 201-18(e), OP will amend HBCRLF Administrative Rules to allow for sub-grants and expanded use of funds for brownfields site assessments. Once the rules have been amended, OP will issue a HBCRLF grant funding opportunity notice inviting grant applications. Grant funding will be disbursed in FY 2022 to eligible projects and recipients selected for funding, based on fund availability. OP will work with DOH in

overseeing the conduct and completion of brownfields cleanup activities at recipient sites.

Measure of Success: Closing of the HBCRLF program

Budget Impacts: If budget cuts occur, the project may be delayed as staff and resources must be prioritized to other tasks.

- **GIS Program**

- o **TMK Parcel Boundary Shift Mitigation Plan:** During FY 2021, OP will conduct a study of options to address GIS layer alignment issues that arise as a result of TMK parcel boundary displacements/shifts counties are making to improve the positional accuracy of their TMK parcel data. The shifted parcel boundaries no longer overlay, or “line up” with derivative State agency layers such as State Land Use Districts, or Reserves, Federal agency layers such as Critical Habitat, or even other county layers such as Zoning, Roads or Sewer Lines. The misalignment affects analysis of GIS data throughout the State. Funds for this project are through the OP General Fund.

One-Year Goal: Identify possible solutions for various stakeholders to correct current data (short-term) and identify possible solutions going forward to create recurring work- and communication flows among stakeholders to facilitate and enable regular updates of dependent data sets (long-term).

Five-Year Goal: Assist and support state agencies to implement solutions, where they are feasible, for dependent and affected data layers.

Action Plan: The GIS Program is convening a working group with participation from all sectors – federal, state, and county agencies, utilities, private sector contractors, and land surveyors – to identify alignment issues that arise when counties shift the GIS boundaries of their parcel layers in an effort to improve accuracy and alignment. Other GIS layers that have been developed that are to some degree dependent on those boundaries are adversely affected. Workflow and technical elements will be discussed to identify possible short- and long-term solutions.

Measure of Success: Track the number of identified state agencies with dependent or affected data layers, workflows or analyses that are able to implement short- and long-term solutions and maintain up-to-date data layers.

Budget Impacts: This study will be completed in FY21. No additional funds are being sought by the GIS Program to implement solutions at this time – stakeholders will be responsible for implementing solutions and seeking funding, if necessary. If there is a reduction in force of GIS staff, the ability to assist and support will be severely reduced or eliminated.

- o **Elevation Data Acquisition:** OP will partner with federal, state, and county agencies and the private sector to acquire high-density light detection and

ranging (LiDAR) data to: (1) replace old and lower quality data, and (2) provide new coverage areas. LiDAR data are the primary sources for deriving elevation models and other datasets. LiDAR is used to produce detailed maps showing sources of sediment pollution and smother nearshore coral ecosystems and inform mitigation and restoration efforts on Lānai. This LiDAR will provide the underlying data for the elevation map for Hawaii DOT's and NOAA's National Geodetic Survey "Hawaii Statewide Height Modernization Project," a major update to Hawaii's vertical control network. The LiDAR will also enable updates to Honolulu's flood maps through FEMA's RiskMAP program. LiDAR will provide detailed elevation and crop height information to enable updates to Hawaii DOA's "2015 Hawai'i Statewide Agricultural Baseline Study." Data acquisition areas include Maui County and the City and County of Honolulu.

One-Year Goal: Acquire and process high-density LiDAR data for Maui County and Oahu.

Five-Year Goal: Acquire and process high-density LiDAR data statewide, including bathymetric data.

Action Plan: Pool funds with other stakeholders as matching funds for the federal 3DEP (3D Elevation Program) for LiDAR collection for Maui and Oahu. Include this data in the state's Elevation Service and make available for download and for digital elevation models (DEM), digital surface models (DSM), and digital terrain models (DTM).

Measure of Success: Successful application for 3DEP funding, successful LiDAR collection, and utilization of data by GIS community.

Budget Impacts: The State's contribution to the funding for this LiDAR collection is using FY 2020 funds – the State's contribution of \$50K together with other partners' funds (National Oceanic and Atmospheric Administration's Office for Coastal Management (NOAA OCM), Maui County, Pulama Lanai, Esri, and the U.S. Geological Survey (USGS)) resulted in a total amount of \$1.3M for the LiDAR collection.

- o **Strategic Plan for Statewide GIS Program:** GIS Program leads a multi-agency effort to establish, promote, and coordinate the use of geographic information systems (GIS) technology among Hawaii State Government agencies. The GIS Program will review and update the Statewide GIS Program's Strategic Plan.

One-Year Goal: Develop an updated Strategic Plan for the Statewide GIS Program.

Five-Year Goal: Implement the Strategic Plan and review and adjust annually, as needed.

Action Plan: In consultation with stakeholders and key partners, e.g., state, county, and federal agencies and HIGICC, the Statewide GIS Program will review and update its Strategic Plan. The plan will set the priorities for the Program, build on its strengths and identify areas that can be improved to address the needs and concerns of the GIS community.

Measure of Success: Specific elements of the Strategic Plan will include measurable objectives that will be tracked.

Budget Impacts: Facilitation of the review and update of the Strategic Plan is being federal funded through the CZM Program. Implementation of the Strategic Plan may be negatively affected if there are elements of the plan that depend on the purchase of goods or services. In addition, if staffing is reduced, the ability to implement the Strategic Plan will be severely affected and will likely require revision of the plan.

- o **Implement Governance Framework for ArcGIS Online (AGOL) Platform:** OP plans to work with other state agencies to implement a governance framework around the AGOL platform. This will include coordinating with ETS and agency leadership to establish AGOL liaisons in state agencies who will be responsible for facilitating and managing agency GIS users, and geospatial content and applications

One-Year Goal: Get buy-in from agency directors and managers to recruit AGOL Liaisons within their agencies to implement governance changes in the AGOL platform. Work with agencies to identify AGOL liaisons and establish roles, responsibilities, and a communication plan.

Five-Year Goal: Establish a regular meeting schedule with AGOL Liaisons and work with them to implement changes in publishing and management of users and content. In collaboration with AGOL Liaisons develop additional guidance to address future changes in the platform as they arise.

Action Plan: Implement elements of consultant recommendations: revise user roles; revise publishing protocols; empower and train AGOL Liaisons.

Measure of Success: Regularly solicit feedback from GIS community regarding issues or concerns with changes in the platform (are there elements in the governance guidance that should be revisited to reduce or remove barriers to user success?). Overall success of governance should result in: a reduction in the number of content items shared publicly (with an assurance that publicly shared items have been properly curated at the agency level for appropriateness, accuracy, and completeness); a reduction in the amount of storage required for content; and a reduction in the number of inactive users.

Budget Impacts: This effort relies heavily on GIS Program staff to administer the online platform and to coordinate with the AGOL Liaisons. If there are reductions in force that affect the GIS Program agencies will be asked to take on more management of their online platform.

- o **Develop Communication and Outreach Strategy to Highlight Use of GIS in State Agencies:** OP will work with state agencies to develop communication strategies to highlight the use and value of geospatial data, tools, and resources in

achieving their respective agency goals. OP will expand on the use of the AGOL online mapping platform, the state's geoportal, and press releases to highlight achievements, and OP will also develop an annual Story Map website that includes narrative, images, and multimedia as an outreach and communication vehicle.

One-Year Goal: Develop an annual Story Map highlighting agency accomplishments and bringing attention to the state's geoplatform and the role of geospatial analysis in helping agencies accomplish their missions.

Five-Year Goal: Continue with an annual Story Map and establish other regular communication and outreach vehicles.

Action Plan: Survey agencies and meet with agency users to identify success stories utilizing GIS that can be highlighted and developed into content for the Story Map.

Measure of Success: No additional (non-personnel) funds are being sought.

Budget Impacts: The project is being undertaken using existing staff resources.

- o **Geoplatform Management:** The State will negotiate its GIS licensing and cloud hosting agreements with Esri. During FY 2022, OP will work with agencies to mitigate the effects of the changes and will expand governance guidance and operational standards from the AGOL online platform to include desktop and server GIS platforms.

One-Year Goal: Communicate licensing and platform changes to user community and work collaboratively with agencies to develop governance standards across the full geoplatform, extending beyond the AGOL to the on-premise server and desktop environments. Draft state geoplatform governance standards document.

Five-Year Goal: Establish a representative GIS key stakeholder advisory group to provide two-way communication channels among agency users.

Action Plan: Work with ETS to negotiate GIS licensing and data hosting agreements. Work with agencies to make adjustments as needed to manage server and desktop licensing as well as their use of the online AGOL platform.

Measure of Success: Establishment of an advisory group; establishment of a regular meeting schedule; development of plans to address licensing and hosting requirements in advance of need.

Budget Impacts: This effort will rely heavily on GIS Program staff to manage the geoplatform. If there are reductions in force that affect the GIS Program, agencies may be asked to manage their licensing and online platform needs on their own.

- o **Develop Memoranda of Understanding/Agreement with Agencies Around Data Sharing and Governance.** OP plans to develop memoranda of understanding/ memoranda of agreement (MOUs/MOAs) with state and county agencies to provide a framework for consistent and reliable data sharing and data security, as well as MOUs/MOAs with state agencies to memorialize a comprehensive governance framework around the geospatial platform.
 - One-year goal:** Execute an MOA with the Office of Enterprise Technology Services (ETS) to establish roles and responsibilities – ETS for funding the enterprise licensing agreement and cloud hosting environment, and OP for administering and managing the enterprise GIS platform.
 - Five-year goal:** Execute MOUs with state and county agencies to establish regular updates of key data sets and document access and use constraints.
 - Action Plan:** Work with the IT Governance office in ETS to develop an MOA; work with stakeholder agencies to identify data sets that can be shared in the state’s geodatabase and develop MOUs to formalize data sharing agreements.
 - Measure of success:** Regularly scheduled calls/meetings with ETS to discuss concerns and issues; an increasing number of MOUs with agencies.
 - Budget Impacts:** The management of the enterprise GIS relies on active engagement of staff in the day-to-day operations of the geoplatform. In addition, the data sharing MOUs require significant effort by staff to manage and curate shared agency data. If there are reductions in force that affect the GIS Program, the ability to honor the commitments made in the MOAs and MOUs may be negatively affected.

- o **Establish a Distributed/Federated System of GIS Servers and Data:** OP plans to develop a distributed/federated geoplatform architecture (geodatabases and hubs/portals) and develop a governance plan to manage the proliferation of geospatial data and applications. The federated architecture is expected to be in the Statewide GIS strategic plan and will help to manage the growth and proliferation of geodata systems in a distributed fashion.
 - One-year goal:** Develop a comprehensive plan to learn more about the requirements (hardware, software, skill sets) for establishing and maintaining a federated GIS server environment.
 - Five-year goal:** Establish an architecture supporting multiple agencies’ GIS servers federating their geodatabases in ETS’ Government Private Cloud (GPC).
 - Action Plan:** Work with Esri and ETS to design a sustainable, distributed GIS server architecture to accommodate agency on -premise server needs and establish a best practice governance framework for managing this environment.

Measure of success: Proliferation of federated agency level GIS geodatabase servers and reduction in standalone, unfederated servers and standalone file geodatabases.

Budget Impacts: Budget constraints may affect the state's enterprise license agreement with Esri and make acquiring GIS server licenses unfeasible. In turn that may lead to the proliferation of less efficient and less functional file geodatabases that are not as widely shareable on the state's network infrastructure.

- o **Develop a Quantitative Calculation of Return on Investment (ROI) for GIS –** During FY 2022, OP will work with state agencies to identify activities and measurable outcomes utilizing GIS resources to develop a quantifiable Return on Investment for the State's investment in GIS tools and resources.

One-Year Goal: Gather information from agencies about regular workflows incorporating GIS and noteworthy cases that have had a measurable impact on operations. Identify outcomes and outputs of those efforts that can be highlighted as part of the communication and outreach strategy above. Work with agencies to quantify short- and long-term impacts of those efforts.

Five-Year Goal: Develop communication channels by which the GIS staff can continue to collect information from agencies about their use of GIS with quantifiable results.

Action Plan: Survey GIS user community and work with established GIS agency contact to identify suitable project and regular workflows

Measure of Success: Development of an annually repeatable ROI calculation in support of continued investment to support further development of geospatial tools, resources, and analysis.

Budget Impacts: No additional (non-personnel) funds are being sought.

FEDERAL FUNDS: Both federal fund grants listed below are subject to annual appropriations by Congress, and funding levels from the National Oceanic and Atmospheric Administration (NOAA) and the U.S. Economic Development Administration, respectively. OP manages federal and state funds in order to implement its statutory requirements. The CZM Program is almost exclusively sustained via a cooperative agreement and is vital to the administration and operation of the OP. Expending CZM federal funds is contingent upon the State to provide 1:1 match to maintain administrative compliance for the cooperative agreement, much of which is achieved through in-kind documentation of the OP general fund budget. Current budget restrictions have caused the OP to increase the use of federal funding to cover numerous administrative and operating expenses. Continued reductions may constrain the ability of the CZM Program to expend federal funds.

EDA grants are competitive grants that are applied for when federal funding opportunities are announced by the EDA. On average, the Office of Planning is awarded an EDA grant every 2-3 years. The current Federal Administration continually proposes elimination of federal funding

for these programs and in the event of reduction of federal funds for the CZM Program and EDA grant, there would be a reduction of services and impacts to the state, counties, and public.

Federal Award Title: Hawaii Coastal Zone Management Program
CFDA Number: 11.419

Federal Award Title: Economic Development Administration (EDA) Grants
CFDA Number: 11.307

NON-GENERAL FUNDS: <https://budget.hawaii.gov/wp-content/uploads/2020/12/BED.pdf>

BUDGET ADJUSTMENT:

- Abolish 3 permanent and 1 temporary unfunded positions.
- Reduction of administrative costs of \$4,637 for FY22 and FY23.
- Reduction of travel costs of \$3,189 for FY22 and \$6,378 for FY23.
- Reduction of \$113,700 for FY22 and FY23 for GIS program enhancement and office equipment replacement.

NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY (NELHA) – BED 146

MISSION: The Natural Energy Laboratory of Hawaii Authority’s (NELHA) mission is to facilitate the private sector in creating sustainable business enterprises based on the resources of cold deep seawater, warm surface seawater, and high solar insolation available at NELHA; to attract federal and other non-state sources of investment for research and development projects in advanced energy, ocean science and other technological fields at the Hawaii Ocean Science and Technology Park (HOST Park).

BUDGET REQUEST: No additional budget adjustment is being requested. See the section on [notable performance](#) for program milestones and measures.

CURRENT ECONOMIC AND FISCAL CONDITIONS: Continued very significant progress again in FY2020 in achieving key goals listed below. NELHA made significant strides in securing agreements for substantial future revenue growth that will provide the resources necessary for implementing additional new projects that will provide a catalyst for future growth. NELHA’s special fund balance for FY 2020 remained stable and we continue to maintain operational self-sufficiency.

A recent analysis by UHERO indicated that for calendar year 2018 NELHA generated an economic impact of \$104 million, 525 jobs and \$5M in State tax revenue annually.

NELHA has taken steps to manage COVID 19 impacts on its operations and clients including:
1) Closely monitor impact on NELHA clients and demand for their products; 2) Evaluate ways

to assist smaller companies when warranted and especially those that are severely impacted; 3) Formulate additional steps to increase security in HOST Park by managing access during periods when the State and County issue proclamations to ban or limit social gatherings especially at Wawaloli Beach Park and along the shoreline; 4) Review options to “work from home” for NELHA employees to lessen impacts of the pandemic when warranted; 5) Remain vigilant regarding impacts on health of NELHA employees to ensure use of personal protective equipment, sanitizers and social distancing; and, 6) Increase use of virtual meetings with clients and for NELHA Board of Director meetings.

NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

- **Maintain Operations at NELHA facility:** The NELHA seawater system is the largest and most advanced in the world. Continued to maintain 99.99% uptime and review options to increase efficiency of the seawater system by 1% in terms of power consumption per gallon. Achieved goal of being below 0.40 kWhr/kgal in terms of pumping efficiency facility wide. In general, these changes saved NELHA 25 -35 kW per hour that would have increased the overall cost of the pumping operation from last year.

One-year Goal: Maintain uptime of 99.99% and increase efficiency by 1%.

Five-year Goal: Maintain uptime of 99.99% and increase efficiency by 2%.

Action Plan:

- Continue efforts to improve efficiency, stabilize energy costs, maintain adequate reserve fund and achieve 99.99 percent uptime.
- Continue to upgrade SCADA and WQL with new instruments and monitoring devices controlled by Water Quality Lab (WQL) including new nutrient analyzer, upgrading SCADA software and add additional monitoring devices, controls and pump station security to SCADA system.
- Secure grant funding for microgrid development project from South Korean government for \$1.85M to service the 55” seawater pump station to lower or maintain energy costs. The testbed demonstration includes detailed design, deployment, testing and evaluation of a microgrid including 500 kilowatts of advanced PV panels and a 700-kilowatt-hour energy storage system (ESS) at the main seawater pump station at HOST Park in Kailua-Kona on the Island of Hawaii. The microgrid is expected to be operational by 2022.

Measure of Success: Continued stability of seawater system without disruption to HOST Park clients.

Budget Impacts: No anticipated impacts if the special fund balance is maintained at the current level.

- **Removal of Abandoned Deep Seawater Pipelines:** Selected consultant to formulate plans and design of removal of abandoned deep seawater pipelines. The \$500,000 in CIP funds appropriated for this project has been encumbered. Consultant was selected and the resulting contract has been awarded and executed for the underwater survey of

pipeline locations. Remaining funds for the design of removal or anchor in place have been encumbered. Project is on hold due to COVID19 travel restrictions.

One-Year Goal: Complete survey and design for removal of pipelines.

Five-Year Goal: Remove pipelines or anchor in place.

Action Plan: Complete current contracts and request CIP funds to mitigate any health and safety issues identified.

Measure of Success: Mitigate any health and safety issues associated with unsecured pipelines that could cause danger to boaters.

Budget Impacts: No anticipated impacts if the special fund balance is maintained at the current level.

- **Testbed to address electricity delivery and grid integration:** There is significant value in developing an advanced energy technology testbed to address electricity delivery and grid integration problems both within the site boundaries and to provide value to a stressed utility operating in an isolated island environment. NELHA contracted with the Hawaii Natural Energy Institute (HNEI) to provide a facility wide microgrid road map for the future.

One-year Goal: Continue discussions with national labs, University of Hawaii, local utilities, and the private sector to formulate partnerships for new joint projects in the areas of additional PV, grid scale energy storage demonstrations and microgrid development.

Five-year Goal: Develop five new renewable energy projects.

Action Plan:

- NELHA's stretch goal is to become carbon neutral by 2030. Main initiatives include: 1) Establish an energy storage testbed; 2) Develop an integrated energy district or microgrid; 3) Reduce our carbon footprint by adding renewable energy from solar photovoltaic (PV) panels; 4) Work with the University of Hawaii and US Department of Energy to develop a testbed for hydrogen technologies; 5) Expand efforts to assist the private sector in commercialization of OTEC; and, 6) Expand our relationships with the national laboratories and other key players in Hawaii's energy field such as the Hawaii Natural Energy Institute and the utilities.
- NELHA management will use HNEI's microgrid road map as a guide for potential future upgrades to the electrical systems at the facility. The inclusion and management of renewable resources and the strategies to implement will increase resiliency from grid related issues and emergency events.
- Apply for grants to develop projects.

Measure of success: Reduce fossil fuel generated energy consumption by 25 percent.

Budget Impacts: No anticipated impacts if the special fund balance is maintained at the current level.

- **Regional Seawater Air-Conditioning Study:** Secured the consultant for the regional seawater air-conditioning study using CIP funds.
 - One-year Goal:** Project is currently scheduled to be completed in the Spring 2021.
 - Five-year Goal:** N/A
 - Action Plan:** Continue to work with consultant to complete analysis.
 - Measure of Success:** Implement recommendations of analysis and develop regional system if warranted.
 - Budget Impacts:** No anticipated impacts if the special fund balance is maintained at the current level.

- **Solar desalination project:** Completed Phase One implementation of \$2M US DOE SunShot grant for a solar desalination demonstration project.
 - One-year Goal:** Complete Phase 2 of project and begin Phase 3.
 - Five-year Goal:** N/A - Project is scheduled for completion in 2022.
 - Action Plan:** Continue to work closely with contractor and US DOE.
 - Measure of Success:** Proof of concept of new technology to desalinate 133,000 gallons per day.
 - Budget Impacts:** No anticipated impacts if the special fund balance is maintained at the current level.

- **Aquaculture accelerator project:** NELHA managed the contract for the operation of the accelerator with Hatch Accelerator Fund Management LLC. The pilot accelerator program had a successful start. Thirteen startups participating were selected for the first cohort. A similar accelerator program is planned for fall 2020 and HATCH has started its recruiting efforts for this new cohort. As part of the initiative NELHA worked with UH and managed EDA grant to assist in the operation of aquaculture accelerator. UH funds served as the majority of the cost share required by EDA for the \$275,000 capitalization grant for the aquaculture accelerator project. A follow-on fund was established starting with a \$1.85 million from the State of Hawaii. HATCH was able to grow the total amount of funds raised to \$8.395M. Organized by NELHA and NELHA client's participation in the World Aquaculture Conference in February 2020 at the Hawaii Convention Center and arranged for pre- and post-tours of NELHA and its operations. One session focused on NELHA success stories and what NELHA had to offer to potential aquaculture companies. Another session focused on the HATCH program. Eight NELHA and HATCH were highlighted in these sessions. NELHA also operated a trade booth during the meeting.
 - One-Year Goal:** Complete 3rd cohort and begin 4th cohort.
 - Five-Year Goal:** Continue operations of accelerator and complete 4-9th cohorts.
 - Action Plan:**
 - NELHA will continue to develop the strategy to establish an aquaculture proof of concept center and be identified as a place for innovation of global aquaculture technologies.

- Offer additional services and facilities to support “incubation – accelerator – proof of concept” type facilities and programs and other laboratory services as well especially in the field of global aquaculture innovation.
- Continue efforts to secure EDA grant to operate accelerator for an additional 4 years.
- Implement grant in conjunction with HATCH.

Measure of Success: Increase in number of companies involved in growth global aquaculture; increase Hawaii’s image and brand as an aquaculture leader; and, increase revenue to NELHA.

Budget Impacts: No anticipated impacts if the special fund balance is maintained at the current level.

- **Exploratory Well for Potable Water Resources:** Continued efforts for an exploratory well for new potable water resources for NELHA via a \$2.5M CIP appropriation. Obtained final permits required for construction and begin construction of well. Burial Council delegated decision to relocate the existing burial to the family of the deceased; family members agreed amongst themselves to the relocation and reinterment; reinterment plan carried out successfully. Final archaeological data recovery report submitted to DLNR State Historic Protection Division (SHPD) for review and acceptance; SHPD acceptance of the final data recovery report; SHPD acceptance of the archaeological monitoring plan.

One-Year Goal: Begin exploratory well drilling.

Five-Year Goal: N/A – project will be completed in 2023.

Action Plan: Work closely with HHFDC in partnership in drilling well and testing quality of freshwater.

Measure of Success: New high-quality source of freshwater verified.

Budget Impacts: No anticipated impacts if the special fund balance is maintained at the current level.

- **Increase Revenue Stream:** Continued to increase revenue streams within the NELHA Board approved business plan through continued efforts to maintain occupancy in Research Campus, vacant lands in HOST Park. Total revenue was \$4.6M for FY2020 and represents an increase of 4 percent over FY2019. For the first time, the offices in the NELHA’s new incubator building were completely leased out. There is currently only one large room in Hale Iako available for lease. Occupancy in the research campus is also at some of the highest it has ever been despite the pandemic with small expansions from three companies. Increasing lease revenue in the park however has been challenging due to the COVID situation. Finally, despite the pandemic, no businesses at HOST Park and six new companies have established themselves at HOST Park which demonstrates the resiliency of this economic sector.

One-Year Goal: Increase revenue by 5%.

Five-Year Goal: Increase revenue by 15% and complete Phase 1 of innovation village.

Action Plan: NELHA will develop additional revenue streams to distribute operating costs over a broader base of clients. NELHA will generate additional revenue to cover development costs and make necessary improvements to facilities and infrastructure. NELHA will continue to review our non-performing assets and realize the revenue potential afforded.

Measure of Success: Continued self-sufficiency of NELHA in maintaining operations from Special Fund sources and no need to request General Funds to subsidize operations.

Budget Impacts: No anticipated impacts if the special fund balance is maintained at the current level.

FEDERAL FUNDS: During FY 2020, NELHA did not lose any Federal Funds. NELHA received a public assistance grant of \$3.45 million from FEMA to rebuild buildings destroyed by Kilauea volcanic eruption in Puna. Worked with Hawaii Emergency Management Agency, State Risk Management and Puna Geothermal Ventures (PGV) to determine insurance coverage for buildings. FEMA obligated \$3,447,333.03 in Federal funds and the State insurance company agreed to damage losses of almost \$2M.

NON-GENERAL FUNDS: <https://budget.hawaii.gov/wp-content/uploads/2020/12/BED.pdf>

BUDGET ADJUSTMENT: None.

HAWAII COMMUNITY DEVELOPMENT AUTHORITY – BED 150

MISSION: The Hawaii Community Development Authority (HCDA) is a public entity created by the Hawaii State Legislature to establish community development plans in community development districts; determine community development programs; and cooperate with private enterprise and the various components of federal, state, and county governments to bring community development plans to fruition. HCDA's work should result in economic and social opportunities and aim to meet the highest needs and aspirations of Hawaii's people.

HCDA oversees four community development districts designated by the State Legislature.

The statutory mission for each district is as follows:

- (1) **Kakaako** Community Development District – facilitate a mixed-use district whereby industrial, commercial, residential, and public uses may coexist compatibly within the same area;
- (2) **Kalaelo** Community Development District – facilitate the redevelopment of Barbers Point Naval Air Station;
- (3) **Heeia** Community Development District – facilitate culturally appropriate agriculture, education, and natural-resource restoration and management of the Heeia wetlands; and

- (4) **Stadium** Development District – facilitate development of all property belonging to the State within the district; provided that development is carried out in accordance with any county transit-oriented development plans for lands surrounding the district.

BUDGET REQUEST: The positions within the HCDA are essential for the Authority to fulfill its mission and to support the State’s economic recovery. During the 2020 legislative session, funding was removed from four vacant general fund positions, which included the Executive Director, two Program Specialist V (Planner), and the Kalaeloa Program Specialist IV. The budget adjustment requests a change in funding source and corresponding increase in the budget ceiling. There is a dire need to hire two planners and Kalaeloa Program Specialist IV for upcoming major projects which will generate revenue for the State of Hawaii through additional jobs, taxes, and fees. The Executive Director anticipates filling these positions in FY2022. HCDA’s budget adjustment also includes a revolving fund appropriation transfer to align with the current payroll processes.

CURRENT ECONOMIC AND FISCAL CONDITIONS: The pace of new development and renovations continued at a steady pace in 2020. HCDA issued approximately 80 small permits for renovations, and other improvements. There are currently 38 housing projects in Kakaako that have been completed, an additional three new projects are under construction, and one project has been permitted but has not started construction.

The financial impact of COVID-19 is a \$1.4 billion general fund shortfall for each of the next four years. Consequently, general fund restrictions and furloughs are expected to continue in 2021 and beyond.

In response to the world-wide pandemic caused by Covid-19:

1. The staff at HCDA quickly adapted to working remotely and limited in-person interaction with the community, developers and stakeholders to appointment only. It also conducted the monthly board meetings virtually.
2. Due to the economic hardship caused by the COVID-19 pandemic and historically low interest rates, HCDA received a drastic increase in requests to refinance HCDA reserved housing units by the homeowners. In response, HCDA amended its policies increasing its refinancing maximum limit to allow these owners to tap into their equity and assist them through these challenging times.
3. The refinancing of over 140 HCDA reserved housing units was completed in 2020.

HCDA will organize its workforce to address development work in all community development districts. The new structure will create a more resilient workforce, balance the workload, and contribute to an overall cost savings through this synergistic approach.

As the economy slows down, investment in infrastructure and public facilities is necessary to spur economic growth and provide incentive for further redevelopment in community development districts.

NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

- **Create Economic Development Through Revitalization:** The 1976 State Legislature created the HCDA as a way to plan for the future development of underutilized urban areas of Hawaii. Lawmakers determined these “community development districts” were underused and deteriorating but had the potential to provide great economic opportunities to the state once they were redeveloped.
 - One-Year Goal:** HCDA staff will continue to review and approve development and renovation permits throughout the districts, manage its revenue earning assets and lands in the districts.
 - Five-Year Goal:** Encourage more development in the Kakaako and Kalaeloa development districts including development of affordable housing.
 - Action Plan:**
 - HCDA will work closely with the landowners and developers, development permit applicants, and HCDA lessees in each community development districts.
 - HCDA will work with the community and HCDA consultants in amending community development district plan and rules as necessary to facilitate development in each district.
 - Measure of Success:** The measurement for achieving these goals are the number of development permits processed by the HCDA, the number of housing and mixed-use developments in each community development districts, the number of affordable housing developed, increase in HCDA revenue from its leases, and increase in GET and property tax revenue generated in the community development districts.
 - Budget Impact:** Reduction in budget will impact the availability of personnel to review development permit applications in a timely manner resulting in delay of permit approvals, which will delay the construction timeline for development projects.

- **Kakaako:**
 - **Affordable Housing:** The HCDA under its Reserved Housing Program requires at least 20 percent of the residential units in new developments to be made available at an affordable price to qualifying households. Within the Kakaako Community Development District (KCDD), 38 residential projects have been completed, three are under construction, and one has been permitted but has not started construction. Between these projects 12,484 residential units are completed, under construction, or going into construction, out of which 4,249 units are designated as affordable housing units, resulting in more than 1 in 3 homes in the KCDD designated as affordable housing.
 - One-Year Goal:** Amend the Kakaako Reserve Housing Rules to allow for the HCDA equity payment without sale or transfer of reserved housing unit.

Five-Year Goal: Utilize shared equity payments to leverage affordable housing development, preferably affordable rental housing development in Kakaako.

Action Plan: HCDA will continue to work with Kakaako community, private developers, and Hawaii Housing Finance & Development Corporation to develop affordable housing in Kakaako.

Measure of Success: Success will be measured by the number of new development projects in Kakaako and increase in affordable housing units in Kakaako.

Budget Impact: Reduction in budget will impact the availability of personnel to review development permit applications in a timely manner resulting in delay of permit approvals, which will delay the construction timeline for development projects.

- **District-Wide Improvement Program:** Develop and execute a district-wide infrastructure improvement program for Central Kakaako, which still is an under-utilized industrial and commercial area of Kakaako with substandard roads, insufficient drainage systems, and overhead utility lines.

One-Year Goal: Develop a comprehensive infrastructure improvement plan for Central Kakaako.

Five-Year Goal: Seek legislative funding to complete the plan for the district-wide improvement program for Central Kakaako.

Action Plan: Plan, design, and construct infrastructure improvements identified in the year one goal.

Measure of success: Completion of the district-wide improvement program for Central Kakaako.

Budget Impact: Reduction in general funds will directly reduce the personnel budget. This will impact HCDA's ability to plan, design, and finalize the District Wide Improvement Program plan. Additionally, in the future years, a lack of CIP funding will impact the planning, design, and construction of the improvements included in the plan.

- **Transit Oriented Development (TOD):** Adopt a TOD Plan for Kakaako to support the State's Transit Oriented Development goals.

One-Year Goal: Complete and adopt the Mauka Area Plan and Rule amendments and TOD Overlay Plan and Rules.

Five-Year Goal: Implement the TOD Overlay Plan to encourage development in Kakaako.

Action Plan: Work with Kakaako landowners, developers, and stakeholders to plan and implement development projects.

Measure of Success: Success will be measured by the number of development projects and housing units in Kakaako.

Budget Impact: Reduction of general funds will impact the timeline for amending the Mauka Area Rules and adopting the TOD Overlay Plan

and Rules. Funding reduction will also impact HCDA's ability to review and approve development permit applications.

- **Kalaeloa:**

- **Kalaeloa Infrastructure Improvements:** HCDA completed the Kalaeloa Energy Corridor project in 2020. The \$13 million CIP funded project began at the intersection of Kapolei Parkway and Fort Barrette, continued along Enterprise Avenue and ended at Midway Road fronting the Kalaeloa Airport. The Department of Transportation Airports Division (DOT) has contracted with Hawaiian Electric Company to energize the new Enterprise Energy Corridor project.

One-Year Goal: Continue to work on improving infrastructure in Kalaeloa to support development. Work with landowners and stakeholders in identifying critical infrastructure deficiencies and prepare a plan to address the deficiencies.

Five-Year Goal: Seek CIP and other funding for infrastructure improvements.

Action Plan: Plan, design, and construct infrastructure improvements.

Measure of success: Improved infrastructure leading to additional housing and mixed-use development.

Budget Impact: Reduction in general funds will directly reduce the personnel budget. This will impact HCDA's ability to plan, design, and manage construction of infrastructure improvement projects. Additionally, in the future years, a lack of CIP funding will impact the planning, design, and construction of these improvements.

- **Kalaeloa Community Development District Plan:** HCDA commenced the update of the Kalaeloa Community Development District (KCDD) Plan and Administrative Rules. The Kalaeloa Master Plan was adopted in 2006 and the Hawaii Administrative Rules Title 15 Chapter 215 and 216 were adopted in 2012. The Plan and Rules govern all development activities within the estimated approximate 3,700 acres in the KCDD except for federally controlled parcels. Since the Kalaeloa Plan and Rules were adopted, major developments have occurred within and adjacent to the KCDD. An assessment of the current state of the KCDD and surrounding area is needed.

One-Year Goal: Start the update of the Plan and Administrative Rules.

Five-Year Goal: Complete the update of Plan and Administrative Rules. Implement the amended Plan and Rules.

Action Plan: Identify favorable and detrimental conditions to redevelopment in the district and develop strategies for affordable housing development. Work collaboratively with community groups and stakeholders to obtain feedback relating to development in the district.

Measure of success: The updated Plan and Rules are adopted. Success will also be measured by the number of development projects in the district and number of affordable housing units in the district.

Budget Impact: Reduction in general funds will delay completion of the Plan and Rules update and will further impact the development timeline.

- **Heeia:**

- **Heeia Community Development Plan:** In 2020, HCDA worked to establish a community development plan and rules for Heeia. The 400-acre community development district, primarily owned by the State, is a tremendous asset to the State’s food security goals.

One-Year Goal: Complete the Plan and Administrative Rules.

Five-Year Goal: Increase acreage of land for taro cultivation and other agricultural activities. Restore natural resources in the district.

Action Plan: Work collaboratively with the lessee, Heeia community and the surrounding neighborhoods, and other interest groups to develop the Plan and Rules. Work with the lessee to increase acreage of land in agriculture and production of taro and other agricultural products.

Measure of success: Community Development Plan and Administrative Rules are adopted. Increase in acreage of land in agricultural use and increase in production of taro and other agricultural products.

Budget Impact: Reduction in general funds will delay adoption of the Community Development Plan and Administrative Rules.

- **Heeia National Estuarine Research Reserve System Plan:** In 2020, HCDA commenced work pursuant to Act 166, SLH 2019, which establishes in part that the HCDA shall invite and consult with various entities for the development of a Heeia state park community-based long-range plan for the Heeia National Estuarine Research Reserve System (HNERRS).

One-Year Goal: Complete the Heeia state park community-based long-range plan.

Five-Year Goal: Not applicable. The final deliverables will be transmitted to the Department of Land and Natural Resources and the HCDA will not be involved in the implementation of the plan.

Action Plan: Identify stakeholders and landowners who have an interest in the future of the Heeia State Park or who would be affected by activities at the park. Identify and evaluate potential future uses and activities that support the Vision and Mission of the HNERRS. Develop a community-based long-range plan for the Heeia State Park.

Measure of success: The Heeia state park community-based long-range plan is completed.

Budget Impact: Reduction in general funds will delay completion of the long-range plan.

- **Stadium:**

- **Aloha Stadium Redevelopment:** HCDA, the Stadium Authority and the

Department of Accounting and General Services (DAGS) executed a Memorandum of Agreement (MOA), as outlined in Act 268, that describes the cooperative relationship between the parties to work together to achieve a common goal, and develop a new Stadium and the area around it, which will result in a state-of-the-art facility, as well as social and economic opportunities for Hawaii. HCDA's main function will be disbursement of CIP funds that have been appropriated. Projected work on the new facility and ancillary development will be done in phases.

One-Year Goal: Assist DAGS in completing the planning phase for the new stadium.

Five-Year Goal: Assist DAGS in completing the construction of the new stadium.

Action Plan: Work collaboratively with the Stadium Authority and DAGS to efficiently and effectively build the new stadium and develop the area around it.

Measure of success: The new stadium is built.

Budget Impact: HCDA doesn't anticipate significant negative impacts from a general fund reduction since HCDA's main function is limited to disbursement of CIP funds at the instruction of DAGS .

- **Maintenance and repairs for existing Aloha Stadium:** Maintenance and repairs of the existing Aloha Stadium for public health and safety will be prioritized and scaled appropriately to optimize the use of public resources, considering the timing of the new facility.

One-Year Goal: This is the responsibility of the Stadium Authority. The HCDA will serve as the CIP fund disbursement agency only.

Five-Year Goal: This is the responsibility of the Stadium Authority. The HCDA will serve as the CIP fund disbursement agency only.

Action Plan: Perform CIP fund disbursement functions at the direction of the Stadium Authority in accordance with applicable laws and rules.

Measure of success: Aloha Stadium remains open and operational.

Budget Impact: HCDA doesn't anticipate significant negative impacts from a general fund reduction since HCDA's main function is limited to disbursement of CIP funds at the instruction of DAGS.

FEDERAL FUNDS: None.

NON-GENERAL FUNDS: <https://budget.hawaii.gov/wp-content/uploads/2020/12/BED.pdf>

BUDGET ADJUSTMENT:

- Transfer out Kalaeloa's revolving Fund appropriation of \$45,954 for FY22 and FY23 for personal services to Kakaako's.
- Transfer in Kakaako's revolving Fund \$45,954 for FY22 and FY23 for personal services from Kalaeloa's.
- Convert 3 permanent and FTE from general fund positions to revolving fund positions

for HCDA and increase personal services ceiling for revolving fund to fund the conversion. Reduce 3 positions from BED150KA –A.

- Convert 3 permanent and funds of \$680,000 and FTE general fund positions to revolving fund positions for HCDA and increase personal services ceiling for revolving fund to fund the conversion. Add 3 positions to BED150KA-W.
- Convert one (1) temporary and FTE general fund position to revolving fund position for the HCDA. Reduce 1 position from BED150KL-A.
- Convert one (1) temporary and FTE general fund position to revolving fund positions for HCDA. Add 1 position and funds of \$120,000 to BED150KL-W.

HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION - BED 160

MISSION: The mission of HHFDC is to increase and preserve the supply of workforce and affordable housing statewide by providing leadership, tools and resources to facilitate housing development. Since 2006, HHFDC has facilitated the development or preservation of over 10,696 housing units. In Fiscal Year 2020, HHFDC assisted in the delivery of 772 workforce/affordable units while managing assets of approximately \$1.5 billion.

BUDGET REQUEST: The Fiscal Biennium 2021-2023 operational budget for BED 160 includes the following requests:

1. Transfer operational budget from Housing Finance to Housing Development in revolving funds - \$96,000 in other current expense for both FY 2022 and FY 2023.
2. Transfer one (1) FTE position from Housing Finance to Housing Development in revolving funds – transfer ceiling of \$165,178 for personal services effective FY 2022.
3. Increase ceiling for Housing Development operational budget in revolving funds - \$400,000 (MOF: W) for both FY 2022 and FY 2023.

Fiscal Biennium 2021-2023 CIP budget includes the following requests:

1. Dwelling Unit Revolving Fund Infusion, Statewide - \$20,000,000 for FY 2023.
2. Rental Housing Revolving Fund Infusion, Statewide - \$25,000,000 for FY 2023.
3. Rental Housing Revolving Fund Infusion, Statewide - \$38,000,000 each year for FY 2022 and FY 2023. Infusion to replace funding from conveyance taxes during this period.
4. Rental Housing Revolving Fund Infusion for financing the Hawaii Public Housing Authority (HPHA) Senior Affordable Housing Project on Oahu - \$40,000,000 for FY 2022.

HHFDC requests additional resources to effectively manage and administer programs that address the increasing need for affordable housing and work towards solving the current housing crisis. The transfer request of one position from Housing Finance to Housing Development is necessary to align resources with program goals.

See section on [performance measures](#) for program milestones and measures.

CURRENT ECONOMIC AND FISCAL CONDITIONS:

In response to the COVID-19 pandemic, orders under the emergency proclamation to control the spread had economic impacts that has led to reduction in income for many families in Hawaii and entail vulnerability to eviction and foreclosure. As a result, Act 9, SLH 2020 and the Governor’s Executive Order no. 20-08, appropriated \$100,000,000 of CARES Act funds to HHFDC to administer a community-based Housing Relief and Resiliency program to help households at risk of eviction or foreclosure.

During this period of uncertainty, HHFDC is concentrating on preserving the projects currently in its production pipeline as construction will play a critical role in helping lift the economy, generating jobs as well as housing units for the people of Hawaii.

CARES Fund Projects:

RENT RELIEF AND HOUSING ASSISTANCE PROGRAM: The HHFDC was appropriated \$100 million in Act 9, SLH 2020, as modified by Governor’s Executive Order No. 20-08 (August 28, 2020) for the project. The purpose of the State of Hawaii’s Rent Relief and Housing Assistance Program is to assist eligible renters and homeowners who have experienced or are facing a reduction in income because of the disruption caused by the COVID-19 pandemic and are at risk of eviction or foreclosure.

Administered by nonprofit intermediaries Catholic Charities Hawaii and Aloha United Way, the Program provides the following assistance for eligible households whose income does exceed 100 percent of the HUD area median income adjusted by household size.

- Monthly rent or mortgage payments of up to \$2,000 per household residing in the City and County of Honolulu, or \$1,500 per household residing in the Counties of Hawaii, Maui or Kauai for payments due from March 1 to December 28, 2020.
- Monthly payments for homeowner association dues of up to \$500 per household for payments due from March 1 to December 28, 2020.
- Applicable financial counseling, assistance with loan modifications, or mediation.

A website, <https://www.hihousinghelp.com> was created to provide the public with information on the Program. Status, as of December 21, 2020, is reported below.

13,669	18,525 <i>(Total)</i>	4,771 <i>(Invalid)</i>	\$3.53M	\$56.25M	\$59.78M	<small>As of 12/21/20</small>
HOUSEHOLDS ASSISTED	APPLICATIONS	PAYMENTS				
		Payments Pending	Payments Made	Approved for Payment		

The balance of any funds will go to the State’s Unemployment Insurance benefits program.

NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

In FY 2020, and in collaboration with the private sector, HHFDC:

- Assisted 328 first-time homebuyers under the Mortgage Credit Certificate program;
- Awarded multi-family financing to private developers to support the development or preservation of 978 rental housing units on Oahu, Maui, and Hawaii Island. Also, reallocated federal Housing Trust Funds to assist in the development of nine rental housing units on Kauai.
- Assisted in the completion and placement in service of 772 workforce/affordable housing units. The HHFDC has a production plan in place to assist in the finance and development of approximately 8,287 workforce/affordable units over the next five years.

One and five-year goals:

Fiscal Years	Rental	For Sale	Total
2021	1,586	708	1,665
2022	2,011	667	2,678
2023	646	708	1,354
2024	1,099	350	1,449
2025	950	200	1,150
Total	6,292	1,995	8,287

Action Plan: HHFDC will continue to work with the Counties, the community, private developers, and Hawaii Community Development Authority and other state agencies to facilitate the development of housing statewide.

Measure of Success: Number of new development projects and affordable and workforce housing units which are produced or preserved statewide.

Budget Impacts: Reduction in budget will impact the availability of personnel to review development and financing applications, assist developers with 201H exemptions, and structure and close project financing in a timely manner. Furthermore, if HHFDC's Capital Improvement Project appropriation requests are not funded, the result will be delays in the construction timeline for existing development projects and significant reductions in the number of new affordable housing units added to the development pipeline over the upcoming

five-year period, and in the beneficial economic impacts of construction projects.

FEDERAL FUNDS: We do not anticipate any change to the State of Hawaii's allocation of HOME Investment Partnerships Program funds in the next year. The current funding level for the HOME Program is \$3,005,732.

Federal Award Title: HOME Investment Partnerships Program
CFDA Number: 14.239

We do not anticipate any change to the State of Hawaii's allocation of Housing Trust Fund program funds in the next year. The current funding level for the Housing Trust Fund program is \$3,000,000.

Federal Award Title: Housing Trust Fund
CFDA Number: 14.275

In the event of future budget cuts to the HOME and HTF programs, the Counties would be more reliant on the State's other housing financing programs to address the continued need to increase the supply of affordable housing units, such as the Rental Housing Revolving Fund and the Dwelling Unit Revolving Fund.

BUDGET ADJUSTMENT:

- Transfer out revolving funds of \$96,000 for FY22 and FY23 from BED160HF to BED160HD as insured properties are related to housing development projects.
- Transfer in revolving funds to BED160HD from BED160HF as insured properties are related to housing development projects.
- Transfer out of revolving funds one position and \$165,178 from BED160HF to BED160HD.
- Transfer in of revolving funds one position and \$165,178 to BED160HD from BED160HF.
- Requesting ceiling increase of \$400,000 of revolving funds due to significant increase in insurance premiums.

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<u>Division</u>	<u>Description of Function</u>	<u>Activities</u>	<u>Prog ID(s)</u>	<u>Dept- Wide Priority</u>	<u>Statutory Reference</u>
Business Development & Support Division	Support and build an innovation ecosystem that contributes to entrepreneurial high growth businesses and creates high wage jobs.	Increase the Value of Exports From Hawaii by: 1) Securing Small Business Administration grant for State Trade Export Program (STEP) for export training workshops, company financial assistance and participation in international trade shows in targeted Asia and domestic markets; 2) maintaining strategic sister state relationships to build global alliances and partnerships; 3) promoting and marketing Hawaii as a learning destination to increase the number of international students studying in Hawaii.	BED100	1	HRS Ch205
Business Development & Support Division	Support Innovation Clusters and Entrepreneur Development	Support Innovation Clusters and Entrepreneur Development by: 1) STEP grant participation at trade shows focused on the fashion, food and gift manufacturing, and bio-tech clusters; 2) attracting overseas students to study in Hawaii, 3) providing direct grant assistance to exporters of products and services.	BED100	1	HRS Ch205
Business Development & Support Division	Enterprise Zone Program(EZ)	Administer the state's business and job creation EZ program.	BED100	1	HRS Ch205
Business Development & Support Division	Community Based Economic Development	Administer and provide grants to community based organizations to increase the employment and economic base of distressed and rural communities.	BED100	1	HRS Ch205
Business Development & Support Division	Community Based Micro-loan Program	Administer and provide micro-loans to community based businesses and organizations to increase the employment and economic base of distressed and rural communities.	BED100	1	HRS Ch205

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Land Use Commission	To preserve, protect, and encourage the development of housing and construction activity and preserve lands in the State by ensuring lands are put to the uses to which they are best suited in the interest of public health and welfare of the people of the State of Hawaii through the implementation of the State Land Use Law, Chapter 205, Hawaii Revised Statutes (HRS), as amended and to aid in the large scale planning process .	The program objectives of the Land Use Commission (LUC) are to process, review, and act on petitions for housing and infrastructure projects and stimulate the construction industry and increase the state housing inventory. The primary way this is accomplished is through district boundary amendments involving lands over 15 acres in the State Agricultural, Rural, and Urban Districts and all petitions seeking reclassification of lands in the Conservation District; review and act on applications for special permits in the Agricultural and Rural Districts which are over 15 acres; process motions and boundary interpretation request ; and maintain , update, and disseminate official State Land Use district maps and land use information. Pursuant to recently enacted legislation, the Commission has been tasked with identifying and mapping important agricultural lands in conjunction with private landowners and the counties. It is the Commission also undertakes large scale identification and processing of the important agricultural land designation in conjunction with all counties in the upcoming biennium. LUC activities are focused on approval and enabling of large and medium scale construction and housing projects to stimulate the construction industry and further the state inventory of affordable and market rate housing.	BED103	1	HRS Ch 205

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Creative Industries Division	Advancing Hawaii's Creative Economy	<p>1) Strengthen business opportunities for export of knowledge-based, creative industries products and services through strategic initiatives such as Creative Lab.</p> <p>2) Act as advocate for Hawaii's creative clusters in the film, television, culture, arts, literary, design, music, digital, interactive media, game design, and animation sectors.</p> <p>3) Position Hawaii as a node in the global creative economy through representation on national and international organizations such as Creative Economy Coalition (CEC), Economic Development, Entrepreneurial and Arts Advocacy organizations.</p>	BED 105	1	Hawaii Revised Statutes §201-14, 201-16; 235-17; 201-112; 201-113
Creative Industries Division	Entrepreneurial Development Programs	<p>1) Expand Creative Lab initiative, supporting a pipeline of creative/tech entrepreneurial development. (feeds HSDC Accelerators).</p> <p>2) Provide Creative Lab weekend workshops and bootcamps focused on early stage concepts/ideas-to-product / content development.</p>	BED 105	1	Hawaii Revised Statutes §201-14, 201-16; 235-17; 201-112; 201-113
Creative Industries Division	Support Media Infrastructure Development	<p>1) Complete CIP Phase II and III of Hawaii Film Studio Facility</p> <p>2) Develop a secondary creative media/film studio complex based on recommendations in market analysis, site recommendation report (analysis to be completed FY15)</p>	BED 105	1	Hawaii Revised Statutes §201-14, 201-16; 235-17; 201-112; 201-113
Creative Industries Division	Strengthen State Film Program	<p>1) Increase resources for Hawaii Film Office film industry programs and services.</p> <p>2) Support statutory responsibilities of film permitting, tax credit and Hawaii Film Studio management, including e-permitting.</p> <p>3) Amend existing Hawaii TV & Film Development Fund statute to rename and repurpose fund; repeal Hawaii TV & Film Board statute and provide mechanism to capture studio rental revenue to support ongoing R&M at facility and enhance film program operations support.</p>	BED 105	1	Hawaii Revised Statutes §201-14; 235-17; 201-11, 201-112, 201-113

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Creative Industries Division	Support HI Growth Industry Sector Development	1) Increase number of companies launched, supported and products exported through creative/tech entrepreneurial development programs. 2) Attract public/private sector investment to develop infrastructure and broadband connectivity for creative media/tech sectors.	BED 105	1	Hawaii Revised Statutes §201-14; 235-17; 201-11, 201-112, 201-113
Creative Industries Division	Develop and Support Creative Collaboration Centers	1) Launch HIC3 Creative Collaboration Centers, support co-working ventures statewide, offering tools and technology to accelerate creative and knowledge-based industry cluster development in collaboration with HSDC, HCDA, GVS and HTDC. 2) Establish broadband giga hubs at these and other facilities, providing capacity for high speed collaboration, and distribution direct to web or broadcast networks.	BED 105	2	Hawaii Revised Statutes §201-14; 235-17; 201-11, 201-112, 201-113

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Foreign-Trade Zone	FTZ Operations	Stabilize and steadily grow FTZ program statewide 1) Administer the federal grant for the Foreign-Trade Zone program in Hawaii by establishing rules and regulations for the operation of the Foreign-Trade Zone. 2) Continue to operate the program in a self-sustaining manner without the use of general funds. 3) Oversee nine general-purpose zone sites and five sub-zone sites within the State of Hawaii by acting as liaison between the Foreign-Trade Zones Board and designated Zone sites. Inform the Zones of the rules and regulations and assist them with resources to help them better compete in external markets. FTZ9 currently assists close to 365 businesses in import and export of goods to over 30 different countries. 4) Operate and expand the small business import-export assistance and resource center at the Pier 2 location. 5) Expand economic development through the facilitation of international trade; increase global competitiveness of U.S. based companies by fostering relations with EXIM Bank, customs brokers, shipping agents; and offering training and resources to companies which assists them in growing their import-export business. 6) Actively promote the FTZ program through various marketing opportunities, chambers of commerce and business associations by initiating and building relationships with key groups to utilize the FTZ as the "Hub of International Trade" in Hawaii.	BED107	1	HRS Ch. 212

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Hawaii Tourism Authority	Operations of the Hawaii Tourism Authority	To maintain and improve transportation access and services to facilitate travel to, from and within Hawaii. To facilitate interaction among all stakeholders that improves the lines of communications and enhances greater understanding of roles, values and concerns. To honor and perpetuate the Hawaiian culture and community. To develop marketing programs that contribute to sustainable economic growth. To respect, enhance and perpetuate Hawaii's natural resources to ensure a high level of satisfaction for residents and visitors. To perform collaborative research and planning for use in the development of programs, policies and plans that will positively contribute to the State's economy, benefit the community and sustain Hawaii's resources. To achieve a safe Hawaii visitor experience. To provide a diverse and quality tourism product unique to Hawaii that enhances the Hawaii visitor experience and enriches residents' quality of life.	BED113		HRS 201B
Hawaii Tourism Authority	Operations of the Hawaii Tourism Authority	(cont.) To ensure a sufficient and highly-qualified workforce that is provided with meaningful careers and advancement opportunities.	BED113	1	HRS 201B
Hawaii Tourism Authority	Operations of the HTA Convention Center	To market Hawaii as a premier destination for conducting business, with Hawaii serving as the bridge to connect the world. To maintain the Hawaii Convention Center as a world-class facility for international and domestic conferences and meetings.	BED113	1	HRS 201B

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Hawaii State Energy Office	To promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient clean energy decarbonized economy.	(1) Provide analysis and planning to actively develop and inform policies to achieve energy efficiency, renewable energy, energy resiliency, and clean transportation goals with the legislature, public utilities commission, state agencies, and other relevant stakeholders; (2) Lead efforts to incorporate energy efficiency, renewable energy, energy resiliency, and clean transportation to reduce costs and achieve clean energy goals across all public facilities; (3) Provide renewable energy, energy efficiency, energy resiliency, and clean transportation project deployment facilitation to assist private sector project completion when aligned with state energy goals; and (4) Engage the private sector to help lead efforts to achieve renewable energy and clean transportation goals through the Hawaii clean energy initiative.	BED120	1	HRS 196-71 to 196 - 72
Office of Aerospace Development	Office of Aerospace Development Operations	Develop R&D partnerships with federal/state agencies, universities and private industry; leverage Hawaii's scientific/technological assets and capabilities to enhance our State's competitiveness in national/global aerospace markets; promote Hawaii as site for international aerospace activities; facilitate innovative aerospace education and training programs to grow Hawaii's STEM workforce; recommend innovative strategies and policies to expand/diversify aerospace activities statewide.	BED128	1	HRS Ch. 201-71 to 73
Office of Aerospace Development	Pacific International Space Center for Exploration Systems (PISCES)	The Pacific International Space Center for Exploration Systems is leveraging Hawaii's Moon/Mars-like terrain, resident aerospace expertise, and ties with NASA and other international space agencies and research centers, to develop a world-class R&D center to develop, test, and apply innovative robotic, renewable energy, and other critical technologies essential to support future missions to space (but also with multiple community-based development applications on planet Earth).	BED128	2	HRS Chapters 201-76 to 79

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Office of Aerospace Development	Unmanned Aerial Systems	Hawaii, in partnership with Alaska and Oregon, submitted a tri-state proposal to establish the Pan-Pacific Unmanned Aerial Systems Test Range Complex and was designated by the Federal Aviation Administration as one of seven national test site operators, providing the tri-state team to organize and implement the Pan-Pacific Unmanned Aerial Systems Test Range Complex. To establish a Hawaii unmanned aerial systems test site chief operating officer position to serve on the Pan-Pacific Unmanned Aerial Systems Test Range Complex management team, establish a Hawaii unmanned aerial systems test site advisory board that will formulate an implementation plan and oversee test site development in the State, and appropriate funds for personnel and procurement costs associated with establishing the Hawaii unmanned aerial systems test site.	BED128	1	HRS Chapters 201-72.6 to 72.7
Research and Economic Analysis Division	Compilation of basic data on and assessment of Hawaii's Economy for use by policy makers, business and the public	Quarterly Statistical & Economic Report, State of Hawaii Data Book, Monthly economic indicators, Monthly energy indicators, cooperation with the U.S. Census Bureau and dissemination of Census data, prepare short and long-range projections of population and economy.	BED130	1	HRS Ch 205
Research and Economic Analysis Division	Research & Statistics for Growth Industries	Define and measure performance of emerging Industries. Provide annual information on technology industry and its workforce. Provide annual information on the Creative Industries and workforce. Track the status of innovation in Hawaii and impact on economy. Update and use input-output model to assess the relationships among and impact on the economy of emerging and growth industries in the economy.	BED130	1	HRS Ch 201-19(2) and (b)
Research and Economic Analysis Division	Self-Sufficiency	Define and measure a self-sufficiency income standard for Hawaii and report bi-annually.	BED130	1	Act 12 (2008) SLH HRS Ch 201-3(5)
Research and Economic Analysis Division	Energy Industry Information Reporting Program	Collect data and maintain a database on Hawaii's petroleum industry including imports, processing, distribution, and inventory by type of products	BED130	1	Act 152 (2010), HB 2631, HD2, SD2, CD1
Research and Economic Analysis Division	Survey of Research activities by high technology businesses	Conduct annual survey and report findings on research activities by Hawaii qualified high technology businesses	BED 130	1	Act 270 (2013) and Act 261 (2019), SB 1314, SD1, HD1, CD1

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Hawaii Green Infrastructure Authority	Administer the Hawaii Green Infrastructure Loan Program	HGIA administers the Green Energy Market Securitization (GEMS) Financing Program, which includes the Green Energy Money Saver On-Bill Program, providing low-cost, long-term, flexible financing to Hawaii’s most vulnerable ratepayers, specifically, low and moderate-income homeowners and renters, small businesses, nonprofits and multi-family rental projects. HGIA also administers the State Revolving Loan Fund, providing flexible financing to assist other state departments in lowering it energy costs. Lastly, working in concert with the Hawaii Public Utilities Commission (“PUC”) and the Hawaiian Electric Company, Inc., HGIA is responsible for the administration and oversight of the \$150.0 million Green Energy Market Securitization Bond. The GEMS financing program fills market gaps, stimulates private investments and leverages innovative tools to mitigate risks and reach new markets. HGIA is aligned with DBEDT’s economic development goals. Since inception to September 30, 2020, HGIA facilitated over \$105.0 million in clean energy investments, of which 92% were projects benefitting underserved ratepayers, generating over \$13.3 million in state tax revenues and creating/retaining almost 1,100 local jobs.	BED138	1	HRS Ch 196-61 to 196-70, HRS Ch 269-A -P, HRS Ch 269-5
Director’s Office	Small Business Regulatory Review Board	The SBRRB was established on July 1, 1998 with the passage of the Small Business Regulatory Flexibility Act. The responsibilities of the SBRRB include: 1) Commentary on small business impact statements to the rule-drafting departments, 2) Identification and commentary on business impact of existing administrative rules, 3) Recommendations to the Governor's Office, Departments or the Legislature regarding the need for an administrative rule or legislative change, 4) Recommendations to the Mayors or County Councils regarding County rules, and 5) Review of small business petitions and complaints on business impact.	BED142	1	HRS 201M
	Hawaii Broadband Initiative	The Hawaii Broadband Initiative is a public-private partnership that will plan for the deployment of a broadband network resulting in increased broadband capacity for the State.	BED142	1	Act 143, SLH 2015

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Hawaii Technology Development Corporation	Facilitate the growth and development of the commercial high technology industry	Developing and/or operating incubation centers.	BED143	1	HRS Ch206M-2(a)(1)
Hawaii Technology Development Corporation	Facilitate the growth and development of the commercial high technology industry	Providing support and services in development of the high tech industry.	BED143	1	HRS Ch 206M-2(a)(2)
Hawaii Technology Development Corporation	Alternative Transportation Technologies	Projects in advanced transportation technologies & other federally funded projects	BED143	1	HRS Ch 206M-3(a)(15)
Office of Planning	Statewide Planning and Coordination	Gather, analyze, and provide information to the Governor to assist in the overall analysis and formulation of state policies and strategies; provide central cohesion in the allocation of resources and effectuation of state activities and programs; effectively address current of emerging issues and opportunities. Conduct statewide planning and coordination; represent the State before the Land Use Commission; administer the coastal zone management program and geographic information system program and administer the Brownfields Cleanup Revolving Loan Fund. Conduct climate adaptation, sustainability and transit-oriented development planning and coordination. Interagency coordination includes: 1. OP serves as co-chair and provides staff to Hawaii Interagency Council on Transit-Oriented Development to coordinate activities among State agencies and the counties; 2. OP chairs the Greenhouse Gas Task Force Sequestration Task Force (GHGSTF). OP and the GHGSTF are required to provide findings and recommendations to the Legislature on greenhouse gas sequestration; 3. OP and the GHGSTF are also to make recommendations on a Carbon Offset Program; 4. OP serves as co-chair of the Climate Change Mitigation and Adaptation Commission; and 5. OP coordinates Hawaii's sustainability initiative and update of the sustainability plan.	BED144	1	HRS c. 225M and HRS c. 226

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<u>Division</u>	<u>Description of Function</u>	<u>Activities</u>	<u>Prog ID(s)</u>	<u>Dept- Wide Priority</u>	<u>Statutory Reference</u>
Natural Energy Laboratory of Hawaii Authority	To develop and diversify the Hawaii economy by providing resources and facilities for energy and ocean-related research, education, and commercial activities in an environmentally sound and culturally sensitive manner. NELHA operates two distinct seawater delivery systems 24/7/365 for the benefit of over 40 private businesses. These businesses are the backbone of exported manufactured and aquacultural products in the state of Hawaii.	Manage, market and operate facilities at the Hawaii Ocean Science and Technology Park in Kailua-Kona.(1) Operate and maintain unique transmission and distribution systems for large volumes (approximately 2 tons per second) of deep and surface seawater.(2) Develop and lead the implementation of new alternative energy methods for the benefit of the State of Hawaii.(3) Identify, develop and implement revenue enhancement opportunities, which support NELHA objectives and its efforts to maintain financial self-sufficiency and sustainability.(4) Operate a water quality laboratory for an environmental monitoring program that samples groundwater, near shore water and offshore water.(5) Provide informational and educational material and lectures to school classes (K-12 and university level), professional associations, community groups, international visitor, legislator, and the general public.	BED146	1	HRS 227D
Hawaii Community Development Authority	Planning and redevelopment of Community Development Districts (Kakaako, Kalaeloa, He'eia and Stadium). This function will establish the preferred future use and communities located within the Kakaako, Kalaeloa, Heeia and Stadium Community Development Districts.	Solicit, receive and review developer proposals for conformance to the Kakaako Mauka Plan & Rules/BED 150 KA, and the Kalaeloa Plan & Rules / BED 150KL, and in accordance with TOD for the Halawa/Stadium area. Establish, promulgate and administer He'eia Administrative Rules/BED 150KA.	BED150	1	HRS §206E-1~22, §206E-31~33, §206E-191~199, §206E-201~205, §206E-221~226
Hawaii Community Development Authority	Provide the Kakaako and Stadium Districts with needed qualified-income housing units and community/public facilities.	Locate, purchase and develop in the Kakaako and Stadium Community Development District mixed use qualified-income housing project/BED 150 KA and Act 268 (2019). Establish, promulgate and administer a reserved housing program. Develop community/public facilities in all four community development districts.	BED150	1	HRS §206E-1~22, §206E-31~33, §206E-101~123, §206E-221~226
Hawaii Community Development Authority	Manage Infrastructure Improvement Projects in the Kalaeloa and Stadium Community Development Districts.	Coordinate with Hawaiian Electric Company (HECO) to connect renewable energy facilities located to the east and west of Coral Seas Road with the HECO grid located in the northern regions of the KCDD/Revolving Funds/BED 150 KL. Develop P3 partnerships to improve infrastructure as well as develop the Stadium Development District (§206E-221~226).	BED150	1	HRS §206E-1~22, §206E-191~199, §206E-221~226

Department of Business, Economic Development and Tourism
 Functions

Table 1

<u>Division</u>	<u>Description of Function</u>	<u>Activities</u>	<u>Prog ID(s)</u>	<u>Dept- Wide Priority</u>	<u>Statutory Reference</u>
Hawaii Community Development Authority	Plan, design, and construct public facilities in the Kakaako and Stadium Community Development Districts.	Plan and design public parking facility adjacent to the Medical School and Cancer Center in Kakaako Makai. Plan, locate and develop public facilities within the Stadium Development District.	BED150	1	HRS §206E-1~22, §206E-31~33, §206E-221~226
Hawaii Housing Finance & Development Corporation	Increase and sustain the supply of workforce and affordable housing.	Increase supply of workforce and affordable housing in sustainable housing developments by facilitating housing construction and preservation by providing developers with tools and resources such as financing, land, and help with land use and zoning approvals. Strengthen communities and assist in growing a resilient middle class by assisting first-time homebuyers with mortgage financing and tax credits through participating lenders.	BED160	1	HRS 201H

Department of Business, Economic Development and Tourism
Department-Wide Totals

Table 2

Fiscal Year 2021				
Budget Acts Appropriation	Restrictions	Emergency Appopriations	Total FY21	MOF
30,543,008	(2,654,300)		\$ 27,888,708.00	A
240,541,954			\$ 240,541,954.00	B
5,464,265			\$ 5,464,265.00	N
4,695,214			\$ 4,695,214.00	P
1,000			\$ 1,000.00	R
241,000			\$ 241,000.00	T
19,485,737			\$ 19,485,737.00	W
\$ 300,972,178.00	\$ (2,654,300.00)	\$ -	\$ 298,317,878.00	Total
Fiscal Year 2022				
Budget Acts Appropriation	Reductions	Additions	Total FY22	MOF
\$ 15,931,926.00	\$ (3,463,492.00)	\$ 64,476.00	\$ 12,532,910.00	A
\$ 240,934,484.00	\$ (501,000.00)	\$ 2,112,632.00	\$ 242,546,116.00	B
\$ 5,464,265.00		\$ 500,000.00	\$ 5,964,265.00	N
\$ 4,695,214.00			\$ 4,695,214.00	P
\$ 1,000.00	\$ (1,000.00)		\$ -	R
\$ 241,000.00			\$ 241,000.00	T
19,754,484	(1,000)	1,200,000	\$ 20,953,484.00	W
\$ 287,022,373.00	\$ (3,966,492.00)	\$ 3,877,108.00	\$ 286,932,989.00	Total
Fiscal Year 2023				
Budget Acts Appropriation	Reductions	Additions	Total FY23	MOF
\$ 15,931,926.00	\$ (3,670,961.00)	\$ 64,476.00	\$ 12,325,441.00	A
\$ 240,934,484.00	\$ (501,000.00)	\$ 2,032,632.00	\$ 242,466,116.00	B
\$ 5,464,265.00		\$ 500,000.00	\$ 5,964,265.00	N
\$ 4,695,214.00			\$ 4,695,214.00	P
\$ 1,000.00	\$ (1,000.00)		\$ -	R
\$ 241,000.00			\$ 241,000.00	T
19,754,484	(1,000)	1,200,000	\$ 20,953,484.00	W
\$ 287,022,373.00	\$ (4,173,961.00)	\$ 3,797,108.00	\$ 286,645,520.00	Total

Department of Business, Economic Development and Tourism
Program ID Totals

Table 3

Prog ID	Program Title	MOF	As budgeted (FY21)			Governor's Submittal (FY22)				Governor's Submittal (FY23)			
			Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Percent Change of \$\$\$\$	Pos (P)	Pos (T)	\$\$\$	Percent Change of \$\$\$\$
BED100	Strategic Marketing & Support	A	10.00	1.00	17,570,997	10.00	1.00	1,230,174	-93.00%	10.00	1.00	1,230,174	-93.00%
BED100	Strategic Marketing & Support	P	-	-	700,000	-	-	700,000	0.00%	-	-	700,000	0.00%
BED100	Strategic Marketing & Support	W	-	-	1,821,915	-	-	1,821,915	0.00%	-	-	1,821,915	0.00%
BED100	Strategic Marketing & Support	Total	10.00	1.00	20,092,912	10.00	1.00	3,752,089	-81.33%	10.00	1.00	3,752,089	-81.33%
BED103	Statewide Land Use Commission	A	7.00	-	662,312	7.00	-	615,517	-7.07%	7.00	-	549,286	-17.07%
BED103	Statewide Land Use Commission	Total	7.00	-	662,312	7.00	-	615,517	-7.07%	7.00	-	549,286	-17.07%
BED105	Creative Industries Division	A	14.00	1.00	1,508,613	9.00	1.00	1,409,717	-6.56%	9.00	1.00	1,409,717	-6.56%
BED105	Creative Industries Division	B	-	-	30,000	-	-	30,000	0.00%	-	-	30,000	0.00%
BED105	Creative Industries Division	P	-	-	-	-	-	-	#DIV/0!	-	-	-	#DIV/0!
BED105	Creative Industries Division	Total	14.00	1.00	1,538,613	9.00	1.00	1,439,717	-6.43%	9.00	1.00	1,439,717	-6.43%
BED107	Foreign Trade Zone	B	16.00	-	2,445,180	16.00	-	2,513,717	2.80%	16.00	-	2,513,717	2.80%
BED107	Foreign Trade Zone	Total	16.00	-	2,445,180	16.00	-	2,513,717	2.80%	16.00	-	2,513,717	2.80%
BED113	Tourism	B	3.00	29.00	141,483,409	3.00	29.00	141,727,416	0.17%	3.00	29.00	141,727,416	0.17%
BED113	Tourism	Total	3.00	29.00	141,483,409	3.00	29.00	141,727,416	0.17%	3.00	29.00	141,727,416	0.17%
BED120	Hawaii State Energy Office	A	5.00	22.00	2,598,265	-	13.00	1,659,040	-36.15%	-	13.00	1,544,200	-40.57%
BED120	Hawaii State Energy Office	B	-	-	81,000	2.00	8.00	2,113,632	2509.42%	2.00	8.00	2,033,632	2410.66%
BED120	Hawaii State Energy Office	N	-	-	-	-	-	500,000	#DIV/0!	-	-	500,000	#DIV/0!
BED120	Hawaii State Energy Office	T	-	-	241,000	-	-	241,000	0.00%	-	-	241,000	0.00%

Department of Business, Economic Development and Tourism
Program ID Totals

Table 3

BED120	Hawaii State Energy Office	V	-	-	-	-	-	-	#DIV/0!	-	-	-	#DIV/0!
BED120	Hawaii State Energy Office	Total	5.00	22.00	2,920,265	2.00	21.00	4,513,672	54.56%	2.00	21.00	4,318,832	47.89%
BED128	Office of Aerospace	A	-	1.00	1,213,673	-	1.00	667,458	-45.01%	-	1.00	667,458	-45.01%
BED128	Office of Aerospace	B	-	-	500,000	-	-	-	-100.00%	-	-	-	-100.00%
BED128	Office of Aerospace	Total	-	1.00	1,713,673	-	1.00	667,458	-61.05%	-	1.00	667,458	-61.05%
BED130	Economic Planning & Research	A	14.00	-	1,316,317	15.00	-	1,423,768	8.16%	15.00	-	1,423,768	8.16%
BED130	Economic Planning & Research	Total	14.00	-	1,316,317	15.00	-	1,423,768	8.16%	15.00	-	1,423,768	8.16%
BED138	Hawaii Green Infrastructure Authority	B	-	5.00	85,937,211	-	5.00	85,978,302	0.05%	-	5.00	85,978,302	0.05%
BED138	Hawaii Green Infrastructure Authority	Total	-	5.00	85,937,211	-	5.00	85,978,302	0.05%	-	5.00	85,978,302	0.05%
BED142	General Support for Economic Development	A	26.00	1.00	2,218,570	24.00	1.00	2,290,423	3.24%	24.00	1.00	2,290,423	3.24%
BED142	General Support for Economic Development	Total	26.00	1.00	2,218,570	24.00	1.00	2,290,423	3.24%	24.00	1.00	2,290,423	3.24%
BED143	Hawaii Technology Development Corporation	A	3.00	5.00	1,088,390	1.00	4.00	911,444	-16.26%	1.00	4.00	888,235	-18.39%
BED143	Hawaii Technology Development Corporation	B	-	-	1,605,258	-	-	1,605,258	0.00%	-	-	1,605,258	0.00%
BED143	Hawaii Technology Development Corporation	N	-	-	-	-	-	-	#DIV/0!	-	-	-	#DIV/0!
BED143	Hawaii Technology Development Corporation	P	-	9.00	995,214	-	9.00	995,214	0.00%	-	9.00	995,214	0.00%

Department of Business, Economic Development and Tourism
Program ID Totals

Table 3

BED143	Hawaii Technology Development Corporation	R	-	-	1,000	-	-	-	-100.00%	-	-	-	-100.00%
BED143	Hawaii Technology Development Corporation	W	-	-	2,018,203	-	-	2,018,203	0.00%	-	-	2,018,203	0.00%
BED143	Hawaii Technology Development Corporation	Total	3.00	14.00	5,708,065	1.00	13.00	5,530,119	-3.12%	1.00	13.00	5,506,910	-3.52%
BED144	Statewide Planning & Coordination	A	15.00	3.00	1,568,327	12.00	2.00	1,491,287	-4.91%	12.00	2.00	1,488,098	-5.12%
BED144	Statewide Planning & Coordination	N	5.00	5.00	2,364,265	5.00	5.00	2,364,265	0.00%	5.00	5.00	2,364,265	0.00%
BED144	Statewide Planning & Coordination	W	-	-	2,000,000	-	-	2,000,000	0.00%	-	-	2,000,000	0.00%
BED144	Statewide Planning & Coordination	Total	20.00	8.00	5,932,592	17.00	7.00	5,855,552	-1.30%	17.00	7.00	5,852,363	-1.35%
BED145	Hawaii Strategic Development Corporation	B	-	-	1,000	-	-	-	-100.00%	-	-	-	-100.00%
BED145	Hawaii Strategic Development Corporation	P	-	-	-	-	-	-	#DIV/0!	-	-	-	#DIV/0!
BED145	Hawaii Strategic Development Corporation	W	-	-	1,000	-	-	-	-100.00%	-	-	-	-100.00%
BED145	Hawaii Strategic Development Corporation	Total	-	-	2,000	-	-	-	-100.00%	-	-	-	-100.00%
BED146	Natural Energy Lab of Hawaii Authority	B	-	22.00	7,908,896	-	22.00	8,027,791	1.50%	-	22.00	8,027,791	1.50%
BED146	Natural Energy Lab of Hawaii Authority	Total	-	22.00	7,908,896	-	22.00	8,027,791	1.50%	-	22.00	8,027,791	1.50%
BED150	Hawaii Community Development Authority	A	11.00	2.00	797,544	8.00	1.00	834,082	4.58%	8.00	1.00	834,082	4.58%

Department of Business, Economic Development and Tourism
Program ID Totals

Table 3

BED150	Hawaii Community Development Authority	B	-	-	550,000	-	-	550,000	0.00%	-	-	550,000	0.00%
BED150	Hawaii Community Development Authority	W	10.00	-	1,825,868	13.00	1.00	2,663,019	45.85%	13.00	1.00	2,663,019	45.85%
BED150	Hawaii Community Development Authority	Total	21.00	2.00	3,173,412	21.00	2.00	4,047,101	27.53%	21.00	2.00	4,047,101	27.53%
									#DIV/0!				#DIV/0!
BED160	Hawaii Housing Finance & Development Corporation	A	-	-	-	-	-	-	#DIV/0!	-	-	-	#DIV/0!
BED160	Hawaii Housing Finance & Development Corporation	N	-	-	3,100,000	-	-	3,100,000	0.00%	-	-	3,100,000	0.00%
BED160	Hawaii Housing Finance & Development Corporation	P	-	-	3,000,000	-	-	3,000,000	0.00%	-	-	3,000,000	0.00%
BED160	Hawaii Housing Finance & Development Corporation	W	29.00	41.00	11,818,751	29.00	41.00	12,450,347	5.34%	29.00	41.00	12,450,347	5.34%
BED160	Hawaii Housing Finance & Development Corporation	Total	29.00	41.00	17,918,751	29.00	41.00	18,550,347	3.52%	29.00	41.00	18,550,347	3.52%
TOTAL		A	105.00	36.00	30,543,008	86.00	24.00	12,532,910	-58.97%	86.00	24.00	12,325,441	-59.65%
		B	19.00	56.00	240,541,954	21.00	64.00	242,546,116	0.83%	21.00	64.00	242,466,116	0.80%
		N	5.00	5.00	5,464,265	5.00	5.00	5,964,265	9.15%	5.00	5.00	5,964,265	9.15%
		P	-	9.00	4,695,214	-	9.00	4,695,214	0.00%	-	9.00	4,695,214	0.00%
		R	-	-	1,000	-	-	-	-100.00%	-	-	-	-100.00%
		T	-	-	241,000	-	-	241,000	0.00%	-	-	241,000	0.00%
		V	-	-	-	-	-	-	#DIV/0!	-	-	-	#DIV/0!
		W	39.00	41.00	19,485,737	42.00	42.00	20,953,484	7.53%	42.00	42.00	20,953,484	7.53%
		Total	168.00	147.00	300,972,178	154.00	144.00	286,932,989	-4.66%	154.00	144.00	286,645,520	-4.76%

Department of Business, Economic Development and Tourism
Budget Decisions

Table 4

Prog ID	Sub-Org	Description of Request	MOF	Initial Department Requests						Budget and Finance Recommendations						Governor's Decision					
				FY22			FY23			FY22			FY23			FY22			FY23		
				Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$
BED120	SI	Request to transfer Research Statistician V position and funds to BED130/FA	A	(1.00)		(64,476)	(1.00)		(64,476)	(1.00)		(64,476)	(1.00)		(64,476)	(1.00)		(64,476)	(1.00)		(64,476)
BED130	FA	Request to transfer Research Statistician V position and funds from BED120/SI	A	1.00		64,476	1.00		64,476	1.00		64,476	1.00		64,476	1.00		64,476	1.00		64,476
BED128	OA	Transfer funds from BED128 to new program for PISCES	A			(414,457)			(414,457)			-			-			-			-
BED129		Transfer funds from BED128 to new program for PISCES and add 4.43 FTE	A		4.43	414,457		4.43	414,457		-	-		-	-		-	-		-	-
BED150	KA	Request to transfer Kalaeloa's revolving fund appropriation for personal services to Kakaako's revolving fund personal services appropriation for personal services.	W			45,954			45,954			45,954			45,954			45,954			45,954
BED150	KL	Request to transfer Kalaeloa's revolving fund appropriation for personal services to Kakaako's revolving fund personal services appropriation for personal services.	W			(45,954)			(45,954)			(45,954)			(45,954)			(45,954)			(45,954)
BED160	HF	Transfer funds from BED160HF to BED160HD as insured properties are related to housing development projects.	W			(96,000)			(96,000)			(96,000)			(96,000)			(96,000)			(96,000)
BED160	HD	Transfer funds from BED160HF to BED160HD as insured properties are related to housing development projects.	W			96,000			96,000			96,000			96,000			96,000			96,000
BED160	HF	Transfer out 1.00 position from BED160HF to BED160HD	W		(1.00)	(165,178)		(1.00)	(165,178)		(1.00)	(165,178)		(1.00)	(165,178)		(1.00)	(165,178)		(1.00)	(165,178)
BED160	HD	Transfer in 1.00 position to BED160HD from BED160HF	W		1.00	165,178		1.00	165,178		1.00	165,178		1.00	165,178		1.00	165,178		1.00	165,178
BED120	SI	Request to transfer funds from OCE to PS to cover payroll shortage	A			(88,208)			(88,208)			(88,208)			(88,208)			(88,208)			(88,208)
BED120	SI	Request to transfer funds from OCE to PS to cover payroll shortage	A			88,208			88,208			88,208			88,208			88,208			88,208
BED120	SI	Request to transfer funds from OCE to PS to fund two unfunded positions: Energy Analyst and Energy Program Specialist	A			(108,000)			(108,000)			(108,000)			(108,000)			(108,000)			(108,000)
BED120	SI	Request to transfer funds from OCE to PS to fund two unfunded positions: Energy Analyst and Energy Program Specialist	A			108,000			108,000			108,000			108,000			108,000			108,000
BED120	SI	Appropriation for State Energy Program federal award	N			500,000			500,000			500,000			500,000			500,000			500,000
BED120	SI	Request an expenditure ceiling for the Energy Security Special Fund to provide funds to capitalize HGIA loans for energy infrastructure	B			2,000,000			-			-			-			-			-
BED120	SI	Request an expenditure ceiling for the Energy Security Special Fund to continue the Electric Vehicle Charging System Rebate Program	B			1,000,000			-			350,000			350,000			350,000			350,000
BED120	SI	Request an expenditure ceiling for the Energy Security Special Fund to provide funds to leverage federal grant funding	B			2,000,000			1,500,000			500,000			500,000			500,000			500,000
BED120	SI	Request an expenditure ceiling for the Energy Security Special Fund to pay Special Fund Assessments for the Hawaii State Energy Office	B			75,000			75,000			155,000			75,000			155,000			75,000
BED160	HD	Requesting ceiling increase due to significant increase in insurance premiums	W			400,000			400,000			400,000			400,000			400,000			400,000
BED120	SI	Reduce residual OCE placeholder for BED120 HSEO Special funds	B			(1,000)			(1,000)			-			-			-			-
BED143	TF	Reduce residual OCE placeholder for BED143 HTDC	R			(1,000)			(1,000)			(1,000)			(1,000)			(1,000)			(1,000)

Department of Business, Economic Development and Tourism
Budget Decisions

Table 4

Prog ID	Sub-Org	Description of Request	MOF	Initial Department Requests				Budget and Finance Recommendations				Governor's Decision				
				FY22		FY23		FY22		FY23		FY22		FY23		
BED145	VC	Reduce residual OCE placeholder for BED145 HSDC	B		(1,000)		(1,000)		(1,000)		(1,000)		(1,000)		(1,000)	
BED145	VC	Reduce residual OCE placeholder for BED145 HSDC	W		(1,000)		(1,000)		(1,000)		(1,000)		(1,000)		(1,000)	
BED150	KA	Convert three (3) permanent and FTE general fund positions to revolving fund positions for the HCDA and increase personal services ceiling for revolving fund to fund the conversion	W	3.00	680,000	3.00	680,000	3.00	680,000	3.00	680,000	3.00	680,000	3.00	680,000	
BED150	KA	Convert three (3) permanent and FTE general fund positions to revolving fund positions for the HCDA and increase personal services ceiling for revolving fund to fund the conversion	A	(3.00)		(3.00)		(3.00)		(3.00)		(3.00)		(3.00)		
BED150	KL	Convert one (1) temporary and FTE general fund positions to revolving fund positions for the HCDA	W	1.00	120,000	1.00	120,000	1.00	120,000	1.00	120,000	1.00	120,000	1.00	120,000	
BED150	KL	Convert one (1) temporary and FTE general fund positions to revolving fund positions for the HCDA	A	(1.00)		(1.00)		(1.00)		(1.00)		(1.00)		(1.00)		
BED120	SI	Convert permanent Energy Conservation Program Manager position to temporary Energy Efficiency & Renewable Energy Manager position	A	(1.00)	1.00	(1.00)	1.00	(1.00)	1.00	(1.00)	1.00	(1.00)	1.00	(1.00)	1.00	
BED105	CI	Abolish unfunded positions	A					(4.00)		(4.00)		(4.00)		(4.00)		
BED120	SI	Abolish unfunded positions	A					(1.00)		(1.00)		(1.00)		(1.00)		
BED142	AA	Abolish unfunded positions	A					(2.00)		(2.00)		(2.00)		(2.00)		
BED143	TE	Abolish unfunded positions	A					(2.00)	(1.00)	(2.00)	(1.00)	(2.00)	(1.00)	(2.00)	(1.00)	
BED144	PL	Abolish unfunded positions	A					(3.00)	(1.00)	(3.00)	(1.00)	(3.00)	(1.00)	(3.00)	(1.00)	
BED120	SI	Convert Positions to Special Funds	A					(2.00)	(8.00)	(733,531)	(2.00)	(8.00)	(733,531)	(2.00)	(8.00)	(733,531)
BED120	SI	Convert Positions to Special Funds	B					2.00	8.00	1,107,632	2.00	8.00	1,107,632	2.00	8.00	1,107,632
BED128	OA	Reduce Special Fund Ceiling	B							(500,000)				(500,000)		
BED100	SM	Reduce amount available to make CBED micro-loans	A		(128,550)		(257,100)		(128,550)		(128,550)		(128,550)		(128,550)	
BED100	SM	Reduce amount for marketing trade and investment with China and reduce expenses related to overseas offices	A		(100,000)		(200,000)		(200,000)		(200,000)		(200,000)		(200,000)	
BED100	SM	Reduce amount of economic development funding	A		(1,275,333)		(2,551,066)		(1,050,000)		(1,050,000)		(1,050,000)		(1,050,000)	
BED103	DA	Elimination of Travel and Hearing costs. Savings from staff re-organization	A		(66,231)		(132,462)		(66,231)		(132,462)		(66,231)		(132,462)	
BED105	CI	Reduces Creative Lab Hawaii program by 10% of \$400,000 G funds. Impacts number of mentorship programs and export markets from 7 sectors down to 5 sectors addressed per FY	A		(15,000)		(30,000)		(30,000)		(30,000)		(30,000)		(30,000)	
BED105	CI	Reduces funds for joint marketing efforts. Forgo promotions for duration of COVID19. Pivot other avenues to market creative and film sectors/services	A		(13,703)		(27,405)		(13,703)		(13,703)		(13,703)		(13,703)	
BED105	CI	Eliminates Film Industry Development Specialist IV, Act 5, SLH 2019	A	(1.00)	(26,478)	(1.00)	(52,956)	(1.00)	(52,956)	(1.00)	(52,956)	(1.00)	(52,956)	(1.00)	(52,956)	
BED105	CI	Eliminate \$30,000 GF A fund allocation for Studio R&M. Maintain \$30,000 B funds + \$75,000 for HFS R&M per FY	A		(15,000)		(30,000)		(30,000)		(30,000)		(30,000)		(30,000)	
BED120	SI	Reduction of 1 management staff FTE and associated costs	A	(1.00)	(73,308)	(1.00)	(146,616)	(1.00)	(73,308)	(1.00)	(146,616)	(1.00)	(73,308)	(1.00)	(146,616)	
BED120	SI	Reduction of OCE - Services on a Fee	A		(56,605)		(113,210)		(113,210)		(113,210)		(113,210)		(113,210)	
BED120	SI	Reduction of 1 project staff FTE and associated costs	A	(1.00)	(41,532)	(1.00)	(83,064)	(1.00)	(41,532)	(1.00)	(83,064)	(1.00)	(41,532)	(1.00)	(83,064)	
BED128	OA	Abolish funding for the PISCES program	A		-		-		(550,000)		(550,000)		(550,000)		(550,000)	

Department of Business, Economic Development and Tourism
Budget Decisions

Table 4

Prog ID	Sub-Org	Description of Request	MOF	Initial Department Requests						Budget and Finance Recommendations						Governor's Decision					
				FY22			FY23			FY22			FY23			FY22			FY23		
BED143	TE	Reduction of the HSBIR grant program	A			(79,880)			(159,759)			(159,759)			(159,759)			(159,759)			(159,759)
BED143	TE	Eliminate Neighbor Island Innovation Initiative and neighbor island outreach	A			(5,750)			(11,500)			(11,500)			(11,500)			(11,500)			(11,500)
BED143	TE	Eliminate office space and related expenses and work remotely 100%	A			(23,210)			(46,419)			(23,210)			(46,419)			(23,210)			(46,419)
BED144	PL	Reduction of administrative costs	A			(4,637)			(9,274)			(4,637)			(4,637)			(4,637)			(4,637)
BED144	PL	Reduction of travel costs	A			(3,189)			(6,378)			(3,189)			(6,378)			(3,189)			(6,378)
BED144	PL	GIS program enhancement and office equipment replacement	A			(56,850)			(113,700)			(113,700)			(113,700)			(113,700)			(113,700)

Department of Business, Economic Development and Tourism
Proposed Budget Reductions

Table 5

Prog ID	Sub-Org	Description of Reduction	Impact of Reduction	MOF	FY22			FY23			FY21 Restriction (Y/N)
					Pos (P)	Pos (T)	\$\$\$\$	Pos (P)	Pos (T)	\$\$\$\$	
BED143	TF	Reduce residual OCE placeholder for BED143 HTDC	Immaterial. Program does not utilize private funds.	R			(1,000)			(1,000)	N
BED145	VC	Reduce residual OCE placeholder for BED145 HSDC	Immaterial. Program was abolished last fiscal biennium.	B			(1,000)			(1,000)	N
BED145	VC	Reduce residual OCE placeholder for BED145 HSDC	Immaterial. Program was abolished last fiscal biennium.	W			(1,000)			(1,000)	N
BED150	KA	Convert three (3) permanent and FTE general fund positions to revolving fund positions for the HCDA and increase personal services ceiling for revolving fund to fund the conversion	<p>During the 2020 legislative session funding was removed from four vacant general fund positions, which included the Executive Director, two Program Specialist V (Planner), and the Kalaeloa Program Specialist IV. In FY2021, the HCDA Executive Director position was filled and the salary is paid from the general fund and reimbursed from HCDA's revolving fund. The Department of Budget & Finance approved this arrangement until the end of FY2021.</p> <p>There is a dire need to hire two planners for upcoming major projects which will generate revenue for the State of Hawaii through additional jobs, taxes, and fees. The Executive Director anticipates filling the two Program Specialist V positions in FY2022. The salaries will be paid from the revolving fund.</p>	A	(3.00)			(3.00)			N

Department of Business, Economic Development and Tourism
Proposed Budget Reductions

Table 5

Prog ID	Sub-Org	Description of Reduction	Impact of Reduction	MOF	Pos (P)	Pos (T)	\$\$\$\$	Pos (P)	Pos (T)	\$\$\$\$	Restriction (Y/N)
BED150	KL	Convert one (1) temporary and FTE general fund positions to revolving fund positions for the HCDA	<p>During the 2020 legislative session funding was removed from four vacant general fund positions, which included the Executive Director, two Program Specialist V (Planner), and the Kalaeloa Program Specialist IV. In FY2021, the HCDA Executive Director position was filled and the salary is paid from the general fund and reimbursed from HCDA's revolving fund. The Department of Budget & Finance approved this arrangement until the end of FY2021.</p> <p>There is a need to hire the Kalaeloa Program Specialist IV for upcoming major projects which will generate revenue for the State of Hawaii through additional jobs, taxes, and fees. The Executive Director anticipates filling the position in FY2022. The salary will be paid from the revolving fund.</p>	A		(1.00)			(1.00)		N
BED120	SI	Convert permanent Energy Conservation Program Manager position to temporary Energy Efficiency & Renewable Energy Manager position	Pursuant to Act 122, SLH 2019, employees of the Hawaii State Energy office shall be exempt from Chapter 76 and shall not be considered civil service employees. This request is to convert the vacant position from permanent civil service to temporary exempt.	A	(1.00)			(1.00)			N
BED105	CI	Abolish unfunded positions	Loss of the branch chief position #15079 is a major impact to the structure of this division and affects implementation of our recovery and resiliency role in Hawaii's innovation and knowledge-based industry growth. Oversight of all Branch Chief duties would have to transfer to the administrator who is at capacity with additional duties.	A	(4.00)			(4.00)			Y
BED120	SI	Abolish unfunded positions	Positions were unfunded last legislative session.	A		(1.00)			(1.00)		Y
BED142	AA	Abolish unfunded positions	Positions were unfunded last legislative session.	A	(2.00)			(2.00)			N
BED143	TE	Abolish unfunded positions	Positions were unfunded last legislative session.	A	(2.00)	(1.00)		(2.00)	(1.00)		Y
BED144	PL	Abolish unfunded positions	The abolishment of 4 FTE positions would have a severe impact to the operations of OP. The loss of the Secretary III could result in grounds for legal appeals of Land Use Commission decisions.	A	(3.00)	(1.00)		(3.00)	(1.00)		Y
BED120	SI	Convert Positions to Special Funds	The conversion of positions to Special Funds will reduce the burden on the General Fund.	A	(2.00)	(8.00)	(733,531)	(2.00)	(8.00)	(733,531)	Y
BED128	OA	Reduce Special Fund Ceiling	There is currently no special fund revenue sources for BED128.	B			(500,000)			(500,000)	N

Department of Business, Economic Development and Tourism
Proposed Budget Reductions

Table 5

Prog ID	Sub-Org	Description of Reduction	Impact of Reduction	MOF	Pos (P)	Pos (T)	\$\$\$\$	Pos (P)	Pos (T)	\$\$\$\$	Restriction (Y/N)
BED100	SM	Reduce amount available to make CBED micro-loans	Reduction in amount available to CBED program to make micro-loans.	A			(128,550)			(128,550)	Y
BED100	SM	Reduce amount for marketing trade and investment with China and reduce expenses related to overseas offices	Reduction in China marketing efforts and out of state offices.	A			(200,000)			(200,000)	Y
BED100	SM	Reduce amount of economic development funding	The restriction of funding will hamper economic development projects planned to revive Hawaii's economy.	A			(1,050,000)			(1,050,000)	Y
BED103	DA	Elimination of Travel and Hearing costs. Savings from staff re-organization	Savings/reductions in Personnel costs are a result of a FY 20 strategic reclassification of one Planner IV to a Program Specialist III and has no short term impact on program performance. A 20% reduction will have a paralyzing impact on program operations and eliminate this essential function, stalling the construction industry leading to a large scale drop in economic activity and severely hampering recovery efforts. Reductions in Intra State Travel will require an elimination of hearings and a complete loss of future and near term development activity and associated economic activity in the private and government sector. Near eliminastion of housing starts and the construction of affordable and market homes will result as well as a severe downturn in infrastructure expenditures. Unless major changes were made to various statutes the LUC could not proceed to process permits in any sense of the word. This scenario would require 100 percent of the LUC's hearings be held virtually if there were to be any processing of petitions, which poses two significant problems. One is that it would require a complete re-write of Chapter 92 and 91 with regard to the requirements for public hearings and notice and Chapter 205 HRS with regard to where and how hearings are to be held as well as commensurate	A			(66,231)			(132,462)	Y

Department of Business, Economic Development and Tourism
Proposed Budget Reductions

Table 5

Prog ID	Sub-Org	Description of Reduction	Impact of Reduction	MOF	Pos (P)	Pos (T)	\$\$\$\$	Pos (P)	Pos (T)	\$\$\$\$	Restriction (Y/N)
			<p>changes to Section 15-15 H.A.R. It would also pose a risk to all LUC decisions being subject to review by the Supreme Court for a determination on whether or not the procedure utilized was sufficient from a due process perspective regardless of any change to statutory language. The LUC minimal DIRECT impact annually on the economy is as follows:</p> <p>Minimum Direct Development Investment - \$700 million Post Development Economic Activity - Greater than \$200 million 350 Direct construction jobs (Payroll in excess of \$250 million) Offsite and post development activity - Exceeds \$250 million 2100 affordable and market rate homes 260 acres of industrial land 200 hotel rooms 3-5 state or county infrastructure (waste treatment plants, airport expansion, landfills)</p> <p>Applying a one to one correlative analysis the impact on the economy could be as high as 1.5 billion dollars or more of reduced construction activity and as many as 26,000 homes with an unspecified number of reductions in construction jobs totalling more than 350 direct laborers. Using various economic multipliers the impact is anywhere from 6 to 10 times that on the overall economy and general economic activity (over 9 billion dollars in activity throughout the economy generally).</p>								

Department of Business, Economic Development and Tourism
Proposed Budget Reductions

Table 5

Prog ID	Sub-Org	Description of Reduction	Impact of Reduction	MOF	Pos (P)	Pos (T)	\$\$\$\$	Pos (P)	Pos (T)	\$\$\$\$	Restriction (Y/N)
BED105	CI	Reduces Creative Lab Hawaii program by 10% of \$400,000 G funds. Impacts number of mentorship programs and export markets from 7 sectors down to 5 sectors addressed per FY	Limits in person mentorship to three immersive programs per year. and increasing number of virtual mentorship modules. Extended FY19 and FY20 Creative Lab Hawaii contracts over two year period vs. one year due to COVID19 impacts. WFD component will produce multiple training modules to be streamed on new web portal for Creative HI - a virtual marketplace for content/IP for licensing, development and acquisition.	A			(30,000)			(30,000)	Y
BED105	CI	Reduces funds for joint marketing efforts. Forgo promotions for duration of COVID19. Pivot other avenues to market creative and film sectors/services	In light of the significant impact of COVID-19 on general funds, this cost has been identified as a lower priority in expenditures for this program.	A			(13,703)			(13,703)	Y
BED105	CI	Eliminates Film Industry Development Specialist IV, Act 5, SLH 2019	In light of the significant impact of COVID-19 on general funds, this cost has been identified as a lower priority in expenditures for this program.	A	(1.00)		(52,956)	(1.00)		(52,956)	Y
BED105	CI	Eliminate \$30,000 GF A fund allocation for Studio R&M. Maintain \$30,000 B funds + \$75,000 for HFS R&M per FY	In light of the significant impact of COVID-19 on general funds, this cost has been identified as a lower priority in expenditures for this program.	A			(30,000)			(30,000)	Y
BED120	SI	Reduction of 1 management staff FTE and associated costs	Reduction would have no significant impact inasmuch as Act 122, SLH 2019 created the Chief Energy Officer position to lead the HSEO.	A	(1.00)		(73,308)	(1.00)		(146,616)	Y
BED120	SI	Reduction of OCE - Services on a Fee	Funding for contracts to assist the HSEO carrying out its mission would be significantly reduced.	A			(113,210)			(113,210)	Y
BED120	SI	Reduction of 1 project staff FTE and associated costs	Reduction would have no significant impact provided the responsibility for issuing variances is shifted from HSEO to the counties.	A		(1.00)	(41,532)		(1.00)	(83,064)	Y
BED128	OA	Abolish funding for the PISCES program	The PISCES operation will have to be terminated, resulting in the loss of five positions and various initiatives that are being worked upon.	A			(550,000)			(550,000)	Y
BED143	TE	Reduction of the HSBIR grant program	When previously funded at \$1.52 million, the program reported \$150 million impact and \$9.5 million state taxes. Reduction of \$160k is estimated at a loss of \$15.8 million economic impact and \$998k state taxes. In addition, the funding is used as a match for federal funds and federal grant opportunities.	A			(159,759)			(159,759)	Y
BED143	TE	Eliminate Neighbor Island Innovation Initiative and neighbor island outreach	This will eliminate HTDC on-island business mentorship service on Hawaii island and Kauai. This program serves as match to Federal grants that pertain to rural outreach. Loss of approximately \$50k Federal funds.	A			(11,500)			(11,500)	Y

Department of Business, Economic Development and Tourism
Proposed Budget Reductions

Table 5

Prog ID	Sub-Org	Description of Reduction	Impact of Reduction	MOF	Pos (P)	Pos (T)	\$\$\$\$	Pos (P)	Pos (T)	\$\$\$\$	Restriction (Y/N)
BED143	TE	Eliminate office space and related expenses and work remotely 100%	May lose personnel due to morale. HTDC staff will not be equipped with dedicated office equipment and supplies.	A			(23,210)			(46,419)	Y
BED144	PL	Reduction of administrative costs	The office will efficiently reduce administrative costs. OP was informed of an unbudgeted assessment of \$4,000 to pay a for a security contractor for the State Office Tower in FY20 mid-year. While the impact of a security guard checking entrants to the building has been positive, OP does not have the funds to continue paying a share of this expense. This is a building safety expense that should be budgeted by either DAGS or DPS in future years.	A			(4,637)			(4,637)	Y
BED144	PL	Reduction of travel costs	LUD Travel: will restrict OP staff attendance at LUC hearings on the Neighbor Islands to one staff planner or administrator, which will likely be the Deputy AG who is required given the legal proceedings. The OP staff planner and administrator who prepare and coordinate the State's position with other agencies would need to attend and testify remotely and will be unable to effectively consult with and advise the Deputy AG.	A			(3,189)			(6,378)	Y
BED144	PL	GIS program enhancement and office equipment replacement	None. One-Time expenses.	A			(113,700)			(113,700)	Y

Department of Business, Economic Development and Tourism
Proposed Budget Additions

Table 6

Prog ID	Sub-Org	Addition Type	Prog ID Priority	Dept-Wide Priority	Description of Addition	Justification	MOF	FY22			FY23		
								Pos (P)	Pos (T)	\$\$\$	Pos (P)	Pos (T)	\$\$\$
BED120	SI	FF/NR	5	15	Appropriation for State Energy Program federal award	Major recurring federal award (3 year award): State Energy Program CFDA No. 81.041	N			500,000			500,000
BED120	SI	NG/NR	2	11	Request an expenditure ceiling for the Energy Security Special Fund to continue the Electric Vehicle Charging System Rebate Program	A special fund ceiling is requested for the Energy Security Special Fund (ESSF) to continue the electric vehicle charging system rebate program created by Act 142, SLH 2019. The rebate program would continue to be administered by the Public Utilities Commission in consultation with HSEO and EV stakeholders to incentivize the installation or upgrade of EV charging systems. The rebate program supports one of HSEO's purposes -- to promote clean transportation.	B			350,000			350,000
BED120	SI	NG/NR	3	12	Request an expenditure ceiling for the Energy Security Special Fund to provide funds to leverage federal grant funding	A special fund ceiling is requested for the Energy Security Special Fund (ESSF) to provide cost match for federal grant applications. The ability to contribute cost match would position the HSEO to apply or partner with other entities for federal grants. Special fund dollars would leverage federal funds up to 3-4 times for projects in support of the State's energy and decarbonization goals.	B			500,000			500,000
BED120	SI	NG	4	13	Request an expenditure ceiling for the Energy Security Special Fund to pay Special Fund Assessments for the Hawaii State Energy Office	A special fund ceiling is needed for the Energy Security Special Fund (ESSF) to transfer its share of central service expenses and departmental administrative expenses to the general fund. If an appropriation ceiling is not provided, an alternative would be to statutorily exempt the Energy Security Special Fund from owing the special fund assessments.	B			155,000			75,000

Department of Business, Economic Development and Tourism
Proposed Budget Additions

Table 6

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Addition Type</u>	<u>Prog ID Priority</u>	<u>Dept-Wide Priority</u>	<u>Description of Addition</u>	<u>Justification</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
BED160	HD	NG	1	14	Requesting ceiling increase due to significant increase in insurance premiums	HHFDC's properties under BED160HD were not included in Risk Management Office (RMO) previous years' insurance premium assessment models and therefore is expected to increase by approximately \$400,000.00 according to RMO. These insured properties provide affordable housing units to address the critical need for affordable housing.	W			400,000			400,000
BED150	KA	NG	1	1	Convert three (3) permanent and FTE general fund positions to revolving fund positions for the HCDA and increase personal services ceiling for revolving fund to fund the conversion	<p>During the 2020 legislative session funding was removed from four vacant general fund positions, which included the Executive Director, two Program Specialist V (Planner), and the Kalaeloa Program Specialist IV. In FY2021, the HCDA Executive Director position was filled and the salary is paid from the general fund and reimbursed from HCDA's revolving fund. The Department of Budget & Finance approved this arrangement until the end of FY2021.</p> <p>There is a dire need to hire two planners for upcoming major projects which will generate revenue for the State of Hawaii through additional jobs, taxes, and fees. The Executive Director anticipates filling the two Program Specialist V positions in FY2022. The salaries will be paid from the revolving fund.</p>	W	3.00		680,000	3.00		680,000

Department of Business, Economic Development and Tourism
Proposed Budget Additions

Table 6

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Addition Type</u>	<u>Prog ID Priority</u>	<u>Dept-Wide Priority</u>	<u>Description of Addition</u>	<u>Justification</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
BED150	KL	NG	2	1	Convert one (1) temporary and FTE general fund positions to revolving fund positions for the HCDA	<p>During the 2020 legislative session funding was removed from four vacant general fund positions, which included the Executive Director, two Program Specialist V (Planner), and the Kalaeloa Program Specialist IV. In FY2021, the HCDA Executive Director position was filled and the salary is paid from the general fund and reimbursed from HCDA's revolving fund. The Department of Budget & Finance approved this arrangement until the end of FY2021.</p> <p>There is a need to hire the Kalaeloa Program Specialist IV for upcoming major projects which will generate revenue for the State of Hawaii through additional jobs, taxes, and fees. The Executive Director anticipates filling the position in FY2022. The salary will be paid from the revolving fund.</p>	W		1.00	120,000		1.00	120,000
BED120	SI	AR	6	5	Convert permanent Energy Conservation Program Manager position to temporary Energy Efficiency & Renewable Energy Manager position	Pursuant to Act 122, SLH 2019, employees of the Hawaii State Energy office shall be exempt from Chapter 76 and shall not be considered civil service employees. This request is to convert the vacant position from permanent civil service to temporary exempt.	A		1.00			1.00	
BED120	SI	NG	1	17	Convert Positions to Special Funds	The conversion of positions to Special Funds will reduce the burden on the General Fund.	B	2.00	8.00	1,107,632	2.00	8.00	1,107,632

Department of Business, Economic Development and Tourism
 FB 2019 - 2021 Restrictions

Table 7

Fiscal Year	Prog ID	Sub-Org	MOF	Budgeted by Dept	Restriction	Difference Between Budgeted & Restricted	Percent Difference	Impact
2021	BED100	SM	A	17,570,997	1,728,711	15,842,286	9.84%	Reduction of certain initiatives due to the restriction
2021	BED103	DA	A	662,312	66,231	596,081	10.00%	Budget restrictions and holdbacks have resulted in a commensurate curtailment of some LUC activity. Staff reductions were required as a result and the LUC Planner IV was not replaced after she resigned. The position was re-classified to a Program Specialist III and utilized to perform some Planner IV functions as well as taking over the Secretary II duties whose position was vacant and funding restricted last FY to save on personnel costs.
2021	BED105	CI	A	1,508,613	150,861	1,357,752	10.00%	Reduction of program activities to stimulate Hawaii's creative economic sector hard hit by covid-19
2021	BED120	SI	A	2,598,265	259,826	2,338,439	10.00%	The restriction limits the project activity that can be undertaken to promote energy efficiency, renewable energy, and clean transportation.
2021	BED128	OA	A	1,213,673	121,369	1,092,304	10.00%	Reduction in program activities: Challenger Center, UAS, and PISCES
2021	BED130	FA	A	1,316,317	61,631	1,254,686	4.68%	Reduced data subscription and contracted services and impacted the quantity of data products.
2021	BED142	AA	A	2,218,570	-	2,218,570	-	N/A
2021	BED143	TE	A	1,088,390	108,839	979,551	10.00%	HTDC will give up our office, leave federal grant opportunities on the table because of the lack of general funds and general funded positions that are required as match, and will spend our time focused on the manufacturing industry where our program receives federal funds and the Sandbox where we need to generate revenue to cover operational expenses. The accelerator programs that we have been supporting will likely cease operation in the upcoming year leaving no remaining options in state available for new startups. Without funding for the SBIR matching grant program, the amount of federal funds these companies bring in to the state will decrease. Last year was a record year for the Phase 2/3 SBIR program with 14 phase 2 awards and 2 phase 3 awards bringing \$53 million into the state. This steady increase in federal awards from the program is a direct result of the SBIR Phase 2/3 matching grant program started in 2017. The previous year, the companies won 12 Phase 2 and \$11 million.
2021	BED144	PL	A	1,568,327	156,832	1,411,495	10.00%	The restriction has been accommodated through reduction in payroll, administration, and travel expenses.
2021	BED150	KA	A	797,544	-	797,544	-	N/A
2020	BED100	N/A	A	2,585,988	450,000	2,135,988	17.40%	Unable to fund marketing projects such as tradeshows, trade missions.
2020	BED103	N/A	A	698,711	41,000	657,711	5.87%	Budget restrictions have had a severe impact on program operations. The number of hearings the program is able to hold has been severely reduced and the ability to train commissioners on emerging issues has been not been possible. Economic impacts due to delays in construction and a slowdown in meeting housing shortages is anticipated as a result.
2020	BED105	N/A	A	1,815,093	227,572	1,587,521	12.54%	Affected recruitment of new hires by requiring a delay in hiring for 4-6 mos. to help meet 12.54% restriction imposed. OCE also restricted affecting Marketing Hawaii as a film / television destination, Creative Lab HS programs, business development, infrastructure development at coworking sites and N.I. launch of coworking sites.
2020	BED120	N/A	A	2,819,077	165,000	2,654,077	5.85%	The restriction limits the project activity that can be undertaken in promoting energy efficiency, renewable energy, and clean transportation.
2020	BED128	N/A	A	1,213,673	122,734	1,090,939	10.11%	Operation reduction
2020	BED130	N/A	A	2,066,317	112,500	1,953,817	5.44%	Have to reduce the scope of services in the contracts, reducing the quantity of deliverables
2020	BED142	N/A	A	3,326,258	164,117	3,162,141	4.93%	Program delayed filling certain positions due to the holdback
2020	BED143	N/A	A	3,857,222	303,124	3,554,098	7.86%	HTDC will reduce SBIR awards which go to tech companies who were awarded Federal SBIR grant which go to commercialization of products that have reached the prototype phase. HTDC will also hold less events and outreach to tech startup and manufacturing companies. These events inform companies what funds and source of information are available to help them succeed.
2020	BED144	N/A	A	2,007,999	90,562	1,917,437	4.51%	The restriction has been accommodated through vacancies due to normal staff turnover.
2020	BED150	N/A	A	1,164,984	78,924	1,086,060	6.77%	Payroll will be short if restriction is not lifted
2019	BED100	N/A	A	2,525,466	94,500	2,430,966	3.74%	Reduced amount available for various program initiatives

Department of Business, Economic Development and Tourism
 FB 2019 - 2021 Restrictions

Table 7

<u>Fiscal Year</u>	<u>Prog ID</u>	<u>Sub-Org</u>	<u>MOF</u>	<u>Budgeted by Dept</u>	<u>Restriction</u>	<u>Difference Between Budgeted & Restricted</u>	<u>Percent Difference</u>	<u>Impact</u>
2019	BED103	N/A	A	654,916	10,000	644,916	1.53%	Any restriction on LUC funds put the program at risk of not being able to process permits and hold hearings. As the LUC does not control its workload and petitions must be heard in a limited timeframe pursuant to Chapter 205, the LUC does not have the ability to defer activities or hearings. Not processing permits has the impact of delaying the construction of housing and causing further housing availability issues.
2019	BED105	N/A	A	1,527,374	50,000	1,477,374	3.27%	Leveraged existing funds with private and public sector partnerships. Reduced two planned programs for Business of the Arts.
2019	BED120	N/A	A	150,000	7,500	142,500	5.00%	The scope of the geothermal feasibility study will be scaled to the unrestricted amount.
2019	BED128	N/A	A	1,141,759	50,000	1,091,759	4.38%	Office of Aerospace is already on a tight budget so any restriction hinders its ability to attend important industry conferences and keep updated with aerospace and aviation subscriptions and reports.
2019	BED130	N/A	A	1,486,552	20,000	1,466,552	1.35%	The restriction will reduce the scope of services for research projects and thus reduce the comprehensiveness of the research findings.
2019	BED142	N/A	A	2,223,222	120,875	2,102,347	5.44%	Deferred hiring immediately to cover shortfall in personal services budget
2019	BED143	N/A	A	2,585,439	75,000	2,510,439	2.90%	HTDC will not be able to fully payout the awarded Exelerator grants.
2019	BED146	N/A	A	675,000	25,000	650,000	3.70%	Awaiting response from GIA recipient on impact of restriction
2019	BED150	N/A	A	70,000	3,500	66,500	5.00%	No impact
2019	BED144	N/A	A	1,647,349	57,500	1,589,849	3.49%	Reduced the amount expended on various initiatives

Department of Business, Economic Development and Tourism
 Emergency Appropriation Requests

Table 8

<u>Prog ID</u>	<u>Description of Request</u>	<u>Explanation of Request</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>
		None				

Department of Business, Economic Development and Tourism
 Expenditures Exceeding Appropriation Ceilings in FY20 and FY21

Table 9

<u>Prog ID</u>	<u>MOF</u>	<u>Date</u>	<u>Appropriation</u>	<u>Amount Exceeding Appropriation</u>	<u>Percent Exceeded</u>	<u>Reason for Exceeding Ceiling</u>	<u>Legal Authority</u>	<u>Recurring (Y/N)</u>	<u>GF Impact (Y/N)</u>
			None						

Department of Business, Economic Development and Tourism
 Intradepartmental Transfers in FY20 and FY21

Table 10

<u>Actual or Anticipated Date of Transfer</u>	<u>MOF</u>	<u>Pos (P)</u>	<u>Pos (T)</u>	<u>\$\$\$</u>	<u>From Prog ID</u>	<u>Percent of Program ID Appropriation Transferred From</u>	<u>To Prog ID</u>	<u>Percent of Receiving Program ID Appropriation</u>	<u>Reason for Transfer</u>	<u>Recurring (Y/N)</u>
		None								

Department of Business, Economic Development and Tourism
Vacancy Report as of November 30, 2020

Table 11

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Date of Vacancy</u>	<u>Expected Fill Date</u>	<u>Position Number</u>	<u>Position Title</u>	<u>Exempt (Y/N)</u>	<u>SR Level</u>	<u>BU Code</u>	<u>Perm Temp (P/T)</u>	<u>FTE</u>	<u>MOF</u>	<u>Budgeted Amount</u>	<u>Actual Salary Last Paid</u>	<u>Authority to Hire (Y/N)</u>	<u>Occupied by 89 Day Hire (Y/N)</u>	<u># of 89 Hire Appts</u>	<u>Describe if Filled by other Means</u>	<u>Priority # to Retain</u>
BED103D A	N/A	11/26/2019	7/1/2021	00121099	Program Specialist III	N	SR20	13	P	1.00	A	37,875	38,220	N	N		No current intent to fill due to hiring freeze.	1
BED103D A	N/A	7/1/2020	12/28/2020	00122545	Program Specialist III	N	SR22	13	P	1.00	A	52,956	54,096	Y	N		Job offer made and accepted.	1
BED105CI	N/A	N/A	N/A	TBD	Administrative Officer V	N	SR24	13	P	1.00	A	59,616	N/A	N	N		No current intent to fill due to hiring freeze.	1
BED105CI	N/A	N/A	N/A	TBD	Film Industry Development Specialist IV	N	SR22	13	P	1.00	A	52,956	N/A	N	N		No current intent to fill due to hiring freeze.	1
BED105CI	N/A	N/A	N/A	TBD	Program Specialist V	N	SR24	13	T	1.00	A	59,616	N/A	N	N		No current intent to fill due to hiring freeze.	1
BED107B A	N/A	1/2/2014	N/A	00022200	Ftz Representative	N	SR26	13	P	1.00	B	64,476	59,736	N	N		No current intent to fill due to hiring freeze.	1
BED107B A	N/A	6/6/2020	N/A	00024170	FTZ Warehouse Worker	N	BC06	01	P	1.00	B	50,028	49,632	N	N		No current intent to fill due to hiring freeze.	1
BED107B A	N/A	3/16/18	N/A	00027656	Office Assistant IV	N	SR10	03	P	1.00	B	31,056	30,372	N	N		No current intent to fill due to hiring freeze.	1
BED113T O	N/A	N/A	N/A	123269	HTA Product Devlp Specialist	Y	SRNA	13	T	1.00	B	51,750	N/A	N	N		No current intent to fill due to hiring freeze.	1
BED113T O	N/A	N/A	N/A	123270	Tourism Specialist	Y	SRNA	13	T	1.00	B	41,400	N/A	N	N		No current intent to fill due to hiring freeze.	1
BED113T O	N/A	10/1/19	N/A	00027615	Secretary II	N	SR14	03	P	1.00	B	54,452	54,432	N	N		No current intent to fill due to hiring freeze.	1
BED113T O	N/A	10/3/2020	N/A	00107916	HTA Contracts Specialist	Y	SRNA	13	T	1.00	B	60,000	60,000	N	N		No current intent to fill due to hiring freeze.	1

Department of Business, Economic Development and Tourism
Vacancy Report as of November 30, 2020

Table 11

Prog ID	Sub-Org	Date of Vacancy	Expected Fill Date	Position Number	Position Title	Exempt (Y/N)	SR Level	BU Code	Perm Temp (P/T)	FTE	MOF	Budgeted Amount	Actual Salary Last Paid	Authority to Hire (Y/N)	Occupied by 89 Day Hire (Y/N)	# of 89 Hire Appts	Describe if Filled by other Means	Priority # to Retain
BED113T O/XC	N/A	9/11/2015	12/30/20	00028287	HTA Program Specialist	Y	SRNA	13	T	1.00	B	165,000	165,000	N	N		Request to fill submitted to DBEDT. Annual salary will be \$60,000.	1
BED120SI	N/A	7/31/17	N/A	00012697	Energy Conservation Prgm Mgr	N	EM05	35	P	1.00	B	117,537	119,892	N	N		Position redescribed as exempt Energy Efficiency & Renewable Energy Manager and is currently filled by TA. Position planned to be filled when freeze is lifted.	1
BED120SI	N/A	6/1/2020	N/A	00100401	Energy Analyst	Y	SRNA	13	T	1.00	A	83,064	84,852	N	N		Position identified as a budget reduction.	1
BED143T E	N/A	5/30/2020	01/31/21	00116617	MEP Program Assistant	Y	SRNA	3	T	1.00	P	47,004	50,004	N	N		100% Federal Funded. Recruitment to Follow	1
BED143T E	N/A	8/1/2019	N/A	00116874	HCATT Manager	Y	SRNA	13	T	1.00	P	98,856	98,856	N	N		Temporary Assignment	1
BED144P L	N/A	N/A	N/A	9004B/12307	Transit-Oriented Dev Pgm Mgr	Y	SRNA	13	P	1.00	A	92,100	N/A	N	N		No current intent to fill due to hiring freeze.	1
BED144P Z	N/A	4/28/17	01/04/21	00102931	CZM Project Analyst	Y	SRNA	13	T	1.00	N	52,447	51,397	Y	N		Job offer made and accepted.	1
BED144P Z	N/A	5/1/19	01/18/21	00102932	CZM Project Analyst	Y	SRNA	13	T	1.00	N	59,616	62,004	Y	N		Job offer made and accepted.	1
BED144P Z	N/A	7/1/2020	N/A	00102933	CZM Project Analyst	Y	SRNA	13	T	1.00	N	56,196	67,152	N	N		No current intent to fill due to hiring freeze.	1
BED146E L	N/A	N/A	N/A	98007	NELHA Energy Specialist	Y	SRNA	13	T	1.00	B	60,027	N/A	N	N		No current intent to fill due to hiring freeze.	1

Department of Business, Economic Development and Tourism
Vacancy Report as of November 30, 2020

Table 11

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Date of Vacancy</u>	<u>Expected Fill Date</u>	<u>Position Number</u>	<u>Position Title</u>	<u>Exempt (Y/N)</u>	<u>SR Level</u>	<u>BU Code</u>	<u>Perm Temp (P/T)</u>	<u>FTE</u>	<u>MOF</u>	<u>Budgeted Amount</u>	<u>Actual Salary Last Paid</u>	<u>Authority to Hire (Y/N)</u>	<u>Occupied by 89 Day Hire (Y/N)</u>	<u># of 89 Hire Appts</u>	<u>Describe if Filled by other Means</u>	<u>Priority # to Retain</u>
BED146E L	N/A	6/30/2014	N/A	00102305	NELHA Veh Const Equip Mech	Y	SRNA	01	T	1.00	B	37,260	37,260	N	N		No current intent to fill due to hiring freeze.	1
BED146E L	N/A	12/31/2013	N/A	00102316	NELHA Groundskeeper II	Y	SRNA	01	T	1.00	B	36,252	36,252	N	N		No current intent to fill due to hiring freeze.	1
BED146E L	N/A	6/30/2007	N/A	00102526	NELHA Microbiologist III	Y	SRNA	13	T	1.00	B	47,448	47,448	N	N		No current intent to fill due to hiring freeze.	1
BED146E L	N/A	6/30/2007	N/A	00102694	NELHA Chemist III	Y	SRNA	13	T	1.00	B	44,066	44,066	N	N		No current intent to fill due to hiring freeze.	1
BED146E L	N/A	10/24/2019	N/A	00107909	NELHA Senior Secretary	Y	SRNA	63	T	1.00	B	58,176	55,200	N	N		No current intent to fill due to hiring freeze.	1
BED150K A	N/A	4/4/2020	N/A	00102079	HCDA Secretary	Y	SRNA	3	T	1.00	A	42,336	42,336	N	N		Subject to the hiring freeze. The position is essential and must be filled as soon as possible.	1
BED150K A	N/A	2/1/2019	N/A	00102689	HCDA Dir of Planning & Dev	Y	SRNA	13	P	1.00	B	127,380	127,380	N	N		The request to fill was approved by B&F. Pending approval from the Governors office.	1
BED150K A	N/A	5/18/2020	N/A	00107936	HCDA Project Director	Y	SRNA	13	T	1.00	B	98,772	100,896	N	N		Subject to the hiring freeze. The position is essential and must be filled as soon as possible.	1
BED160H A	N/A	12/31/2013	3/2/2020	25650	Housing Loan Services Officer	N	SR24	23	P	1.00	W	69,732	78,996	N	N			1
BED160H A	N/A	7/23/2016	3/2/2020	100385	Housing Planner IV	Y	SRNA	13	T	1.00	W	103,236	59,736	N	N			1
BED160H A	N/A	2/15/2007	3/2/2020	121250	Account Clerk V	N	SR15	3	P	1.00	W	39,720	31,212	N	N			1

Department of Business, Economic Development and Tourism
Vacancy Report as of November 30, 2020

Table 11

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Date of Vacancy</u>	<u>Expected Fill Date</u>	<u>Position Number</u>	<u>Position Title</u>	<u>Exempt (Y/N)</u>	<u>SR Level</u>	<u>BU Code</u>	<u>Perm Temp (P/T)</u>	<u>FTE</u>	<u>MOF</u>	<u>Budgeted Amount</u>	<u>Actual Salary Last Paid</u>	<u>Authority to Hire (Y/N)</u>	<u>Occupied by 89 Day Hire (Y/N)</u>	<u># of 89 Hire Appts</u>	<u>Describe if Filled by other Means</u>	<u>Priority # to Retain</u>
BED160H A	N/A	12/31/2019	3/2/2020	00022269	Account Clerk IV	N	SR13	3	P	1.00	W	54,076	52,296	N	N			1
BED160H A	N/A	9/16/2020	3/2/2020	00026728	Account Clerk III	N	SR11	3	P	1.00	W	34,020	35,340	Y	N			1
BED160H A	N/A	9/1/2020	3/2/2020	00031527	Office Assistant II	N	SR06	3	P	1.00	W	52,296	54,804	N	N			1
BED160H A	N/A	5/1/2019	3/2/2020	00041251	Office Assistant III	N	SR08	03	P	1.00	W	38,220	36,732	N	N			1
BED160H A	N/A	7/1/2020	3/2/2020	00100918	Loan Processing Assistant I	Y	SRNA	3	T	1.00	W	55,848	55,848	N	N			1
BED160H A	N/A	8/1/2020	3/2/2020	00102044	Project Resource Specialist	Y	SRNA	73	T	1.00	W	78,420	78,416	N	N			1
BED160H D	N/A	2/1/2009	2/2/2020	27586	Office Assistant IV	N	SR10	3	P	1.00	W	40,848	29,928	N	N			1
BED160H D	N/A	10/16/2020	3/2/2020	00100891	Development Section Chief	Y	SRNA	13	T	1.00	W	99,264	103,464	N	N			1
BED160H F	N/A	8/16/2012	3/2/2020	27568	Office Assistant III	N	SR08	3	P	1.00	W	30,240	30,036	N	N			1
BED160H F	N/A	2/10/2018	3/2/2020	100893	Housing Finance Specialist I	Y	SRNA	13	T	1.00	W	88,248	53,880	N	N			1
BED160H F	N/A	10/3/2019	3/2/2020	100896	Loan Processing Assistant II	Y	SRNA	3	T	1.00	W	51,648	44,724	N	N			1
BED160H F	N/A	1/15/2020	3/2/2020	00100375	Housing Loan Spclt	Y	SRNA	13	T	1.00	W	69,732	64,476	N	N			1
BED160H F	N/A	11/20/2020	2/2/2020	00100929	Housing Finance Specialist I	Y	SRNA	13	T	1.00	W	75,432	60,828	N	N			1
BED160H F	N/A	10/24/2020	3/2/2020	00104676	Housing Finance Spclt II	Y	SRNA	13	T	1.00	W	103,236	109,548	Y	N			1
BED160H F	N/A	3/20/2007	3/2/2020	92004B	Program Specialist & Tenant Services	Y	SRNA	13	T	1.00	W	103,236	55,500	N	N			1

Department of Business, Economic Development and Tourism
Positions Established by Acts other than the State Budget as of November 30, 2020

Table 12

<u>Prog ID</u>	<u>Sub-Org</u>	<u>Date Established</u>	<u>Legal Authority</u>	<u>Position Number</u>	<u>Position Title</u>	<u>Exempt (Y/N)</u>	<u>SR Level</u>	<u>BU Code</u>	<u>T/P</u>	<u>MOF</u>	<u>FTE</u>	<u>Annual Salary</u>	<u>Filled (Y/N)</u>	<u>Occupied by 89 Day Hire (Y/N)</u>
BED120	SI	10/16/2020	Federal Funds	123292	Data Science Specialist	Y	SRNA	13	T	N	1.00	TBD	N	N

Department of Business, Economic Development and Tourism
Overtime Expenditure Summary

Table 13

Prog ID	Sub-Org	Program Title	MOF	FY20 (actual)			FY21 (estimated)			FY22 (budgeted)		
				Base Salary	Overtime	Overtime	Base Salary	Overtime	Overtime	Base Salary	Overtime	Overtime
				\$\$\$\$	\$\$\$\$	Percent	\$\$\$\$	\$\$\$\$	Percent	\$\$\$\$	\$\$\$\$	Percent
BED100	SM	Strategic Marketing & Support	A	\$ 865,630	\$ -	0.00%	\$ 865,630	\$ -	0.00%	\$ 903,357	\$ -	0.00%
BED103	DA	Statewide Land Use Commission	A	\$ 480,600	\$ -	0.00%	\$ 480,600	\$ -	0.00%	\$ 507,791	\$ -	0.00%
BED105	CI	Creative Industries Division	A	\$ 789,707	\$ 9,765	1.24%	\$ 789,707	\$ 5,000	0.63%	\$ 792,666	\$ 5,000	0.63%
BED107	BA	Foreign Trade Zone	B	\$ 904,562	\$ -	0.00%	\$ 904,562	\$ 2,000	0.22%	\$ 973,099	\$ 2,000	0.21%
BED113	TO/XC	Hawaii Tourism Authority	B	\$ 4,079,986	\$ -	0.00%	\$ 4,194,100	\$ -	0.00%	\$ 4,194,100	\$ -	0.00%
BED120	SI	Hawaii State Energy Office	A	\$ 2,107,285	\$ 6,835	0.32%	\$ 2,107,285	\$ 5,000	0.24%	\$ 2,194,117	\$ 5,000	0.23%
BED128	OA	Office of Aerospace Development	A	\$ 75,000	\$ -	0.00%	\$ 75,000	\$ -	0.00%	\$ 85,914	\$ -	0.00%
BED130	FA	Research and Economic Analysis Division	A	\$ 1,061,118	\$ -	0.00%	\$ 1,061,118	\$ -	0.00%	\$ 1,125,483	\$ -	0.00%
BED138	GI	Hawaii Green Infrastructure Authority	B	\$ 484,356	\$ -	0.00%	\$ 484,356	\$ -	0.00%	\$ 525,447	\$ -	0.00%
BED142	AA	General Support for Economic Development	A	\$ 1,932,828	\$ 4,648	0.24%	\$ 1,932,828	\$ 5,000	0.26%	\$ 2,004,681	\$ 2,500	0.12%
BED143	TE	Hawaii Technology Development Corporation	A	\$ 386,988	\$ -	0.00%	\$ 386,988	\$ -	0.00%	\$ 404,511	\$ -	0.00%
BED144	PL/PZ	Statewide Planning & Coordination	A/N	\$ 1,275,672	\$ -	0.00%	\$ 1,275,672	\$ -	0.00%	\$ 1,318,109	\$ -	0.00%
BED146	EL	Natural Energy Lab of Hawaii Authority	B	\$ 1,490,641	\$ 147	0.01%	\$ 2,095,056	\$ 1,000	0.05%	\$ 2,103,324	\$ 1,000	0.05%

Department of Business, Economic Development and Tourism
Overtime Expenditure Summary

Table 13

Prog ID	Sub-Org	Program Title	MOF	FY20 (actual)			FY21 (estimated)			FY22 (budgeted)		
				<u>Base Salary</u> \$\$\$\$	<u>Overtime</u> \$\$\$\$	<u>Overtime</u> Percent	<u>Base Salary</u> \$\$\$\$	<u>Overtime</u> \$\$\$\$	<u>Overtime</u> Percent	<u>Base Salary</u> \$\$\$\$	<u>Overtime</u> \$\$\$\$	<u>Overtime</u> Percent
BED150	KA/KL	Hawaii Community Development Authority	A	\$ 715,668	\$ -	0.00%	\$ 715,668	\$ -	0.00%	\$ 767,206	\$ -	0.00%
BED160	IA/HD/H	Hawaii Housing Finance and Development Corporation	W	\$ 5,249,284	\$ 6,923	0.13%	\$ 5,249,284	\$ -	0.00%	\$ 5,480,880	\$ -	0.00%

Department of Business, Economic Development and Tourism
Active Contracts as of December 1, 2020

Table 14

Prog ID	MOF	Amount	Frequency (M/A/O)	Max Value	Outstanding Balance	Date Executed	Term of Contract		Entity	Contract Description	Explanation of How Contract is Monitored	POS Y/N	Category E/L/P/C/G/S/*	Contract Ref
							From	To						
BED100	A	450,000	O	750,000	300,000	7/26/2019	7/8/2019	12/31/2020	COUNTY OF HAWAII	12/31/20 PLAN & IMPLEMENT AN ELDERLY TRANSPORTATION	Regular meetings with contractor administrator and	Y	S	00067967
BED100	A	55,000	O	75,000	20,000	8/12/2019	7/19/2019	1/31/2020	HAWAII COMMUNITY OPPORTUNITY ZONE BUSINESS	EXP: 12/31/2019 CONDUCT OPPORTUNITY ZONE BUSINESS	Same as Above	Y	S	00068030
BED100	A	65,000	O	70,000	5,000	10/21/2019	10/21/2019	8/30/2020	HAWAII GLOBAL EDUCATION	PRODUCE & PRESENT 3 SETS EDUCATIONAL DISPLAY PANELS	Same as Above	Y	S	00068164
BED100	A	20,000	O	75,000	55,000	10/22/2019	7/1/2019	10/31/2021	JAPAN-AMERICA SOCIETY OF	PART OF FUNDS TO BE USED FOR THE JAPAN-HAWAII SISTER-STATE	Same as Above	Y	S	00068166
BED100	A	273,063	O	364,085	91,022	12/10/2019	10/31/2019	4/15/2021	BATTRA LLC	CONTRACTOR WILL REVIEW & MODIFY THE HAWAII DEFENSE	Same as Above	Y	S	00068248
BED100	A	10,000	O	30,000	20,000	3/2/2020	7/1/2019	12/30/2020	FILIPINO CHAMBER OF	PLAN & IMPLEMENT THE HAWAII-PHILIPPINES SISTER-STATE	Same as Above	Y	S	00068532
BED100	A	-	O	50,000	50,000	5/12/2020	6/1/2020	5/31/2021	HAWAII UNITED OKINAWA	PLAN, ORGANIZE & COORDINATE EVENTS TO RECOGNIZE THE 35TH	Same as Above	Y	S	00068723
BED100	A	20,000	O	35,000	15,000	5/14/2020	5/14/2020	11/30/2021	SYNERGISTIC HAWAII	COORDINATE & EXECUTE A 7-DAY REVERSE MISSION W/COFFEE	Same as Above	Y	S	00068732
BED100	A	85,000	O	90,000	5,000	6/5/2020	6/5/2020	5/31/2021	JAXIE CORPORATION	COORDINATE THE HAWAII PAVILLION AT THE AUTUN 2020	Same as Above	Y	S	00068799
BED100	A	5,000	O	25,000	20,000	6/1/2020	6/1/2020	5/19/2019	STUDY HAWAII EDUCATIONAL	STUDY HAWAII SHALL SUPPORT THE STATE'S MKTG &	Same as Above	Y	S	00068801
BED100	A	85,000	O	170,000	85,000	7/28/2020	5/28/2019	6/30/2020	KULA NO NA PO'E HAWAII	PROVIDE ONE STOP SHOP IN PAPA KOLEA PROVIDING 250	Same as Above	Y	S	00068991
BED100	A	200,000	O	400,000	200,000	9/8/2020	9/8/2020	12/15/2020	HAWAII SEAFOOD COUNCIL	EXECUTE AN INTEGRATED MKTG COMMUNICATIONS CAMPAIGN	Same as Above	Y	S	00069078
BED105	A	241,000	O	500,000	259,000	1/16/2018	1/17/2018	9/30/2020	KAUAI ECONOMIC DEVELOPMENT	DEVELOP PLAN, CONCEPTUAL DESIGN & IMPLEMENTATION TIMELINE FOR CIP FOR	Supplemental executed 8/2019 to extend agreement by one year due to changes in leadership and onboarding of new contractor/consultant per KEDB. Communication	Y	S	00066323
BED105	A	-	O	21,506	21,506	12/4/2018	12/5/2018	12/18/2019	ALAKA'I MECHANICAL	MAINTENANCE SVC OF A/C & VENTILATION EQUIPMENT AT	Monitored monthly by Studio Manager and Studio	Y	S	00067371
BED105	A	95,000	O	135,000	40,000	6/22/2020	7/1/2019	6/30/2021	GREEN ISLAND FILMS, LLC	GIA TO PROVIDE POST PRODUCTION WORK TO	Monitor progress of GIA	Y	S	00068889
BED107	B	15,852	M	34,070	18,218	11/24/2017	12/1/2019	11/30/2021	HONOLULU DISPOSAL SERVICE, INC	REFUSE COLLECTION & DISPOSAL SERVICE OPT TO EXTEND 4-12MOS.	Repair and maintenance is overseen by Business Manager	Y	S	66157
BED107	B	120,982	M	248,212	127,229	11/16/2018	12/21/2018	12/20/2021	STAR PROTECTION AGENCY, LLC	TO PROV SECURITY GUARD SVCS F/THE FACILITIES & GROUNDS OF THE FTZ #9	Repair and maintenance is overseen by Business Manager	Y	S	67336
BED107	B	33,489	M	87,047	53,558	1/4/2019	1/14/2019	1/13/2021	WORK NOW HAWAII	TO PROVIDE JANITORIAL SVCS AT THE FOREIGN-TRADE ZONE-01/13/2020	Repair and maintenance is overseen by Business Manager	Y	S	67417
BED107	B	18,482	O - as needed	26,740	8,258	1/4/2019	1/29/2019	1/28/2021	KIGYO, HOKULANI, LLC	FORKLIFT & GOLF CART MAINTENANCE & REPAIR SVCS AT FTZ PIER 2 -01/28/2020	Repair and maintenance is overseen by Business Manager	Y	S	67419
BED107	B	4,104	O - Qrtly	8,208	4,104	5/16/2019	4/15/2019	4/14/2021	COMPUTRUST COMPUTER	04/14/2020 APPLICATION AND SYSTEMS MAINTENANCE OF THE HAWAII FOREIGN-	Repair and maintenance is overseen by Business Manager	Y	S	67761
BED107	B	26,451	O - as needed	31,564	5,113	7/30/2019	8/1/2019	7/31/2021	PHOENIX PACIFIC, INC.	PROVIDE FIRE RISER MAINTENANCE & REPAIR SVCS AT FTZ #9	Repair and maintenance is overseen by Business Manager	Y	S	67976
BED107	B	750	M	1,800	1,050	8/2/2019	7/1/2019	6/30/2021	CENTRIC ELEVATOR CORPORATION	6/30/2020 TO PROVIDE ELEVATOR MAINTENANCE SERVICES AT THE FOREIGN-TRADE	Repair and maintenance is overseen by Business Manager	Y	S	67995
BED107	B	53,743	M	132,090	78,347	11/21/2019	12/9/2017	12/8/2020	ISLAND WIDE A/C SERVICE, LLC	PROVIDE A/C REPAIR & MAINTENANCE SVCS AT FTZ #9	Repair and maintenance is overseen by Business Manager	Y	S	68226

			(M/A/O)			Date Executed	From	To			Monitored	Y/N	E/L/P/C/G/S/*	
BED107	B	24,249	M	48,497	24,248	3/20/2020	3/12/2017	3/11/2021	HAWAIIAN TELCOM	NETWORK & DESKTOP SUPPORT SVCS AT THE FTZ - 03/11/2021	Repair and maintenance is overseen by Business Manager	Y	S	68604
BED113	B	28,519	O	38,024	9,504	12/5/2017	1/7/2020	12/31/2020	ANTHOLOGY MARKETING GROUP, INC	HTA CON 17214 SUPP4 DESIGN & MAINTNEANCE OF HTA WEBSITE	Progress reports, final financial and written reports	Y	S	00066181
BED113	B	100,000	M	100,000	0	12/20/2017	10/25/2017	11/30/2018	CADES SCHUTTE A LIMITED	HTA CON 17030 SUPP1 HTA'S LEGISLATIVE PACKAGE 2018	Progress reports, final financial and written reports	Y	S	00066226
BED113	B	151,210	O	178,000	26,790	12/28/2017	10/30/2017	4/30/2019	FIRST DAUGHTER MEDIAWORKS,INC.	HTA CON 16077 DIGITAL MEDIA STRATEGY & MOBILE CAMPAIGN	Progress reports, final financial and written reports	Y	S	00066245
BED113	B	15,000	O	30,000	15,000	12/28/2017	3/12/2019	3/31/2021	KLONINGER & SIMS CONSULTING	HTA CON 16044 SUPP2 TIMESHARE INDUSTRY SURVEY 2019	Progress reports, final financial and written reports	Y	S	00066246
BED113	B	35,004	O	39,322	4,318	1/4/2018	12/5/2017	3/31/2018	SURAYAN, LYNN	HTA CON 17024 SUPP3 LYNN SURAYAN SPRAGUE	Progress reports, final financial and written reports	Y	S	00066274
BED113	B	333,000	O	370,000	37,000	1/4/2018	3/18/2020	4/1/2021	VISITOR ALOHA SOCIETY OF	HTA CON 17031 SUPP3 VISITOR ASSISTANCE PROGRAM - O'AHU 2020	Progress reports, final financial and written reports	Y	S	00066276
BED113	B	11,284	O	12,430	1,146	2/2/2018	12/27/2018	3/31/2019	HIGH PERFORMANCE SYSTEMS, INC.	HTA CON 16036 SUPP5 OT SERVICES	Progress reports, final financial and written reports	Y	S	00066382
BED113	B	153,000	O	170,000	17,000	2/2/2018	3/25/2020	4/1/2021	VASH HAWAII ISLAND	HTA CON 17032 SUPP3 VISITOR ASSISTANCE PROGRAM ISLAND OF HAWAII 2020	Progress reports, final financial and written reports	Y	S	00066391
BED113	B	5,200,000	O	10,000,000	800,000	2/7/2018	1/1/2020	12/31/2020	A.LINK LLC	HTA CON 17028 S7JAPAN MMA	Progress reports, final financial and written reports	Y	S	00066404
BED113	B	2,262,097	O	3,170,000	337,903	2/14/2018	12/4/2019	12/31/2020	HAWAII VISITORS AND CONVENTION	HTA CON 17002 SUPP4 ISLAND CHAPTER SUPPORT SVCS	Progress reports, final financial and written reports	Y	S	00066436
BED113	B	70,000	O	104,000	34,000	2/15/2018	10/8/2019	10/31/2020	CLIMBHI	HTA CON 18135 SUPP3 LEI PROGRAM (LEAD, EXPOSE, INSPIRE) 2020	Progress reports, final financial and written reports	Y	S	00066445
BED113	B	49,500	O	55,000	5,500	3/6/2018	3/25/2020	4/1/2021	MAUI VISITORS BUREAU	HTA CON 17034 SUPP3 - VISITOR ASSISTANCE PROGRAM - MAUI 2020	Progress reports, final financial and written reports	Y	S	00066495
BED113	B	49,500	O	55,000	5,500	3/6/2018	3/30/2020	4/1/2021	VISITOR ALOHA SOCIETY OF	HTA CON 17033 SUPP3 VISITOR ASSISTANCE PROGRAM - KAUAI 2020	Progress reports, final financial and written reports	Y	S	00066501
BED113	B	-	O	2,500,000	2,500,000	3/23/2018	8/27/2020	12/31/2021	HAWAII VISITORS AND CONVENTION	HTA CON 17029 SUPP15 -USA MMA	Progress reports, final financial and written reports	Y	S	00066580
BED113	B	88,994	O	93,000	4,006	3/23/2018	2/19/2019	3/31/2019	BUSINESS EVENTS HAWAII INC.	HTA CON 17001 SUPP3 & SUPP4 GLOBAL MCI BMP 2019	Progress reports, final financial and written reports	Y	S	00066581
BED113	B	50,800	O	63,500	12,700	3/28/2018	3/21/2019	11/30/2019	KOLOA PLANTATION DAYS, INC.	HTA CON 18166 SUPP3 KOLOA PLANTATION DAYS 2019	Progress reports, final financial and written reports	Y	S	00066588
BED113	B	24,000	O	30,000	6,000	3/28/2018	1/24/2018	1/31/2019	KUMANO I KE ALA O MAKAWELI	HTA CON 18119 MALAMA WAIMEA RIVER	Progress reports, final financial and written reports	Y	S	00066589
BED113	B	-	O	25,000	25,000	4/10/2018	10/1/2018	1/31/2020	ANTHOLOGY MARKETING GROUP, INC	HTA CON 17039 SUPP2 OUT OF POCKET EXPENSES FOR PR & COMMUNICATION ACTIVITIES	Progress reports, final financial and written reports	Y	S	00066635
BED113	B	129,479	O	150,000	20,521	4/25/2018	3/14/2018	2/28/2019	ANTHOLOGY MARKETING GROUP, INC	HTA CON 18171 GLOBAL MCI PUBLIC RELATIONS	Progress reports, final financial and written reports	Y	S	00066676
BED113	B	84,000	O	105,000	21,000	5/11/2018	4/8/2019	3/31/2020	HAWAII INTERNATIONAL FILM	HTA CON 18182 SUPP1 38TH ANNUAL HAWAII INTERNATIONAL FILM FESTIVAL 2019	Progress reports, final financial and written reports	Y	S	00066719

			(M/A/O)			Date Executed	From	To			Monitored	Y/N	E/L/P/C/G/S/*	
BED113	B	103,356	O	285,119	162,375	5/21/2018	12/12/2017	6/30/2021	ANTHOLOGY MARKETING GROUP, INC	HTA CON 18138 VISITOR SATISFACTION & ACTIVITY SURVEY CY 2018-2020 (VSAT)	Progress reports, final financial and written reports	Y	S	00066743
BED113	B	16,047	O	69,540	53,493	5/21/2018	12/12/2017	6/30/2021	OMNITRAK GROUP, INC.	HTA CON 18137 CRUISE VISITORS' BASIC CHARACTERISTICS & EXPENDITURES SURVEY CY 2018-2020	Progress reports, final financial and written reports	Y	S	00066745
BED113	B	44,901	O	135,000	90,100	5/23/2018	6/14/2018	12/31/2020	N&K CPAS, INC.	HTA CON 17235-SUPP2 TEMPORARY FINANCIAL STAFFING SERVICES	Progress reports, final financial and written reports	Y	S	00066754
BED113	B	-	O	82,741	82,741	5/25/2018	3/1/2019	4/24/2023	OMNITRAK GROUP, INC.	HTA CON 18177 SUPP1 MARKETING EFFECTIVENESS STUDY 2019	Progress reports, final financial and written reports	Y	S	00066762
BED113	B	165,994	O	400,000	234,007	5/30/2018	4/8/2019	12/31/2019	FIRST HAWAIIAN BANK (Hills Balfour)	HTA CON 16023 SUPP 7, SUPP 8 - EUROPE MMA	Progress reports, final financial and written reports	Y	S	00066785
BED113	B	1,056,950	O	1,467,500	410,550	6/5/2018	12/20/2019	12/31/2020	HAWAII VISITORS AND CONVENTION	HTA CON 16071 SUPP10 SUPPLEMENTAL SVCS - INTELLECTUAL PROPERTY DATA BANK	Progress reports, final financial and written reports	Y	S	00066805
BED113	B	81,283	O	108,377	27,094	6/5/2018	6/24/2019	6/30/2020	IN-TER-SPACE SERVICES, INC.	HTA CON 18176 OCEAN SAFETY VIDEO PLACEMENT AT THE DK INOUYE INTL AIRPORT	Progress reports, final financial and written reports	Y	S	00066815
BED113	B	15,745	O	100,000	63,202	6/5/2018	12/19/2019	1/31/2021	KLONINGER & SIMS CONSULTING	HTA CON 18178 SUPP2 VISITOR PLANT INVENTORY SURVEY 2020	Progress reports, final financial and written reports	Y	S	00066816
BED113	B	72,000	O	90,000	18,000	6/5/2018	1/31/2020	1/31/2021	TEAM UNLIMITED LLC	HTA CON 18190 SUPP1 XTERRA WORLD CHAMPIONSHIP 2019	Progress reports, final financial and written reports	Y	S	00066817
BED113	B	-	O	383,273	383,273	6/5/2018	1/24/2020	7/31/2021	YOUGOV AMERICA, INC.	HTA CON 18187 SUPP2 EVALUATION OF 2019 FESTIVALS & EVENTS	Progress reports, final financial and written reports	Y	S	00066819
BED113	B	326,787	O	800,000	47,033	6/6/2018	11/26/2019	12/31/2020	FIRST HAWAIIAN BANK (Vox)	HTA CON 17017 SUPP6 - CANADA MMA MARKETING MANAGEMENT SERVICES	Progress reports, final financial and written reports	Y	S	00066832
BED113	B	828,384	M	1,900,000	283,443	6/6/2018	12/12/2019	12/31/2020	FIRST HAWAIIAN BANK (Walshe)	HTA CON 16024 SUPP7 - HAWAII TOURISM OCEANIA MMA	Progress reports, final financial and written reports	Y	S	00066833
BED113	B	9,398,942	M	11,467,426	225,001	6/8/2018	2/12/2020	12/31/2020	AEG MANAGEMENT HCC, LLC	HTA CON 14002 S9 - HAWAII CONVENTION CENTER (BT14-02) JAN-JUNE 2020	Progress reports, final financial and written reports	Y	S	00066846
BED113	B	-	O	47,000	31,050	6/25/2018	12/19/2019	12/31/2020	INTERNATIONAL FESTIVALS &	HTA CON 17232 SUPPS FESTIVALS & EVENTS CFE CERTIFICATION WORKSHOPS	Progress reports, final financial and written reports	Y	S	00066931
BED113	B	5,408	O	7,853	2,445	6/25/2018	4/13/2016	6/30/2019	NONPROFIT TECHNOLOGIES, INC.	HTA CON 16040 - NONPROFIT TECHNOLOGIES	Progress reports, final financial and written reports	Y	S	00066933
BED113	B	-	O	450,000	450,000	6/26/2018	5/28/2020	6/30/2021	NATIVE HAWAIIAN HOSPITALITY	HTA CON 18200 S2 NATIVE HAWAIIAN HOSPITALITY ASSOCIATION 2018	Progress reports, final financial and written reports	Y	S	00066954
BED113	B	-	O	15,000	15,000	7/31/2018	6/29/2018	6/30/2020	BANK OF HAWAII	HTA CON 18198 - BOH 2018	Progress reports, final financial and written reports	Y	S	00067067
BED113	B	36,019	O	48,025	12,006	11/29/2018	8/27/2020	6/30/2021	OMNITRAK GROUP, INC.	HTA CON 19002 SUPP2 RESIDENTIAL SENTIMENT F/FALL 2020	Progress reports, final financial and written reports	Y	S	00067363
BED113	B	1,800,000	O	2,000,000	200,000	1/3/2019	11/9/2018	10/31/2019	LOS ANGELES RAMS LLC, THE	HTA CON 19003 LOS ANGELES RAMS MARKETING PARTNERSHIP 2018-2019	Progress reports, final financial and written reports	Y	S	00067416

			(M/A/O)			Date Executed	From	To			Monitored	Y/N	E/L/P/C/G/S/*	
BED113	B	201,472	O	314,800	113,328	1/30/2019	2/5/2020	6/30/2023	SMS RESEARCH AND MARKETING	HTA CON 19007 SUPP2 STATEWIDE DOMESTIC INFLIGHT VISITORS' BASIC CHARACTERISTICS SURVEY CY 2020	Progress reports, final financial and written reports	Y	S	00067477
BED113	B	86,354	O	204,255	117,901	1/30/2019	12/11/2018	12/31/2021	HONBLUE, INC.	HTA CON 19005 PRINTING,STORAGE&DELIVERY OF INFLIGHT FORMS CY 2019-2021	Progress reports, final financial and written reports	Y	S	00067478
BED113	B	40,000	O	50,000	10,000	2/13/2019	12/31/2018	3/31/2020	BISHOP MUSEUM	HTA CON 19137 PROTECT HAWAII'S NATURAL RESOURCES THE STORY OUR DATA CAN TELL	Progress reports, final financial and written reports	Y	S	00067503
BED113	B	64,000	O	80,000	16,000	2/13/2019	12/28/2018	3/31/2020	HUI MALAMA OLA NA OIWI	HTA CON 19089 HUI MALAMA OLA NA OIWI TRADITIONAL HEALTH PROGRAM	Progress reports, final financial and written reports	Y	S	00067507
BED113	B	48,800	O	61,000	12,200	2/13/2019	12/28/2018	3/31/2020	MA KA HANA KA 'IKE	HTA CON 19105 HOI LA HALOA	Progress reports, final financial and written reports	Y	S	00067513
BED113	B	40,000	O	50,000	10,000	2/13/2019	12/28/2018	3/31/2020	MAKAUILA, INC.	HTA CON 19110 GREAT NAVIGATORS OF ISLAND EARTH	Progress reports, final financial and written reports	Y	S	00067514
BED113	B	2,149,486	O	2,156,364	6,878	2/14/2019	1/1/2019	12/31/2022	PGA TOUR, INC.	HTA CON 18162 PGA TOUR EVENTS 2020	Progress reports, final financial and written reports	Y	S	00067529
BED113	B	116,468	O	462,500	346,032	2/15/2019	12/19/2019	3/31/2022	OMNITRAK GROUP, INC.	HTA CON 19006 SUPP1 VISITOR DEPARTURE SURVEY 2020	Progress reports, final financial and written reports	Y	S	00067531
BED113	B	112,500	O	125,000	12,500	2/25/2019	12/21/2018	12/21/2019	KAUAI LIFE GUARD ASSOCIATION	HTA CON 19140 LIFE GUARD SUPPORT PROGRAM KAUAI	Progress reports, final financial and written reports	Y	S	00067547
BED113	B	22,400	O	28,000	5,600	3/8/2019	1/10/2019	3/31/2020	KOHALA INSTITUTE	HTA CON 19087 'AINA BASED LEARNING IN THE IOLE AHUPUA'A	Progress reports, final financial and written reports	Y	S	00067593
BED113	B	32,000	O	40,000	8,000	3/8/2019	1/23/2019	3/31/2020	NA MAMO O KAWA	HTA CON 19115 KAWA DRYLAND FOREST & COASTAL REVEGETATION PROJECT	Progress reports, final financial and written reports	Y	S	00067598
BED113	B	48,000	O	60,000	12,000	3/13/2019	1/10/2019	3/31/2020	FRIENDS OF AUWAHI FOREST	HTA CON 19134 HOOKUMU ULU LIA AU OIWI AUWAHI:CONTD RESTORATION OF	Progress reports, final financial and written reports	Y	S	00067610
BED113	B	12,000	O	15,000	3,000	3/27/2019	2/14/2019	3/31/2020	HIKA'ALANI	HTA CON 19100 PILIMAI 2019	Progress reports, final financial and written reports	Y	S	00067638
BED113	B	90,000	O	100,000	10,000	4/16/2019	3/25/2019	2/29/2020	MERRIE MONARCH FESTIVAL, THE	HTA CON 19149 MERRIE MONARCH FESTIVAL 2019	Progress reports, final financial and written reports	Y	S	00067685
BED113	B	56,000	O	70,000	14,000	4/17/2019	1/10/2019	12/31/2019	PA'I FOUNDATION	HTA CON 19102 I LEA KA HULA CELEBRATING CULTURE PRESERVING TRADITIONS	Progress reports, final financial and written reports	Y	S	00067691
BED113	B	11,291	O	25,000	13,709	4/17/2019	3/21/2019	3/31/2022	SPIRE HAWAII LLP	HTA CON 19156 SUPP1 AUDIT ADVISORY SVCS	Progress reports, final financial and written reports	Y	S	00067692
BED113	B	-	M	40,000	40,000	4/30/2019	6/17/2019	3/31/2022	ZR SYSTEMS GROUP LLC	HTA CON 19162 SUPP1 IT SUPPORT SVCS	Progress reports, final financial and written reports	Y	S	00067714
BED113	B	100,000	O	131,000	31,000	6/4/2019	4/22/2019	6/30/2019	HAWAIIAN LIFE GUARD	HTA CON 19171 SNORKEL SAFETY STUDY	Progress reports, final financial and written reports	Y	S	00067794
BED113	B	-	O	13,750	13,750	6/4/2019	4/24/2019	12/31/2020	NORTH STAR RESEARCH CORP, DBA	HTA CON 19173 S2 - MARKET/FUTURES STUDY OF THE HAWAII CONVENTION CENTER	Progress reports, final financial and written reports	Y	S	00067795
BED113	B	48,000	O	104,500	56,500	6/21/2019	12/19/2019	3/31/2022	TRANSPARENT INTELLIGENCE, INC	HTA CON 19175 SUPP1 VACATION RENTAL PERFORMANCE TRACKING 2020	Progress reports, final financial and written reports	Y	S	00067859

			(M/A/O)			Date Executed	From	To			Monitored	Y/N	E/L/P/C/G/S/*	
BED113	B	520,000	O	650,000	50,000	6/21/2019	6/4/2019	9/30/2020	LA CLIPPERS, LLC	HTA CON 19009 LOS ANGELES CLIPPERS PROMOTIONAL PARTNERSHIP	Progress reports, final financial and written reports	Y	S	00067863
BED113	B	229,000	O	293,000	64,000	6/27/2019	6/19/2019	8/31/2022	YOUNGOV AMERICA, INC.	HTA CON 19188 SYNDICATED TOURISM SURVEY SVCS 2019-2021	Progress reports, final financial and written reports	Y	S	00067883
BED113	B	42,000	O	60,000	18,000	8/6/2019	6/3/2019	12/31/2019	JONES LANG LASALLE AMERICAS,	HTA CON 19178 STUDY OF VACATION RENTALS' IMPACT TO HAWAII 2019	Progress reports, final financial and written reports	Y	S	00068004
BED113	B	45,000	O	50,000	5,000	8/6/2019	6/28/2019	12/30/2020	HO'OLA NA PUA	HTA CON 19203 - EDUCATIONAL WORKSHOPS ON SEX TRAFFICKING FOR HAWAII'S VISITOR INDUSTRY	Progress reports, final financial and written reports	Y	S	00068005
BED113	B	331,250	O	745,750	414,500	8/28/2019	6/14/2019	3/31/2022	UBERMEDIA, INC.	HTA CON 19179 AND SUPP1 VISITOR & RESIDENTIAL VISITATION TRACKING 2019-2021	Progress reports, final financial and written reports	Y	S	00068068
BED113	B	10,000	O	20,000	10,000	12/12/2019	10/29/2019	4/30/2021	EQUINE THERAPY, INC.	HTA CON 20074 PUBLIC RELATIONS, TRAINING, CAMPS, SPECIAL EVENTS &	Progress reports, final financial and written reports	Y	S	00068254
BED113	B	16,000	O	20,000	4,000	12/12/2019	11/1/2019	4/30/2021	HALEIWA MAINSTREET	HTA CON 20012 HALE'IWA INTERPRETATION SIGNAGE PROJECT & WALING TOUR MAP	Progress reports, final financial and written reports	Y	S	00068255
BED113	B	15,000	O	20,000	5,000	12/13/2019	10/29/2019	4/30/2021	JAPANESE CULTURAL CENTER OF	HTA CON 20098 STATEWIDE JAPANESE CULTURAL EXCHANGE	Progress reports, final financial and written reports	Y	S	00068260
BED113	B	19,000	O	38,000	6,000	12/13/2019	10/30/2019	3/31/2021	KI-HO'ALU FOUNDATION	HTA CON 20023 HAWAIIAN SLACK KEY GUITAR FESTIVALS	Progress reports, final financial and written reports	Y	S	00068262
BED113	B	28,000	O	35,000	2,000	12/13/2019	11/1/2019	4/30/2021	LANAI CULTURE & HERITAGE	HTA CON 20043 LANAI GUIDE APP ENHANCEMENT	Progress reports, final financial and written reports	Y	S	00068263
BED113	B	-	O	65,000	25,000	12/17/2019	10/29/2019	12/31/2020	KOLOA PLANTATION DAYS, INC.	HTA CON 20085 KOLOA PLANTATION DAYS FESTIVAL 2020	Progress reports, final financial and written reports	Y	S	00068278
BED113	B	15,000	O	30,000	15,000	12/17/2019	10/30/2019	4/30/2021	HONOLULU THEATRE FOR YOUTH	HTA CON 20097 THE ROYAL SCHOOL/KE KULA KEIKI ALI'I	Progress reports, final financial and written reports	Y	S	00068279
BED113	B	24,000	O	36,000	12,000	12/24/2019	1/29/2020	12/31/2020	CADES SCHUTTE A LIMITED	HTA CON 20181 BOARD & COMMITTEE MEETING MINUTES	Progress reports, final financial and written reports	Y	S	00068294
BED113	B	12,000	O	30,000	3,000	12/24/2019	12/2/2019	3/31/2021	HAWAII FOREST INSTITUTE	HTA CON 20104 HO'OLA KA MAKANA'A O KAUPULEHU	Progress reports, final financial and written reports	Y	S	00068296
BED113	B	9,600	O	24,000	2,400	12/24/2019	12/2/2019	3/31/2021	HAWAII FOREST INSTITUTE	HTA CON 20148 RESTORATION & EDUCATION AT PALAMANUI & LAIOPUA DRY FOREST PRESERVES	Progress reports, final financial and written reports	Y	S	00068297
BED113	B	7,500	O	15,000	7,500	12/24/2019	11/1/2019	4/30/2021	HAWAII INSTITUTE OF PACIFIC	HTA CON 20061 EXPANDING AGRITOURISM IN N.KOHALA THROUGH FARM TOURS & TASTINGS	Progress reports, final financial and written reports	Y	S	00068298
BED113	B	15,000	O	30,000	15,000	12/24/2019	11/6/2019	3/31/2021	HAWAII WILDLIFE CENTER	HTA CON 20062 5TH ANNUAL HAWAII ISLAND FESTIVAL OF BIRDS	Progress reports, final financial and written reports	Y	S	00068301
BED113	B	52,000	O	65,000	13,000	12/24/2019	11/21/2019	7/31/2020	HISTORIC WAIMEA THEATER AND	HTA CON 20078 WAIMEA TOWN CELEBRATION - HERITAGE OF ALOHA 2020	Progress reports, final financial and written reports	Y	S	00068304
BED113	B	8,000	O	20,000	2,000	12/24/2019	11/6/2019	3/31/2021	HOLANI HANA INC.	HTA CON 20112 KUKULU HALE HAWAII	Progress reports, final financial and written reports	Y	S	00068305
BED113	B	8,000	O	20,000	2,000	12/24/2019	11/21/2019	3/31/2021	HULA PRESERVATION SOCIETY	HTA CON 20144 BRINGING HULA K'I TO LIFE	Progress reports, final financial and written reports	Y	S	00068307

			(M/A/O)			Date Executed	From	To			Monitored	Y/N	E/L/P/C/G/S/*	
BED113	B	8,000	O	20,000	2,000	12/24/2019	11/26/2019	3/31/2021	MAUI NUI BOTANICAL GARDENS INC	HTA CON 20115 INCREASING CAPACITY FOR VISITOR & COMMUNITY ACTIVITIES W/ HAWAIIAN ETHNOBOTANY	Progress reports, final financial and written reports	Y	S	00068314
BED113	B	24,000	O	60,000	6,000	12/24/2019	11/21/2019	3/31/2021	MAUI NUI BOTANICAL GARDENS INC	HTA CON 20156 SEED BANKING CROP STORAGE & PUBLIC ACCESS TO MAUI NUI PLANTS	Progress reports, final financial and written reports	Y	S	00068315
BED113	B	68,000	O	85,000	17,000	12/24/2019	11/13/2019	11/30/2020	MAUI ECONOMIC DEVELOPMENT	HTA CON 20047 MAUI FILM FESTIVAL	Progress reports, final financial and written reports	Y	S	00068316
BED113	B	8,000	O	20,000	2,000	12/24/2019	11/21/2018	3/31/2021	NA KAHU O HOAI, INC.	HTA CON 20139 EDUCATIONAL & RESTORATION INTERNSHIPS AT KAMALO'ULA CULTURAL PRESERVE	Progress reports, final financial and written reports	Y	S	00068319
BED113	B	8,000	O	20,000	2,000	1/13/2020	12/4/2019	3/31/2021	AHA KANE - FOUNDATION FOR THE	HTA CON 20140 HOA HOU	Progress reports, final financial and written reports	Y	S	00068365
BED113	B	8,000	O	20,000	2,000	1/13/2020	12/4/2019	3/31/2021	KOKUA KALIHI VALLEY	HTA CON 20129 KA LAHUI O KA PO (BIRTHING A NATION)	Progress reports, final financial and written reports	Y	S	00068373
BED113	B	610,152	O	2,000,000	70,615	1/14/2020	11/21/2019	12/31/2022	ITRAVLOCAL LIMITED	HTA CON 20006 HAWAI'I TOURISM INBOUND DESTINATION MKTG MGMT SVCS IN THE CHINA MMA	Progress reports, final financial and written reports	Y	S	00068375
BED113	B	28,000	O	70,000	7,000	1/14/2020	12/4/2019	3/31/2021	MA KA HANA KA 'IKE	HTA CON 20155 WAILUA NUI RESTORATION PROJECT	Progress reports, final financial and written reports	Y	S	00068376
BED113	B	10,800	O	27,000	2,700	1/14/2020	12/2/2019	3/31/2021	MALAMA NA HONU	HTA CON 20167 CONSERVATION THROUGH EDUCATION PROJECT 2020	Progress reports, final financial and written reports	Y	S	00068377
BED113	B	5,600	O	14,000	1,400	1/14/2020	12/2/2019	1/31/2021	NORTH SHORE COMMUNITY LAND	HTA CON 20169 SUNSET BEACH PARK COMMUNITY-BASED DUNE RESTORATION	Progress reports, final financial and written reports	Y	S	00068379
BED113	B	14,800	O	37,000	3,700	1/14/2020	12/2/2019	3/31/2021	VOLCANO ART CENTER	HTA CON 20151 NIAULANI RAIN FOREST PRESERVATION & EDUCATION PROGRAM	Progress reports, final financial and written reports	Y	S	00068381
BED113	B	20,000	O	30,000	5,000	1/16/2020	11/21/2019	2/28/2021	HAWAII UNITED OKINAWA	HTA CON 20019 38TH ANNUAL OKINAWA FESTIVAL	Progress reports, final financial and written reports	Y	S	00068391
BED113	B	32,000	O	80,000	8,000	1/23/2020	12/20/2019	3/31/2021	BISHOP MUSEUM	HTA CON 20119 LIVING HAWAIIAN CULTURE-AN EXPANDED PLATFORM FOR CULTURAL PRACTIONERS	Progress reports, final financial and written reports	Y	S	00068403
BED113	B	20,000	O	50,000	5,000	1/23/2020	12/17/2019	3/31/2021	CORAL REEF ALLIANCE	HTA CON 20146 - HAWAII WAI OLA	Progress reports, final financial and written reports	Y	S	00068404
BED113	B	52,500	O	105,000	52,500	1/23/2020	12/17/2019	4/30/2021	HAWAII INTERNATIONAL FILM	HTA CON 20095 40TH ANNUAL HAWAII INTERNATIONAL FILM FESTIVAL	Progress reports, final financial and written reports	Y	S	00068405
BED113	B	16,000	O	40,000	4,000	1/23/2020	12/30/2019	3/31/2021	HUI O LAKA	HTA CON 20175 - KOKEE NATURE INTERPRETED 2020	Progress reports, final financial and written reports	Y	S	00068410
BED113	B	48,000	O	60,000	12,000	1/23/2020	12/30/2019	2/28/2021	KAUAI MARATHON, THE	HTA CON 20088 THE 12TH ANNUAL KAUA'I MARATHON & HALF MARATHON	Progress reports, final financial and written reports	Y	S	00068411
BED113	B	-	O	15,000	7,500	1/23/2020	12/17/2019	3/31/2021	LANAI CULTURE & HERITAGE	HTA CON 20117 MALA NO'E'EAU	Progress reports, final financial and written reports	Y	S	00068412
BED113	B	28,000	O	70,000	7,000	1/23/2020	12/17/2019	3/31/2021	MA KA HANA KA'IKE	HTA CON 20114 NA MAMO O HALOA - THE CHILDREN OF HALOA	Progress reports, final financial and written reports	Y	S	00068413
BED113	B	20,000	O	50,000	5,000	1/23/2020	12/13/2019	3/31/2021	MAUNALUA FISHPOND HERITAGE	HTA CON 20168 ESTABLISHING ROOTS OF COMMUNITY STEWARDSHIP & NATIVE LANDSCAPES	Progress reports, final financial and written reports	Y	S	00068414

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BED113	B	15,600	O	39,000	3,900	1/23/2020	12/17/2019	3/31/2021	NA KOA MANU CONSERVATION, INC.	HTA CON 20158 POHAUKOKALA GULCH COMMUNITY FOREST RESTORATION PROJECT	Progress reports, final financial and written reports	Y	S	00068416
BED113	B	23,200	O	58,000	5,800	1/23/2020	12/17/2019	3/31/2021	CORAL REEF ALLIANCE	HTA CON 20152 ENGAGING COMMUNITY VOLUNTEERS IN WATERSHED RESTORATION - WEST MAUI	Progress reports, final financial and written reports	Y	S	00068419
BED113	B	101,447	O	145,000	43,553	1/28/2020	12/2/2019	12/31/2020	ANTHOLOGY MARKETING GROUP, INC	HTA CON 20010 PUBLIC RELATIONS, COMMUNICATIONS & OUTREACH SVCS	Progress reports, final financial and written reports	Y	S	00068429
BED113	B	46,800	O	117,000	11,700	1/30/2020	12/10/2019	3/31/2021	KOHALA CENTER INC., THE	HTA CON 20150 MALAMA KAHALUU:RESTORING OUR CORAL REEF ECOSYSTEM	Progress reports, final financial and written reports	Y	S	00068444
BED113	B	12,000	O	30,000	3,000	2/5/2020	1/10/2020	3/31/2021	UNDA KAVA 808, INC.	HTA CON 20116 2020 MAUI MIDDLE SCHOOL MAKAHIKI CHAMPIONSHIPS!	Progress reports, final financial and written reports	Y	S	00068459
BED113	B	20,000	O	50,000	5,000	2/6/2020	1/7/2020	3/31/2021	PA'I FOUNDATION	HTA CON 20133-PAI PRESENTS	Progress reports, final financial and written reports	Y	S	00068467
BED113	B	-	O	30,000	15,000	2/13/2020	1/24/2020	3/31/2021	COUNCIL FOR NATIVE HAWAIIAN	HTA CON 20121 NO'EAU SERIES	Progress reports, final financial and written reports	Y	S	00068485
BED113	B	7,500	O	15,000	7,500	2/13/2020	1/22/2020	4/30/2021	HALE PUNA	HTA CON 20076 - 4TH ANNUAL KAUA'I OLD TIME GATHERING	Progress reports, final financial and written reports	Y	S	00068486
BED113	B	4,480	O	20,000	1,120	2/13/2020	1/14/2020	1/31/2021	HUI O LAKA	HTA CON 20138 EO E EMALANI 2020	Progress reports, final financial and written reports	Y	S	00068487
BED113	B	40,000	O	100,000	10,000	2/13/2020	1/22/2020	3/31/2021	KUPU	HTA CON 20178 HAWAI'I YOUTH CONSERVATION CORPS	Progress reports, final financial and written reports	Y	S	00068489
BED113	B	-	O	25,000	12,500	2/13/2020	1/22/2020	3/31/2021	ULU AE LEARNING CENTER	HTA CON 20135 ULU A'E KAIAULU PROJECT	Progress reports, final financial and written reports	Y	S	00068494
BED113	B	20,000	O	50,000	5,000	2/28/2020	2/13/2020	3/31/2021	SUSTAINABLE COASTLINES HAWAII	HTA CON 20171 FROM BEACHES TO THE CLASSROOM GROWING A PLASTIC FREE MOVEMENT	Progress reports, final financial and written reports	Y	S	00068542
BED113	B	100,000	O	500,000	25,000	2/28/2020	2/12/2020	12/31/2020	USS MISSOURI MEMORIAL	HTA CON 20192 75TH COMMENORATION OF THE ENDING OF WWII	Progress reports, final financial and written reports	Y	S	00068544
BED113	B	40,000	O	100,000	10,000	3/11/2020	1/22/2020	3/31/2021	AWAIAULU, INC.	HTA CON 20141-MAHUAHUA TRANSLATION TRAINING PROJECT:PHASE IV	Progress reports, final financial and written reports	Y	S	00068562
BED113	B	423,360	O	1,400,000	80,640	3/11/2020	12/20/2019	12/31/2022	FIRST HAWAIIAN BANK (AviaReps Marketing - Korea)	HTA CON 20007-HI TOURISM INBOUND DESTINATION MARKETING MANAGEMENT SVCS KOREA MMA	Progress reports, final financial and written reports	Y	S	00068563
BED113	B	81,068	O	500,000	418,932	3/11/2020	11/15/2019	12/31/2022	FIRST HAWAIIAN BANK (AviaReps - SEA)	HTA CON 20008-HI TOURISM INBOUND DESTINATION MARKETING MANAGEMENT IN	Progress reports, final financial and written reports	Y	S	00068564
BED113	B	250,000	O	500,000	50,000	3/11/2020	11/15/2019	12/31/2022	FIRST HAWAIIAN BANK (Happy Traveller)	HTA CON 20009-HAWAII TOURISM INBOUND DESTINATION MARKETING MANAGEMENT SVCS TAIWAN MMA	Progress reports, final financial and written reports	Y	S	00068566
BED113	B	365,175	O	875,625	510,450	3/11/2020	12/20/2019	12/31/2021	HAWAII VISITORS AND CONVENTION	HTA CON 20180-GLOBAL MCI GROUPS MARKETING MANAGEMENT SVCS	Progress reports, final financial and written reports	Y	S	00068567
BED113	B	-	O	75,000	37,500	3/11/2020	2/24/2020	3/31/2021	NATURE CONSERVANCY, THE	HTA CON 20159 EXPANDING MARINE CONSERVATION IN MAUI COUNTY TO MEET 30X30 TARGETS	Progress reports, final financial and written reports	Y	S	00068568

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BED113	B	-	O	23,000	23,000	3/18/2020	10/22/2019	4/30/2021	KAUAI MUSEUM ASSOCIATION	HTA CON 20089-KAUAI MUSEUM CULTURAL EXHIBIT PROGRAM	Progress reports, final financial and written reports	Y	S	00068596
BED113	B	20,000	O	50,000	5,000	3/18/2020	2/20/2020	2/28/2021	MU'OLAULANI	HTA CON 20132 I LE'A KA HULA 2020 CELEBRATING CULTURE, PRESERVING TRADITIONS	Progress reports, final financial and written reports	Y	S	00068597
BED113	B	20,000	O	50,000	5,000	3/25/2020	2/28/2020	3/31/2021	HAWAII MUSEUMS ASSOCIATION	HTA CON 20143-MAKAU MO MOOMEHEU: CULTURAL COMPETENCE IN HAWAII'S MUSEUMS	Progress reports, final financial and written reports	Y	S	00068614
BED113	B	8,000	O	20,000	2,000	4/17/2020	3/5/2020	3/31/2021	LAUPAHOEHOE TRAIN MUSEUM	HTA CON 20105 HAWAIIAN CULTURAL CENTER OF HAMAKUA	Progress reports, final financial and written reports	Y	S	00068656
BED113	B	17,325	O	93,868	76,543	4/17/2020	3/16/2020	4/30/2021	UNIVERSITY OF HAWAII	HTA CON 20191 HAWAII AGTOURISM INITIATIVE	Progress reports, final financial and written reports	Y	S	00068658
BED113	B	48,000	O	408,000	360,000	4/23/2020	3/12/2020	6/30/2023	UNIVERSITY OF HAWAII	HTA CON 20184 HO'OILINA SCHOLORSHIP PROGRAM	Progress reports, final financial and written reports	Y	S	00068667
BED113	B	12,000	O	80,000	68,000	4/23/2020	3/12/2020	6/30/2023	UNIVERSITY OF HAWAII	HTA CON 20185 HO'OILINA SCHOLORSHIP PROGRAM - WEST O'AHU	Progress reports, final financial and written reports	Y	S	00068668
BED113	B	50,000	O	100,000	50,000	4/24/2020	4/13/2020	9/30/2020	COUNCIL FOR NATIVE HAWAIIAN	HTA CON 20205 ONLINE POP-UP MAKEKE 2020	Progress reports, final financial and written reports	Y	S	00068672
BED113	B	32,000	O	80,000	8,000	4/24/2020	3/9/2020	3/31/2021	KALIHI-PALAMA CULTURE AND ARTS	HTA CON 20127 45TH ANNUAL QUEEN LILIUOKALANI KEIKI HULA COMPETITION	Progress reports, final financial and written reports	Y	S	00068673
BED113	B	40,000	O	100,000	10,000	4/27/2020	3/9/2020	3/31/2021	AINA MOMONA	HTA CON 20161 'AINA MOMONA 2020 ALOHA 'AINA FELLOWSHIP PROGRAM	Progress reports, final financial and written reports	Y	S	00068680
BED113	B	-	O	60,000	30,000	4/28/2020	3/16/2020	3/31/2021	FRIENDS OF KA LEO HAWAII MEDIA	HTA CON 20122 KA LEO:THE VOICE OF HAWAII (KKNE 940AM)	Progress reports, final financial and written reports	Y	S	00068682
BED113	B	-	O	131,937	131,937	5/4/2020	3/12/2020	8/31/2020	ANTHOLOGY MARKETING GROUP, INC	HTA CON 20196 HAWAI'IS VISITOR INDUSTRY WORKFORCE NEEDS ASSESSMENT	Progress reports, final financial and written reports	Y	S	00068698
BED113	B	-	O	500,000	500,000	6/17/2020	5/12/2020	3/31/2021	BISHOP MUSEUM	HTA CON 20195 - HE AUPUNI PALAPALA:PRESERVING & DIGITILZING THE	Progress reports, final financial and written reports	Y	S	00068874
BED113	B	261,000	O	290,000	29,000	6/26/2020	6/9/2020	4/30/2021	FRIENDS OF IOLANI PALACE	HTA CON 20201 'IOLANI PALACE REPAIRS 2020	Progress reports, final financial and written reports	Y	S	00068918
BED113	B	424,000	O	530,000	106,000	9/11/2020	6/29/2020	12/31/2021	DEPARTMENT OF LAND AND NATURAL	HTA CON 20210 Na Ala Hele 2021	Progress reports, final financial and written reports	Y	S	00069091
BED113	B	292,159	O	305,000	12,841	3/23/2018	5/21/2018	12/31/2018	HAWAII VISITORS AND CONVENTION	HTA CON 17029 SUPP4 USA MMA	Progress reports, final financial and written reports	Y	S	00066580-04
BED113	B	23,350,000	M	23,430,000	80,000	3/23/2018	10/30/2018	12/31/2019	HAWAII VISITORS AND CONVENTION	HTA CON 17029 SUPP6 & SUPP7 USA MMA	Progress reports, final financial and written reports	Y	S	00066580-06
BED113	B	2,174,956	O	2,320,000	70,000	3/23/2018	6/18/2019	12/31/2019	HAWAII VISITORS AND CONVENTION	HTA CON 17029 SUPP8 -USA MMA	Progress reports, final financial and written reports	Y	S	00066580-07
BED113	B	11,415,009	M	22,525,000	2,317,864	3/23/2018	12/4/2019	12/31/2020	HAWAII VISITORS AND CONVENTION	HTA CON 17029 SUPP10 -USA MMA 2020	Progress reports, final financial and written reports	Y	S	00066580-09
BED113	B	241,271	O	500,000	258,729	3/23/2018	5/19/2020	12/31/2021	HAWAII VISITORS AND CONVENTION	HTA CON 17029 SUPP12 -USA MMA	Progress reports, final financial and written reports	Y	S	00066580-10

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BED113	B	13,877	O	17,000	3,123	4/10/2018	1/9/2018	1/31/2019	ANTHOLOGY MARKETING GROUP, INC	HTA CON 17039 SUPP1 OUT OF POCKET EXPENSES FOR PR & COMMUNICATION ACTIVITIES	Progress reports, final financial and written reports	Y	S	00066635-01
BED113	B	40,218	O	64,000	23,782	5/23/2018	6/19/2017	12/31/2020	N&K CPAS, INC.	HTA CON 17235-SUPPL#1 - TEMPORARY FINANCIAL STAFFING SERVICES	Progress reports, final financial and written reports	Y	S	00066754-01
BED113	B	78,604	O	82,741	4,137	5/25/2018	3/1/2019	4/24/2023	OMNITRAK GROUP, INC.	HTA CON 18177 SUPP1 MARKETING EFFECTIVENESS STUDY 2019	Progress reports, final financial and written reports	Y	S	00066762-01
BED113	B	74,467	O	82,741	8,274	5/25/2018	3/1/2019	4/24/2023	OMNITRAK GROUP, INC.	HTA CON 18177 SUPP1 MARKETING EFFECTIVENESS STUDY 2019	Progress reports, final financial and written reports	Y	S	00066762-02
BED113	B	906,364	M	907,995	1,631	5/30/2018	12/29/2017	12/31/2018	FIRST HAWAIIAN BANK (Hills Balfour)	HTA CON 16023 SUPP4, SUPP5 EUROPE MMA	Progress reports, final financial and written reports	Y	S	00066785-01
BED113	B	360,728	O	372,000	11,273	6/5/2018	5/11/2018	7/31/2019	YOUGOV AMERICA, INC.	HTA CON 18187 - EVALUATION OF 2018-2019 FESTIVALS & EVENTS	Progress reports, final financial and written reports	Y	S	00066819-01
BED113	B	11,553,874	M	11,924,973	400	6/8/2018	5/11/2018	12/31/2018	AEG MANAGEMENT HCC, LLC	HTA CON 14002 SUPP6 - HAWAII CONVENTION CENTER (BT14-02) JAN-JUNE 2018	Progress reports, final financial and written reports	Y	S	00066846-02
BED113	B	9,009,349	M	10,368,927	128,029	6/8/2018	5/11/2018	12/31/2018	AEG MANAGEMENT HCC, LLC	HTA CON 14002 SUPP6 - HAWAII CONVENTION CENTER (BT14-02) JULY-DEC 2018	Progress reports, final financial and written reports	Y	S	00066846-03
BED113	B	13,428,056	M	13,478,942	50,886	6/8/2018	1/22/2019	12/31/2019	AEG MANAGEMENT HCC, LLC	HTA CON 14002 S7 - HAWAII CONVENTION CENTER (BT14-02) JAN-JUNE 2019	Progress reports, final financial and written reports	Y	S	00066846-04
BED113	B	7,442	M	7,853	412	6/25/2018	4/13/2015	6/30/2019	NONPROFIT TECHNOLOGIES, INC.	HTA CON 16040 - NONPROFIT TECHNOLOGIES	Progress reports, final financial and written reports	Y	S	00066933-02
BED113	B	385,000	O	445,000	60,000	6/26/2018	6/27/2019	6/30/2020	NATIVE HAWAIIAN HOSPITALITY	HTA CON 18200 NATIVE HAWAIIAN HOSPITALITY ASSOCIATION 2018	Progress reports, final financial and written reports	Y	S	00066954-02
BED113	B	32,250	O	43,000	10,750	11/29/2018	8/26/2019	9/30/2020	OMNITRAK GROUP, INC.	HTA CON 19002 S1 RESIDENTIAL SENTIMENT F/FALL 2019	Progress reports, final financial and written reports	Y	S	00067363-01
BED113	B	16,488	O	17,754	1,266	1/30/2019	6/3/2019	6/30/2023	SMS RESEARCH AND MARKETING	HTA CON 19007-STATEWIDE DOMESTIC INFLITE VISITORS' BASIC CHARACTERISTICS	Progress reports, final financial and written reports	Y	S	00067477-02
BED113	B	274,857	O	329,828	54,971	1/30/2019	12/11/2018	12/31/2021	HONBLUE, INC.	HTA CON 19005 PRINTING,STORAGE&DELIVERY OF INFLIGHT FORMS CY 2019-2021	Progress reports, final financial and written reports	Y	S	00067478-01
BED113	B	79,311	O	88,530	9,219	2/13/2019	12/28/2018	3/31/2020	BISHOP MUSEUM	HTA CON 19093 LIVING HAWAIIAN CULTURE A PLATFORM FOR CULTURAL PRACTITIONERS	Progress reports, final financial and written reports	Y	S	00067502-01
BED113	B	3,366	O	13,968	10,602	2/15/2019	3/18/2020	6/30/2023	OMNITRAK GROUP, INC.	HTA CON 19006 VISITOR DEPARTURE SURVEYS F/MULTI CALENDAR YEARS 2019-2022	Progress reports, final financial and written reports	Y	S	00067531-03
BED113	B	50,488	M	69,815	19,326	4/30/2019	6/17/2019	3/31/2022	ZR SYSTEMS GROUP LLC	HTA CON 19162 SUPP1 IT SUPPORT SVCS	Progress reports, final financial and written reports	Y	S	00067714-02
BED113	B	33,152	M	56,294	23,142	4/30/2019	6/17/2019	3/31/2022	ZR SYSTEMS GROUP LLC	HTA CON 19162 SUPP1 IT SUPPORT SVCS	Progress reports, final financial and written reports	Y	S	00067714-03
BED113	B	6,785	M	8,400	1,615	4/30/2019	6/17/2019	3/31/2022	ZR SYSTEMS GROUP LLC	HTA CON 19162 SUPP1 IT SUPPORT SVCS	Progress reports, final financial and written reports	Y	S	00067714-05
BED113	B	73,883	O	79,300	5,417	6/4/2019	4/24/2019	9/30/2019	NORTH STAR RESEARCH CORP, DBA	HTA CON 19173 - MARKET/FUTURES STUDY OF THE HAWAII CONVENTION CENTER	Progress reports, final financial and written reports	Y	S	00067795-02

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BED113	B	233,000	O	293,000	60,000	6/27/2019	6/19/2019	8/31/2022	YOUGOV AMERICA, INC.	HTA CON 19188 SYNDICATED TOURISM SURVEY SVCS 2019-2021	Progress reports, final financial and written reports	Y	S	00067883-01
BED113	B	257,438	O	263,000	5,563	8/28/2019	6/24/2019	3/31/2022	UBERMEDIA, INC.	HTA CON 19179 AND SUPPL #1 - VISITOR & RESIDENTIAL VISITATION TRACKING	Progress reports, final financial and written reports	Y	S	00068068-02
BED113	B	-	O	12,000	12,000	1/28/2020	2/14/2020	12/31/2020	ANTHOLOGY MARKETING GROUP, INC	HTA CON 20010 SUPP1 PUBLIC RELATIONS, COMMUNICATIONS, AND OUTREACH SVCS	Progress reports, final financial and written reports	Y	S	00068429-02
BED113	B	-	O	30,660	-	Not encumbered at DAGS	Pending contract execution	8/31/2021	Cynthia Y. Derosier dba Pencilhead Productions, LLC	HTA CON 21010 S1 Graphic Meeting Facilitation Services for Destination Management Action Plans	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	O	300,000	-	Not encumbered at DAGS	Pending contract execution	12/31/2022	AVIAREPS Marketing Garden Holdings Ltd.	HTA CON 20007 S2 Destination Marketing Management Services for Korea MMA	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	O	272,238	-	Not encumbered at DAGS	Pending contract execution	11/1/2022	HonBlue, Inc.	HTA CON 19005 S2 Printing, Storage and Delivery of In-Flight forms for Calendar years 2019-2022	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	O	286,468	-	Not encumbered at DAGS	Pending contract execution	6/30/2023	SMS Research & Marketing Services, Inc.	HTA CON 19007 S4 Statewide Domestic In-flight Visitors' Basic Characteristic Survey CY 2019-2022	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	O	293,000	-	Not encumbered at DAGS	Pending contract execution	8/31/2022	YouGov America Inc.	HTA CON 19188 S2 Syndicated Tourism Survey Services 2020	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	O	145,000	-	Not encumbered at DAGS	Pending contract execution	12/31/2021	Anthology Marketing Group, Inc	HTA CON 20010 S2 Public Relations, Communications, and Outreach Services	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	O	400,000	-	Not encumbered at DAGS	Pending contract execution	12/31/2021	Vox International Inc.	HTA CON 17017 S9 Destination Marketing Management Services for Canada MMA	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	O	79,947	-	Not encumbered at DAGS	Pending contract execution	1/31/2022	Kloninger & Sims Consulting LLC	HTA CON 18178 S4 Visitor Plant Inventory Survey 2020	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	O	4,500,000	-	Not encumbered at DAGS	Pending contract execution	12/31/2021	a.link, LLC	HTA CON 17028 S10 Japan MMA	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	O	15,000	-	Not encumbered at DAGS	Pending contract execution	12/31/2020	Preparing for Moananuiakea: Exploring the Pacific	HTA CON 20145 S2 Polynesian Voyaging Society	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	O	15,185,707	-	Not encumbered at DAGS	Pending contract execution	12/31/2021	Hawai'i Visitors and Convention Bureau	HTA CON 17029 S16 Destinations Marketing Management for USA MMA 2021	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	O	104,500	-	Not encumbered at DAGS	Pending contract execution	3/31/2022	Trasparent Intelligence, Inc. dba Transparent	HTA CON 19175 S2 Vacation Rental Performance Tracking 2019-2022	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	O	9,999,789	-	Not encumbered at DAGS	Pending contract execution	6/30/2022	AEG Management HCC, LLC dba Hawai'i Convention Center	HTA CON 14002 S11 Hawai'i Convention Center	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS

			(M/A/O)			Date Executed	From	To			Monitored	Y/N	E/L/P/C/G/S/*	
BED113	B	-	M	400,000	-	Not encumbered at DAGS	Pending contract execution	Pending	The Walshe Group Pty Ltd dba Hawai'i Tourism Oceania	HTA CON 21008 Hawai'i Tourism Inbound Destination Marketing Management Services in the Oceania Major Market Area	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	M	10,920	-	Not encumbered at DAGS	Pending contract execution	6/30/2022	NonProfit Technologies, Inc	HTA CON 19195 S2 Hosting Service for HTA Financial Operating System	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	O	429,550	-	Not encumbered at DAGS	Pending contract execution	Pending	Anthology Marketing Group, Inc	HTA CON 17214 S6 Design and Maintenance of HTA Website	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	O	201,547	-	Not encumbered at DAGS	Pending contract execution	Pending	Visitor Departure Survey 2019-2022	HTA CON 19006 S3 OmniTrak Research & Marketing Group Inc. dba OmniTrak Group Inc	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	O	1,432,962	-	Not encumbered at DAGS	Pending contract execution	Pending	Visitor Aloha Society of Hawaii	HTA CON 17031 - VAP Oahu	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	O	616,700	-	Not encumbered at DAGS	Pending contract execution	Pending	VASH Hawaii Island	HTA CON 17032 - VAP Hawaii Island	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	O	214,000	-	Not encumbered at DAGS	Pending contract execution	Pending	Visitor Aloha Society of Kauai, Inc.	HTA CON 17033 - VAP Kauai	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED113	B	-	O	193,000	-	Not encumbered at DAGS	Pending contract execution	Pending	Maui County Visitors Association	HTA CON 17034 - VAP Maui	Progress reports, final financial and written reports	Y	S	Not encumbered at DAGS
BED120	N	142,866	O	325,000	182,134	10/19/2016	10/18/2016	6/30/2021	DUNCAN, WEINBERG, GENZER &	TECHNICAL SUPPORT IN REGULATORY PROCEEDINGS	Periodic meetings, email and phone communications, approval of allowable costs on an as needed basis	Y	S	00065263
BED120	P	28,834	O	175,000	146,166	10/17/2018	10/11/2018	9/30/2021	ENGINEERING ECONOMICS INC	PROV TECHNICAL ASSISTANCE F/ADVANCING ENERGY EFFICIENCY IN HAWAII PUBLIC	Periodic meetings, email and phone communications, approval of allowable costs on an as needed basis	Y	S	00067267
BED120	B	-	O	150,000	150,000	12/24/2019	12/20/2019	6/30/2021	UNIVERSITY OF HAWAII	TO CONDUCT A CARBON PRICING STUDY AS REQUIRED BY ACT 122(SLH2019)	Through respective contract scope of services, time of performance, compensation and payment schedule conditions.	Y	S	00068327
BED120	N	-	O	100,000	100,000	11/5/2020	10/30/2020	6/30/2021	ICF INCORPORATED, LLC	ACQUIRE NECESSARY PROFESSIONAL EXPERT WITNESS TECHNICAL SVCS TO SUPPORT	Periodic meetings, email and phone communications, approval of allowable costs on an as needed basis	Y	S	00069186
BED130	A	667,500	M	667,500	-	11/18/2019	11/8/2019	10/15/2020	HAWAII COMMUNITY FOUNDATION	OUTREACH & PROMOTION FOR THE 2020 CENSUS IN THE STATE OF HAWAII	Monthly meetings with contractor, requires months status report.	Y	S	68209
BED138*	B	-	O	250,000	250,000	5/29/2014	8/7/2017	6/30/2021	MCCORRISTON MILLER MUKAI	SPECIAL DEPUTY ATTORNEY GENERAL SVCS FOR CORPORATE FINANCE FOR THE	* HGIA is the funding agency. The Contract is between the Vendor and the Attorney General's office. Executive Director closely monitors legal work	Y	C	62927
BED143	P	1,642,934	O	2,300,000	657,066	9/15/2016	9/16/2016	8/31/2018	BURNS & MCDONNELL ENGINEERING	INITIAL FUNDING TOWARDS PHASE 1 OF A MICROGRID DEMONSTRATION PROJECT	Through respective contract scope of services, time of performance, compensation and payment schedule conditions.	Y	S	00065193
BED143	B	-	M	88,500	88,500	10/24/2017	11/1/2017	10/31/2021	COLLIER'S INTL HI HOLDINGS LLC	ASSET, PROPERTY & FINANCIAL MANAGEMENT SVCS FOR MANOA & MAUI PROPERTIES	Mgt Fee Paid Monthly	Y	S	00066090

			(M/A/O)			Date Executed	From	To			Monitored	Y/N	E/L/P/C/G/S/*	
BED143	P	15,419	O	57,387	41,968	7/19/2018	11/1/2019	10/31/2021	707 RICHARDS HOLDINGS, LLC	LEASE OF OFC SPACE AT 707 RICHARDS ST, STE 616, HNL, HI 96813-FOR 1YR @	Lease payment paid monthly to landlord	Y	L	00067017
BED143	B	36,379	O	64,509	28,130	8/27/2018	4/9/2018	6/30/2020	UNIVERSITY OF HAWAII	MANOA INNOVATION CENTER CAM CHRGS (3,381 SQFT X 1.59)	Through respective contract scope of services, time of performance, compensation and payment schedule conditions.	Y	S	00067152
BED143	B	3,835	O	10,920	7,085	1/17/2019	1/10/2019	1/9/2021	DOI, WARREN S.	VENDOR WILL FIND & EVAL POTENTIAL CLIENTS F/PGRM ELIGIBILTY,PROV CONSULT	Same as Above	Y	S	00067436
BED143	P	35,417	O	50,000	14,583	6/19/2019	6/1/2019	6/1/2020	US HYBRID CORPORATION	INITIAL FUNDING FOR ON-SITE OPERATIONS OF, SUPPORT, AND MAINTENANCE OF	Same as Above	Y	S	00067851
BED143	P	65,515	O	93,593	28,078	6/19/2019	5/31/2019	8/1/2019	H NU PHOTONICS LLC	INITIAL FUNDING FOR INTEGRATING FOR PV AND BATTERY SYSTEM INTO BUILDING	Same as Above	Y	S	00067852
BED143	C	-	O	5,500,000	5,500,000	5/20/2020	5/20/2020	5/19/2022	SSFMI INTERNATIONAL, INC.	PROVIDE COMPREHENSIVE COMMUNITY PLANNING SVCS AS NEEDED FOR PROFESSIONAL	Same as Above	Y	S	00068750
BED143	P	19,372	O	23,250	3,878	7/15/2020	7/15/2020	7/14/2021	ACET GLOBAL CONSULTING, LLC	FOOD CONSULTING SVCS THAT WILL ENTAIL FOOD SAFETY SYSTEM ASSESSMENTS,	Same as Above	Y	S	00068960
BED143	A	11,850	O	36,000	24,150	9/10/2020	9/10/2020	9/9/2021	MOOSEBEAR INNOVATIONS INC.	PROVIDE CONSULTING SVCS FOCUSED ON AUTOMATION F/LOCAL MANUFACTURERS IN	Same as Above	Y	S	00069084
BED144	A	-	O	60,000	60,000	3/29/2019	3/29/2019	3/31/2020	UNIVERSITY OF HAWAII	SVCS RELATED TO A SOIL CARBON INVENTORY & WORKING LANDS BASELINE	Through respective contract scope of services, time of performance, compensation and payment schedule conditions.	Y	S	00067651
BED144	N	-	O	100,000	100,000	12/18/2019	12/2/2019	12/30/2021	COUNTY OF HAWAII	12/30/20 - SVCS FOR SHORELINE & RIPARIAN SETBACK STUDY	Same as Above	Y	S	00068282
BED144	N	57,000	O	151,000	94,000	3/25/2020	2/26/2020	6/30/2021	ROBERTSON, IAN N.	DEVELOPMENT OF COMPREHENSIVE HIGH-RESOLUTION PROBABILISTIC TSUNAMI DESIG	Same as Above	Y	S	00068615
BED144	A	-	O	95,795	95,795	6/10/2020	6/1/2020	6/30/2021	DUDEK	REPORT ON ALTERNATIVE SOLUTIONS FOR GIS LAYER ALIGNMENT ISSUES IN SOH.	Same as Above	Y	S	00068841
BED144	A	44,376	O	135,000	90,624	8/26/2020	7/7/2020	5/31/2021	ICF INCORPORATED, LLC	REVISION & DECENNIAL UPDATE OF THE HAWAII 2050 SUSTAINABILITY PLAN	Same as Above	Y	S	00069052
BED144	N	-	O	59,225	59,225	10/27/2020	10/5/2020	12/31/2021	COUNTY OF KAUAI	DEVELOPMENT OF UPDATED SEA LEVEL RISE (SLR) INFORMATION & GIS LAYERS	Same as Above	Y	S	00069166
BED146	C	221,940	O	2,500,000	2,278,060	8/8/2016	8/12/2016	10/16/2022	WATER RESOURCES	PLAN, DESIGN AND CONSTRUCT ON EXPLORATORY POTABLE WATER WELL.	Contract is monitored according to the contract deliverables as outlined in the scope of services and compensation payment scheduled. The OIC on the contract does the monitoring.	N	S/C	65070
BED146	B	710,250	O	745,023	34,773	9/12/2016	8/18/2016	12/9/2020	NAN, INC.	CONSTRUCTION OF HYDROGEN FUELING TEST BED AT NELHA	Same as Above	N	C	65179
BED146	P	771,254	O	1,846,412	1,075,158	7/2/2019	7/3/2019	6/28/2022	TREVI SYSTEMS, INC.	HAWAII SOLAR DESALINATION PROJECT	Same as Above	N	S/C	67977

Department of Business, Economic Development and Tourism
Active Contracts as of December 1, 2020

Table 14

			(M/A/O)			Date Executed	From	To			Monitored	Y/N	E/L/P/C/G/S/*	
BED146	B	154,272	O	186,264	31,993	12/31/2019	1/3/2020	1/2/2021	UNIVERSAL PROTECTION SERVICE	SECURITY SVCS FOR HOST PARK	Same as Above	N	S	68388
BED146	D	-	O	1,850,000	1,850,000	12/27/2019	12/27/2019	6/22/2022	ENCORED, INC.	RENEWABLE ENERGY SVCS	Same as Above	N	S	68395
BED146	B	22,269	O	28,992	6,723	1/9/2020	1/13/2020	1/12/2021	PWC HAWAII CORPORATION	JANITORIAL SVCS FOR HOST PARK	Same as Above	N	S	68397
BED146	C	24,130	O	294,500	270,370	2/21/2020	2/21/2020	2/20/2021	TERRASOND LIMITED	UNDERWATER PIPELINE SURVEY & DESIGN SERVICES	Same as Above	N	S	68684
BED146	B	-	O	19,000	19,000	5/5/2020	5/12/2020	4/30/2021	PLANB CONSULTANCY, INC.	BENTHIC, FISH BIOTA, ANCHIALINE POND & INTERTIDAL POOL SURVEY FOR NELHA	Same as Above	Y	S	68749
BED146	C	86,355	O	249,996	163,641	6/1/2020	6/15/2020	6/14/2021	TOWILL, R. M. CORPORATION	KONA REGIONAL SEAWATER A/C DISTRICT - HAWAII	Same as Above	Y	S	68800
BED146	D	-	O	47,405	47,405	6/10/2020	Executed 5/28/2020 (pending NTP)	120 days after NTP	ITC WATER MANAGEMENT, INC.	IMPROVEMENTS & UPGRADES TO SEAWATER SYSTEM/NELHA SEAWATER DISTRIBUTION	Same as Above	N	C	68842
BED146	D	333,964	O	366,975	33,011	6/10/2020	7/6/2020	1/2/2021	ITC WATER MANAGEMENT, INC.	KAHILIHILI DEEP SEAWATER DISTRIBUTION PIPELINE INSTALLATION	Same as Above	N	C	68843
BED150	W	24,428	O	36,000	11,573	7/20/2010	8/2/2010	Final acceptance from the State	HO, RONALD N. S. & ASSOCIATES,	DESIGN OF KALAELOA ENERGY CORRIDOR ON ENTERPRISE AVE	Contracts are monitored continuously through discussion with contractor and review of all invoices prior to pavement	Y	S / C - Construction	00059402
BED150	W	0	O	151,672	151,672	4/26/2011	6/1/2011	After SHPD approval	CULTURAL SURVEYS HAWAII, INC	ARCHAEOLOGICAL MONITORING FOR THE FORT BARRETTE/ENTERPRISE RD	Same as Above	Y	S / C - Construction	00060101
BED150	W	0	O	284,256	284,256	7/22/2013	7/22/2013	No expiration	LAW OFFICES OF KYONG-SU-IM	LEGAL SERVICES FOR 690 POHUKAINA PROJECT, KAKAAKO COMMUNITY DEVELOPMENT	Same as Above	Y	S	62133
BED150	W	-	O	18,000	18,000	10/16/2013	10/17/2013	NO expiration	ENGLEKIRK STRUCTURAL ENGINEERS	EXPERT CONSULTANT SERVICES FOR RENOVATIONS OF THE AMERICAN BREWERY BLDG	Same as Above	Y	S	62373
BED150	W	481	O	88,187	87,706	5/14/2014	4/24/2014	NO expiration	FUKUNAGA MATAYOSHI CHING &	RETAIN SPECIAL LEGAL COUNSEL TO REPRESENT THE HCDA REGARDING THE	Same as Above	Y	S	62891
BED150	W	-	O	23,148	23,148	12/3/2015	12/14/2015	12/12/2020	MOFFATT & NICHOL	PROFESSIONAL SERVICES FOR KEWALO BASIN HARBOR FISHERMAN'S WHARF REPAIRS	Same as Above	Y	S	64310
BED150	W	-	O	30,000	30,000	11/17/2016	12/1/2016	11/30/2020	HONEYWELL INTERNATIONAL, INC.	MAINTENANCE & REPAIRS OF AIR CONDITION OF MAERICAN BREWERY BLDG	Same as Above	Y	S	65317
BED150	W	-	O	30,000	30,000	11/3/2017	7/1/2016	6/29/2020	DOONWOOD ENGINEERING, INC.	FURNISHING MAINTENANCE, REPAIR, TESTING SVCS FOR SEWAGE PUMP & BACKFLOW	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	66118
BED150	W	12,303	O	13,500	1,197	3/23/2018	2/23/2018	No expiration	ASHFORD & WRISTON LLP	SERVICES OF HEARINGS OFFICER FOR THE APPEAL & CONTESTED CASE HEARING	Same as Above	Y	S	66573
BED150	W	41,381	O	60,951	19,570	3/27/2018	4/3/2018	4/2/2021	FEDERAL MAINTENANCE HAWAII,	JANITORIAL SVCS FOR HCDA'S OFFICE AT THE AM BREWERY BLDG KAKAAKO	Same as Above	Y	S	66584
BED150	W	12,616	O	22,616	10,000	7/23/2018	8/1/2018	7/31/2021	ELEVATOR SERVICES LLC	NTP36MOS ELEVATORS SVCS F/AMERICAN BREWERY BLDG-KAKAAKO COMM DEV DISTRICT	Same as Above	Y	S	67022
BED150	W	20,464	O	30,464	10,000	7/23/2018	8/1/2018	7/31/2021	ELEVATOR SERVICES LLC	NTP36MOS ELEVATORS SVCS F/KAUHALE KAKAAKO PRKG GARAGE-KAKAAKO COMM DEV	Same as Above	Y	S	67023

			(M/A/O)			Date Executed	From	To			Monitored	Y/N	E/L/P/C/G/S/*	
BED150	W	142,080	M	172,680	30,600	1/24/2019	1/22/2019	1/21/2022	NOHONANI LANDSCAPE, LLC	GROUNDS MAINTENANCE SVCS F/KOLOWALU PARK & QUEEN ST EXTENSION, KAKAAKO	Monthly Payment	Y	S	67459
BED150	W	270,762	O	641,979	371,217	2/13/2019	1/1/2019	12/31/2021	DIAMOND PARKING SERVICES, LLC	KAUHALE KAKAAKO PKG GARAGE MGMT MAINT OP & SEC SVCS-KAKAAKO COMM DEV DIS	Same as Above	Y	S	67528
BED150	W	20,000	O	34,500	14,500	4/4/2019	4/18/2019	No expiration	TOWNSCAPE, INC.	PREPARATION OF THE HE'EIA COMMUNITY DEVELOPMENT DISTRICT PLAN & RULES	Same as Above	Y	S	67662
BED150	W	190,080	O	240,480	50,400	9/5/2019	9/25/2019	9/24/2022	PACIFIC CONSTRUCTION BUILDERS,	BLDG MAINTENANCE & REPAIR SVCS FOR HCDA OFFICE AT 547 QUEEN ST	Same as Above	Y	S	68080
BED150	W	100,740	M	141,175	40,435	9/5/2019	12/1/2019	11/30/2022	HONOLULU DISPOSAL SERVICE, INC	REFUSE COLLECTION FOR KEWALO BASIN HARBOR & 59 AHUI ST. KAKAAKO COMMUNIT	Repair and maintenance is overseen by Business Manager	Y	S	68081
BED150	W	247,894	O	310,764	62,870	1/9/2020	2/1/2017	1/31/2020	WAIKIKI HEALTH	JANITORIAL, REFUSE COLLECTION & MAINT SVCS FOR KEWALO BASIN HARBOR &	Same as Above	Y	S	68357
BED150	W	-	O	400,000	400,000	10/14/2020	11/2/2020	11/1/2022	TORTI GALLAS AND PARTNERS INC	UPDATE THE KALAELOA COMMUNITY DEVELOPMENT DISTRICT PLAN & RULES-	Project Manager will oversee the contract process	Y	S	69148
BED160	W	62,250	O	249,000	186,750	5/14/2015	7/1/2015	6/30/2021	SPECTRUM SEMINARS, INC.	COMPLIANCE MONITORING	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	63840
BED160	W	21,878	O	125,000	103,122	4/5/2016	3/25/2016	6/30/2021	DURRETT LANG, LLLP	LEGAL SVCS IN CONNECTION IWTH & IN SUPPORT OF HHFDC'S REAL PROPERTY	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	64574
BED160	W	63,825	O	93,219	29,394	8/25/2016	6/16/2016	6/15/2018	JONIQUE & CO, LLC	PROVIDE ST SWEEPING SVCS FOR THE VILLAGES OF KAPOLEI	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	65141
BED160	W	311,816	O	405,000	93,185	9/15/2016	7/28/2016	8/31/2019	HAWAII WORKS, INC.	MAINTAIN & REPAIR SIDEWALKS & CATCH BASIN WITH THE VILLAGES AT KAPOLEI	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	65194
BED160	W	805,573	O	1,555,842	750,269	9/30/2016	8/25/2016	8/31/2020	ROYAL CONTRACTING CO., LTD.	MAINTENANCE AND REPAIR OF THE ROADWAYS AT THE VILLAGES OF KAPOLEI	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	65222
BED160	W	91,337	O	273,048	181,711	4/17/2017	4/1/2017	3/31/2023	YOGI KWONG ENGINEERS, LLC	REVIEW EXISTING REPORTS, PROVIDE OPINION ON SLOPE MOVEMENT, RECOMMEND	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	65629
BED160	C	148,351	O	780,000	631,649	5/24/2017	5/1/2017	4/29/2021	BILLS ENGINEERING INC.	DESIGN OF WATER SOURCE WELL, SELL SUPPORT FACILITIES & PUMP CONTROL BLDG	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	65713
BED160	W	898,945	O	1,044,900	145,955	9/15/2017	9/18/2017	9/17/2021	GRAY, HONG, NOJIMA &	ENGINEERING SVCS FOR THE DEDICATION OF INFRASTRUCTURE & FOR CONSTRUCTION	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	66017
BED160	W	9,753	O	293,386	283,632	12/29/2017	1/2/2018	11/21/2019	PREMIER TITLE & ESCROW, INC.	ESCROW & TITLE SERVICES FOR HHFDC REAL ESTATE TRANSACTIONS #18-005-RESS	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	66251
BED160	W	25,844	O	68,032	42,188	1/10/2018	11/1/2017	10/31/2021	SKALABLE TECHNOLOGIES CORP	ANNUAL SOFTWARE LICENSE RENEWALS & RELATED TECHNICAL SUPPORT & CONSUTLIN	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	66308
BED160	C	54,158	O	397,952	343,793	3/27/2018	4/3/2017	2/14/2021	BILLS ENGINEERING INC.	DESIGN OF RESERVOIR TANK, WATER LINES & APPURTENANCE IN WAIHAOLE VALLEY	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	66583

			(M/A/O)			Date Executed	From	To			Monitored	Y/N	E/L/P/C/G/S/*	
BED160	W	-	O	236,250	236,250	4/9/2018	10/4/2017	10/20/2020	LOCATIONS LLC	10/03/2018 REAL ESTATE BROKER SVCS F/THE SALE OF HHFDC OWNED PROPERTIES	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	66633
BED160	A	435,773	O	600,000	164,227	5/30/2018	7/1/2017	6/30/2021	HHOC HOUSING AND LAND TRUST	SEED A REVOLVING CAPITAL FUND TO FINANCE CONTRACTOR'S DOWN PYMT & CLOSIN	Staff oversees actual work; disbursements are monitored by Fiscal Office.	N	C	66769
BED160	W	49,466	O	70,966	21,500	6/27/2018	6/7/2018	6/6/2020	MANTHOS ENGINEERING LLC	FEASIBILITY STUDY F/DIAGONAL PARKING ALONG WAILANI STREAM AT KAU'OLU	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	66957
BED160	W	102,178	O	516,882	414,704	6/28/2018	6/29/2018	6/30/2022	TED'S WIRING SERVICE, LTD.	REPAIR & MAINTENANCE OF STREET LIGHTS AT THE VILLAGES OF KAPOLEI	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	C	66971
BED160	W	554,111	O	600,000	45,889	7/31/2018	7/16/2018	7/15/2021	MUNEKIYO & HIRAGA, INC.	COMM PLNG SVCS TO IDENTIFY DEVLPMNT REQUIREMENTS, MSTR PLN & SUBDIVISION	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	67066
BED160	W	55,975	O	120,000	64,025	8/8/2018	6/14/2019	6/30/2020	HAWKINS DELAFIELD & WOOD, LLP	SPECIAL DEPUTY ATTORNEY GENERAL SERVICES- BOND COUNSEL	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	67092
BED160	W	489,516	O	1,500,000	1,010,484	12/28/2018	12/17/2018	12/16/2021	GROUP 70 INTERNATIONAL, INC.	HAZARDOUS MATERIALS ASSESSMENT, MASTER PLAN & LAND USE APPROVALS F/COUNTY	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	67412
BED160	W	16,200	O	40,000	23,800	2/15/2019	2/1/2019	1/31/2021	CHILD, JOHN & COMPANY, INC.	APPRAISAL OF THE LEASED FEE INTEREST IN THE FRONT ST APT IN LAHAINA, MAUI	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	67532
BED160	W	50,183	O	75,183	25,000	3/6/2019	3/1/2019	2/28/2021	CHILD, JOHN & COMPANY, INC.	APRAISAL OF THE LEASEHOLD INTEREST IN THE FRONT ST APTS IN LAHAINA, MAUI	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	67571
BED160	W	7,000	O	18,000	11,000	4/16/2019	1/1/2019	12/31/2021	BLX GROUP LLC	BOND ARBITRAGE REBATE- STATEWIDE(B&F,DHHL, DOT-AIRP, HARB, HWYS, DBEDT/HHFDC)	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	67684
BED160	W	162,499	O	1,046,000	883,501	6/10/2019	5/1/2019	4/30/2021	HAWAII NATIONAL LANDSCAPE,	04/30/2021 PERFORM IRRIGATION REPAIRS AND LANDSCAPE MAINTENANCE AT THE	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	67805
BED160	W	-	O	100,860	100,860	6/26/2019	6/30/2019	6/29/2021	ELEMENT ENVIRONMENTAL, LLC	PROJECT MANAGEMENT AND OVERSIGHT OF THE REMOVAL AND	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	67880
BED160	W	11,800	O	94,000	82,200	7/23/2019	8/1/2019	11/26/2021	AUSTIN, TSUTSUMI & ASSOC., INC.	7/30/2020 PROVIDE CROSSWALK ASSESSMENTS W/UN SIGNALIZED INTERSECTIONS &	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	67941
BED160	W	344,650	O	537,400	192,750	7/24/2019	7/8/2019	7/17/2021	LANGI, HARLAN T.	TREE SVCS IN THE VILLAGES OF KAPOLEI	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	67950
BED160	W	134,898	O	150,000	15,102	7/30/2019	6/28/2019	6/27/2020	SCHNEIDER TANAKA RADOVICH	PROV SPECIAL LEGAL COUNSEL SVCS F/THE PREPARATION OF SEWER SYSTEM	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	67975
BED160	W	3,123	O	80,000	76,877	8/22/2019	8/12/2019	8/11/2020	MORIHARA LAU & FONG LLP	LEGAL SVCS RELATED TO WAI AHOLE VALLEY WATER RIGHTS & USAGE IN WAI AHOLE	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	68049
BED160	C,W	1,919,618	O	18,942,076	17,022,458	11/25/2019	11/19/2019	9/29/2022	MK ALDER STREET, LLC	DEVELOPMENT AGREEMENT(DA), OWNERSHIP & OPERATION OF AN AFFORDABLE RENTAL	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	68233
BED160	W	94,010	O	150,000	55,990	12/11/2019	11/8/2019	11/7/2020	TOWNSCAPE, INC.	PROFESSION COMMUNITY PLANNING SVCS TO PREPARE THE WAI AHOLE STRATEGIC	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	68251

			(M/A/O)			Date Executed	From	To			Monitored	Y/N	E/L/P/C/G/S/*	
BED160	W	142,835	O	500,000	357,165	12/18/2019	12/2/2019	12/1/2023	MUNEKIYO & HIRAGA, INC.	PROVIDE COMMUNITY PLANNING SVCS F/KEAWE ST & VILLAGES OF LEIALI'I	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	68286
BED160	W	14,407	O	75,000	60,594	2/13/2020	4/30/2017	4/30/2021	BELT COLLINS HAWAII LLC	PLANNING & ENGINEERING WORK F/VILLAGES OF LEIALI'I(L-74)-01/22/2024	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	68483
BED160	W	306,818	O	679,808	372,991	4/30/2020	4/13/2020	4/12/2024	FUKUMOTO ENGINEERING, INC.	CIVIL ENGINEERING SVCS TO COMPLETE CONSTRUCTION DOCUMENTS, PERMITTING &	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	68692
BED160	A	88,160	O	135,000	46,840	6/3/2020	3/17/2020	3/16/2021	HAWAII APPLESEED CENTER FOR	ALOHA HOMES FEASIBILITY & IMPLEMENTATION STUDY	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	68809
BED160	W	63,575	O	423,800	360,225	6/29/2020	7/1/2020	6/30/2022	DOONWOOD ENGINEERING, INC.	TO PROV OPERATION & MAINTENANCE SVCS TO ENSURE ONGOING OPS OF THE	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	68932
BED160	W	99,730	O	2,201,633	2,101,903	6/30/2020	7/20/2020	7/20/2025	PBR HAWAII & ASSOCIATES, INC.	LILUHA CIVIC CTR - DEVELOPMENT PRGM MASTER PLAN & ENVIRONMENTAL IMPACT	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	68951
BED160	W	-	O	133,136	133,136	7/10/2020	6/29/2020	7/7/2023	MITSUMAGA & ASSOCIATES, INC.	PROFESSIONAL ARCHITECTURAL ENGINEERING SVCS FOR THE CONSTRUCTION	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	68957
BED160	W	100,565	O	800,000	699,435	7/20/2020	7/6/2020	7/5/2022	MANTHOS ENGINEERING LLC	CONSTRUCTION MANAGEMENT SVCS TO THE VILLAGES OF KAPOLEI ROADWAY	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	68964
BED160	W	12,033	O	184,720	172,687	7/28/2020	7/8/2016	7/7/2020	PURAL WATER SPECIALTY CO.,	OPS & MAINTENANCE OF NON-POTABLE WATER SYST F/THE VILLAGES OF KAPOLEI	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	68992
BED160	B	30,000,000	O	39,800,000	9,800,000	8/12/2020	8/12/2020	12/28/2020	ALOHA UNITED WAY, INC.	NON-PROFIT INTERMEDIARY WILL COORDINATE W/NETWORK OF NON-PROFIT SVC	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	69024
BED160	B	45,000,000	O	59,700,000	14,700,000	8/12/2020	8/12/2020	12/28/2020	CATHOLIC CHARITIES HAWAII	NON-PROFIT INTERMEDIARY WILL COORDINATE W/NETWORK OF NON-PROFIT SVC	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	69025
BED160	W	-	O	400,000	400,000	9/10/2020	8/25/2020	TBD	OKAHARA AND ASSOCIATES, INC.	PROFESSIONAL ENGINEERING SVCS F/THE WAIHOLE PORTABLE WATER SYST REPAIRS	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	69083
BED160	W	-	O	7,940,919	7,940,919	9/21/2020	7/1/2020	6/30/2022	GRACE PACIFIC LLC	K85 VILLAGES OF KAPOLEI,ROAD,RECONSTRUCTION &REHABILITATION OF EXISITING	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	69100
BED160	w	-	O	189,900	189,900	9/24/2020	8/10/2020	8/10/2021	SUNSHINE LANDSCAPE CO., INC.	N90 LANDSCAPE MAINTENANCE SVCS IN WAIHOLE VALLEY	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	69109
BED160	W	-	O	120,000	120,000	10/6/2020	6/14/2020	6/30/2021	HAWKINS DELAFIELD & WOOD, LLP	SPECIAL DUTY AG'S SVCS -	Staff oversees actual work; disbursements are monitored by Fiscal Office.	Y	S	69139

Department of Business, Economic Development and Tourism
Capital Improvements Program (CIP) Requests

Table 15

<u>Prog ID</u>	<u>Prog ID</u> <u>Priority</u>	<u>Dept- Wide</u> <u>Priority</u>	<u>Senate</u> <u>District</u>	<u>Rep.</u> <u>District</u>	<u>Project Title</u>	<u>MOF</u>	<u>FY22 \$\$\$</u>	<u>FY23 \$\$\$</u>
BED144	1	3	00	000	OPTOD4 - State Transit-Oriented Development (TOD) Planning, Statewide	C	2,000,000	2,000,000
BED160	1	1	00	000	HFDC05 - Dwelling Unit Revolving Fund Infusion, Statewide	C	-	20,000,000
BED160	2	2	00	000	HFDC09 - Cash Infusion for Rental Housing Revolving Fund, Statewide	C	-	25,000,000
BED160	3	4	00	000	HFDC11 - Cash Infusion for Rental Housing Revolving Fund, Statewide	C	38,000,000	38,000,000
BED160	4	5			HFDC12 - Cash Infusion for Rental Housing Revolving Fund for HPHA Senior Affordable Housing Project, Oahu	C	40,000,000	

Department of Business, Economic Development and Tourism
CIP Lapses

Table 16

<u>Prog ID</u>	<u>Act/Year of Appropriation</u>	<u>Project Title</u>	<u>MOF</u>	<u>Lapse Amount \$\$\$\$</u>	<u>Reason</u>
		None			

Department of Business, Economic Development and Tourism
 Program ID Sub-Organizations

Table 17

<u>Program ID</u>	<u>Sub-Org Code</u>	<u>Name</u>	<u>Objective</u>
		None	

Organization Changes

<u>Year of Change</u> <u>FY22/FY23</u>	<u>Description of Change</u>
	Web Link below to Department of Business, Economic Development, and Tourism Organizational Charts.
	http://files.hawaii.gov/dbedt/annuals/2020-12-07-dbedt-org-charts.pdf