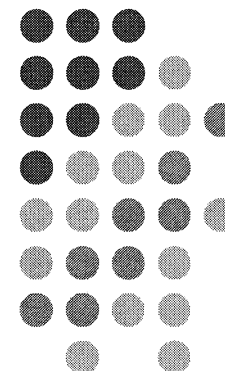
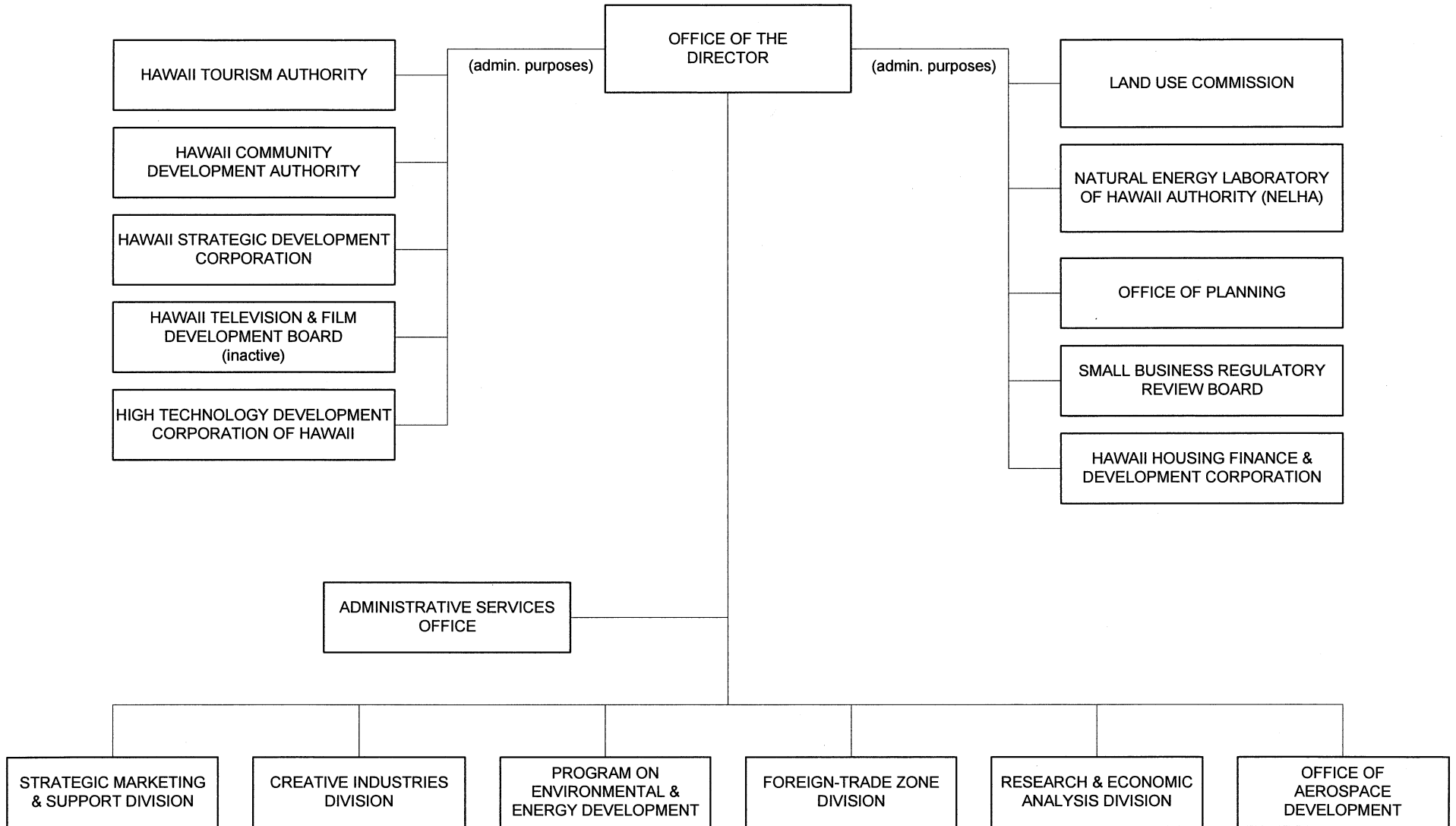

**Department of Business, Economic
Development and Tourism**



**STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
ORGANIZATION CHART**



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

Department Summary

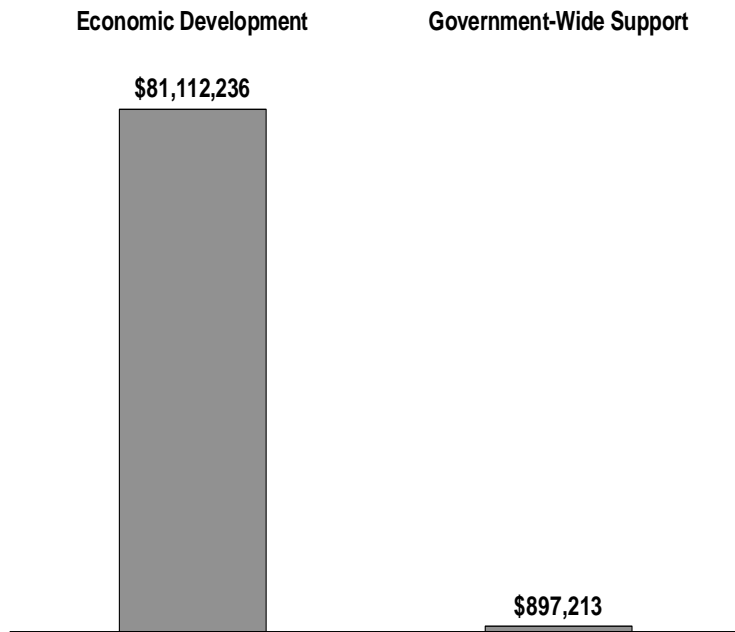
Mission Statement

To achieve a Hawaii economy that embraces innovation and is globally competitive, dynamic and productive, providing opportunities for all Hawaii's citizens to prosper.

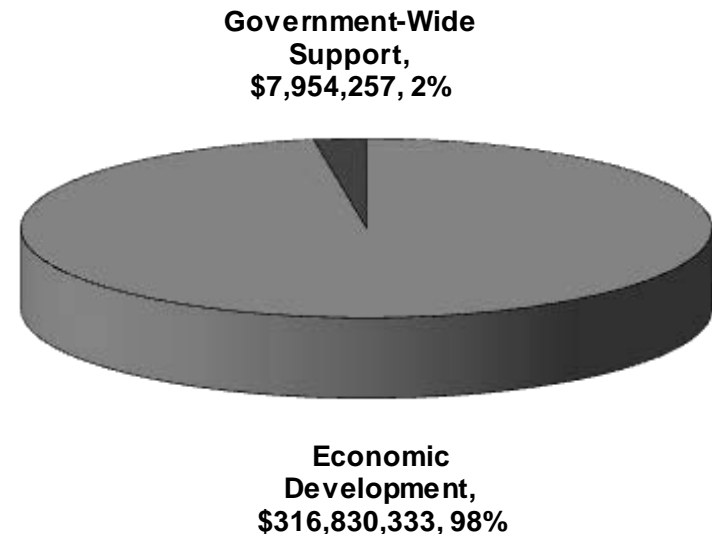
Department Goals

Lead efforts to facilitate structural economic adjustments to improve the competitiveness of Hawaii businesses and create the conditions to reward productivity and entrepreneurship.

FY 2015 Supplemental Operating Budget Adjustments by Major Program



FY 2015 Supplemental Operating Budget



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM MAJOR FUNCTIONS

- **Workforce Housing** – Create workforce housing units in high-quality living environments to support a skilled labor force in Hawaii.
- **Human Capital Development** – Educate, develop, retain and attract a workforce with the skills required for an innovation-driven and globally-competitive economy.
- **“Hawaii Clean Energy Initiative”** – Fundamentally transform how Hawaii uses energy by accelerating the production of renewable and alternative energy, increasing energy efficiency and developing and adopting new technologies thereby ensuring energy security and long-term environmental quality, and benefits to residents.
- **Global Links** – Increase the flow of people, products, services and ideas between Hawaii and its export markets.
- **Creation of an Innovation Infrastructure** – Create the infrastructure that enables Hawaii’s creative and entrepreneurial talent to turn ideas into products and services.
- **Improving Hawaii’s Business Environment** – Lead public sector efforts to bring about a business environment that is market-driven, and rewards productivity and entrepreneurship.

MAJOR PROGRAM AREAS

The Department of Business, Economic Development and Tourism has programs in the following major program areas:

Economic Development

BED 100	Strategic Marketing & Support
BED 105	Creative Industries Division
BED 107	Foreign Trade Zone
BED 113	Tourism
BED 120	Environment & Energy Development
BED 128	Office of Aerospace
BED 142	General Support for Economic Development
BED 143	High Technology Development Corporation
BED 145	Hawaii Strategic Development Corporation
BED 146	Natural Energy Laboratory of Hawaii Authority
BED 150	Hawaii Community Development Authority
BED 160	Hawaii Housing Finance and Development Corporation

Government-Wide Support

BED 103	Statewide Land Use Management
BED 130	Economic Planning and Research
BED 144	Statewide Planning and Coordination

**Department of Business, Economic Development and Tourism
Operating Budget**

			Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:	Positions	Perm	79.50	79.50	-	11.00	79.50	90.50
		Temp	4.75	4.75	-	2.00	4.75	6.75
General Funds		\$	9,074,894	8,411,939	-	15,774,353	9,074,894	24,186,292
		Perm	28.50	28.50	-	-	28.50	28.50
		Temp	85.75	85.25	-	-	85.75	85.25
Special Funds		\$	162,959,591	162,604,591	-	51,500,000	162,959,591	214,104,591
		Perm	5.00	5.00	-	-	5.00	5.00
		Temp	6.00	6.00	-	-	6.00	6.00
Federal Funds		\$	7,513,559	7,100,000	-	-	7,513,559	7,100,000
		Perm	-	-	-	-	-	-
		Temp	8.25	8.00	-	-	8.25	8.00
Other Federal Funds		\$	24,915,950	25,162,445	-	8,490,615	24,915,950	33,653,060
		Perm	-	-	-	-	-	-
		Temp	-	-	-	-	-	-
Trust Funds		\$	21,923,698	21,923,698	-	-	21,923,698	21,923,698
		Perm	33.00	33.00	-	-	33.00	33.00
		Temp	46.00	46.00	-	-	46.00	46.00
Revolving Funds		\$	17,572,468	17,572,468	-	6,244,481	17,572,468	23,816,949
		Perm	-	-	-	-	-	-
		Temp	0.50	-	-	-	0.50	-
Federal Stimulus Funds		\$	151,535	-	-	-	151,535	-
		Perm	146.00	146.00	-	11.00	146.00	157.00
		Temp	151.25	150.00	-	2.00	151.25	152.00
Total Requirements		\$	244,111,695	242,775,141	-	82,009,449	244,111,695	324,784,590

Comments: (general funds and FY 15 unless otherwise noted)

1. Adds \$50,000,000 in special funds for Environment and Energy Development for green energy market securitization.
2. Adds \$13,168,350 in other federal funds for the Hawaii Strategic Development Corporation for the Small Business Credit Initiative.
3. Adds \$7,000,000 for the High Technology Development Corporation for the High Technology Transfer Bridge to Manufacturing.
4. Adds \$6,000,000 for the Hawaii Strategic Development Corporation's HI Growth Initiative.
5. Adds \$2,000,000 in federal funds for Environment and Energy Development.
6. Adds \$394,000 for the Taipei and Beijing overseas offices.
7. Adds 8.00 positions and \$237,692 in various programs including General Support for Economic Development, Statewide Planning & Coordination, Office of Aerospace, Statewide Land Use Management and Economic Planning & Research.
8. Restores 5.00 positions and \$125,572 in various programs including General Support for Economic Development, High Technology Development Corporation and the Creative Industries Division.

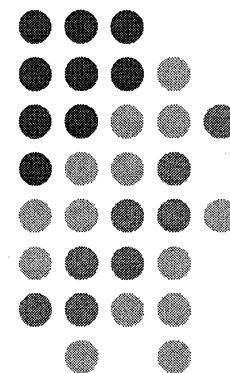
**Department of Business, Economic Development and Tourism
Capital Improvements Budget**

	Act 134/2013 FY 2014	Act 134/2013 FY 2015	FY 2014 Adjustments	FY 2015 Adjustments	Total FY 2014	Total FY 2015
Funding Sources:						
General Funds	-	-	-	-	-	-
General Obligation Bonds	28,382,000	16,055,000	-	53,767,000	28,382,000	69,822,000
Reimbursable G.O. Bonds	3,000,000	-	-	-	3,000,000	-
Federal Funds	-	-	-	-	-	-
Total Requirements	31,382,000	16,055,000	-	53,767,000	31,382,000	69,822,000

Comments on Dept CIP Budget Request: (general obligation bonds and FY 15 unless otherwise noted)

1. Adds \$22,000,000 for construction of the High Technology Development Corporation Technology Center.
2. Adds \$7,000,000 to update the Kalaeloa Enterprise Energy Corridor.
3. Adds \$5,000,000 for a Complete Street in Kakaako.
4. Adds \$5,000,000 for the Rental Housing Trust Fund.
5. Adds \$3,635,000 for the Natural Energy Lab of Hawaii Authority (NELHA) potable water well.
6. Adds \$7,832,000 for the Low Income Housing tax credit loans.

Operating Budget Details



**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

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PROGRAM ID: **BED-**
PROGRAM STRUCTURE NO: **01**
PROGRAM TITLE: **ECONOMIC DEVELOPMENT**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	108.00*	*	108.00*	108.00*	7.00*	115.00*	*	*	*
PERSONAL SERVICES	20,746,493		20,746,493	20,632,115	642,803	21,274,918	41,378,608	42,021,411	
OTH CURRENT EXPENSES	215,898,899		215,898,899	215,050,982	80,341,033	295,392,015	430,949,881	511,290,914	
EQUIPMENT					128,400	128,400		128,400	
MOTOR VEHICLES	35,000		35,000	35,000		35,000	70,000	70,000	
TOTAL OPERATING COST	236,680,392		236,680,392	235,718,097	81,112,236	316,830,333	472,398,489	553,510,725	17.17
BY MEANS OF FINANCING									
GENERAL FUND	46.50*	*	46.50*	46.50*	7.00*	53.50*	*	*	*
	6,407,150		6,407,150	5,704,895	14,877,140	20,582,035	12,112,045	26,989,185	
SPECIAL FUND	28.50*	*	28.50*	28.50*	*	28.50*	*	*	*
	162,959,591		162,959,591	162,604,591	51,500,000	214,104,591	325,564,182	377,064,182	
FEDERAL FUNDS	*	*	*	*	*	*	*	*	*
	4,750,000		4,750,000	4,750,000		4,750,000	9,500,000	9,500,000	
OTHER FEDERAL FUN	*	*	*	*	*	*	*	*	*
TRUST FUNDS	24,915,950		24,915,950	25,162,445	8,490,615	33,653,060	50,078,395	58,569,010	
	21,923,698		21,923,698	21,923,698		21,923,698	43,847,396	43,847,396	
FEDERAL STIMULUS	*	*	*	*	*	*	*	*	*
	151,535		151,535				151,535	151,535	
REVOLVING FUND	33.00*	*	33.00*	33.00*	*	33.00*	*	*	*
	15,572,468		15,572,468	15,572,468	6,244,481	21,816,949	31,144,936	37,389,417	
CAPITAL INVESTMENT									
PLANS	2,135,000		2,135,000	1,855,000	1,079,000	2,934,000	3,990,000	5,069,000	
LAND ACQUISITION					1,000	1,000		1,000	
DESIGN	1,805,000	20,000-	1,785,000		1,988,000	1,988,000	1,805,000	3,773,000	
CONSTRUCTION	27,442,000	20,000	27,462,000	14,200,000	49,848,000	64,048,000	41,642,000	91,510,000	
EQUIPMENT					851,000	851,000		851,000	
TOTAL CAPITAL COSTS	31,382,000		31,382,000	16,055,000	53,767,000	69,822,000	47,437,000	101,204,000	113.34
BY MEANS OF FINANCING									
G.O. BONDS	28,382,000		28,382,000	16,055,000	53,767,000	69,822,000	44,437,000	98,204,000	
G.O. BONDS REPAID	3,000,000		3,000,000				3,000,000	3,000,000	
TOTAL POSITIONS	108.00*	*	108.00*	108.00*	7.00*	115.00*			
TOTAL PROGRAM COST	268,062,392		268,062,392	251,773,097	134,879,236	386,652,333	519,835,489	654,714,725	25.95

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

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PROGRAM ID: **BED-**
PROGRAM STRUCTURE NO: **0101**
PROGRAM TITLE: **BUSINESS DEVELOPMENT**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	62.00*	*	62.00*	62.00*	7.00*	69.00*	*	*	*
PERSONAL SERVICES	4,065,879		4,065,879	4,101,501	160,780	4,262,281	8,167,380	8,328,160	
OTH CURRENT EXPENSES	5,093,112		5,093,112	4,651,730	1,510,000	6,161,730	9,744,842	11,254,842	
TOTAL OPERATING COST	9,158,991		9,158,991	8,753,231	1,670,780	10,424,011	17,912,222	19,583,002	9.33
BY MEANS OF FINANCING									
GENERAL FUND	45.00*	*	45.00*	45.00*	7.00*	52.00*	*	*	*
	4,567,426		4,567,426	3,865,171	1,670,780	5,535,951	8,432,597	10,103,377	
	17.00*	*	17.00*	17.00*	*	17.00*	*	*	*
SPECIAL FUND	2,066,145		2,066,145	2,066,145		2,066,145	4,132,290	4,132,290	
OTHER FEDERAL FUN	703,505		703,505	1,000,000		1,000,000	1,703,505	1,703,505	
REVOLVING FUND	1,821,915		1,821,915	1,821,915		1,821,915	3,643,830	3,643,830	
CAPITAL INVESTMENT									
PLANS	280,000		280,000		775,000	775,000	280,000	1,055,000	
DESIGN	680,000	20,000-	660,000		55,000	55,000	680,000	715,000	
CONSTRUCTION	7,950,000	20,000	7,970,000		1,120,000	1,120,000	7,950,000	9,090,000	
EQUIPMENT					850,000	850,000		850,000	
TOTAL CAPITAL COSTS	8,910,000		8,910,000		2,800,000	2,800,000	8,910,000	11,710,000	31.43
BY MEANS OF FINANCING									
G.O. BONDS	5,910,000		5,910,000		2,800,000	2,800,000	5,910,000	8,710,000	
G.O. BONDS REPAID	3,000,000		3,000,000				3,000,000	3,000,000	
TOTAL POSITIONS	62.00*	*	62.00*	62.00*	7.00*	69.00*			
TOTAL PROGRAM COST	18,068,991		18,068,991	8,753,231	4,470,780	13,224,011	26,822,222	31,293,002	16.67

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

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PROGRAM ID: **BED-100**
 PROGRAM STRUCTURE NO: **010101**
 PROGRAM TITLE: **STRATEGIC MARKETING & SUPPORT**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	10.00*	*	10.00*	10.00*	*	10.00*	*	*	*
PERSONAL SERVICES	679,662		679,662	679,662		679,662	1,359,324	1,359,324	
OTH CURRENT EXPENSES	3,093,692		3,093,692	3,329,310	1,044,000	4,373,310	6,423,002	7,467,002	
TOTAL OPERATING COST	3,773,354		3,773,354	4,008,972	1,044,000	5,052,972	7,782,326	8,826,326	13.42
BY MEANS OF FINANCING									
GENERAL FUND	10.00*	*	10.00*	10.00*	*	10.00*	*	*	*
GENERAL FUND	1,247,934		1,247,934	1,187,057	1,044,000	2,231,057	2,434,991	3,478,991	
OTHER FEDERAL FUN	703,505	*	703,505	1,000,000	*	1,000,000	1,703,505	1,703,505	
REVOLVING FUND	1,821,915		1,821,915	1,821,915		1,821,915	3,643,830	3,643,830	
TOTAL POSITIONS	10.00*	*	10.00*	10.00*	*	10.00*			
TOTAL PROGRAM COST	3,773,354		3,773,354	4,008,972	1,044,000	5,052,972	7,782,326	8,826,326	13.42

Narrative for Supplemental Budget Requests
FY 15

Program ID: BED 100
Program Structure Level: 01 01 01
Program Title: Business Development & Support Division

A. Program Objective

To promote industry development and economic diversification by supporting 1) Existing and emerging industries through the attraction of new investment, increases in exports of Hawaii products and services, and expansion of Hawaii's participation in global trade and commerce; and 2) New and existing businesses through business advocacy and planning and coordination of programs and projects aimed at specific business sectors or economically-distressed areas, including rural areas and areas affected by natural disasters.

B. Description of Request

1. Provide operating and program funds of \$394,000 in general funds to the Taiwan and Beijing Offices.
2. Increase general funds by \$150,000 for International Student Attraction Initiative.
3. Provide \$500,000 in general funds to work with the US Embassy in Beijing and strategic consulates in China to develop protocols to expedite the processing of visas to Hawaii. Provide resources to implement the process at the Embassy and consulates; market to travel wholesalers/package agents and education recruitment agents this specialized service which provides Hawaii with a competitive advantage over other destinations.

C. Reasons for Request

1. DBEDT needs to restore funds to the Taiwan and Beijing offices so that it can adequately operate and undertake marketing and promotional projects.
2. Organize and mobilize private and public efforts to coordinate the attraction of international students to study at Hawaii's colleges and universities.
3. China is one of the fastest growing and highest spending markets to Hawaii's tourism economy and a potential source from which to increase the attraction of international students. Providing a means to facilitate and expedite the visa application and interview process for travel to Hawaii will give the state a competitive edge over other destinations.

D. Significant Changes to Measures of Effectiveness and Program Size

Will increase exports (attraction of international students) by \$7 million.

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

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PROGRAM ID: **BED-105**
PROGRAM STRUCTURE NO: **010102**
PROGRAM TITLE: **CREATIVE INDUSTRIES DIVISION**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	11.00*	*	11.00*	11.00*	2.00*	13.00*	*	*	*
PERSONAL SERVICES	680,937		680,937	693,771	68,000	761,771	1,374,708	1,442,708	
OTH CURRENT EXPENSES	971,298		971,298	294,298	450,000	744,298	1,265,596	1,715,596	
TOTAL OPERATING COST	1,652,235		1,652,235	988,069	518,000	1,506,069	2,640,304	3,158,304	19.62
BY MEANS OF FINANCING									
GENERAL FUND	11.00*	*	11.00*	11.00*	2.00*	13.00*	*	*	*
	1,652,235		1,652,235	988,069	518,000	1,506,069	2,640,304	3,158,304	
CAPITAL INVESTMENT									
PLANS	250,000		250,000		750,000	750,000	250,000	1,000,000	
DESIGN	460,000	20,000-	440,000				460,000	440,000	
CONSTRUCTION	3,000,000	20,000	3,020,000				3,000,000	3,020,000	
TOTAL CAPITAL COSTS	3,710,000		3,710,000		750,000	750,000	3,710,000	4,460,000	20.22
BY MEANS OF FINANCING									
G.O. BONDS	3,710,000		3,710,000		750,000	750,000	3,710,000	4,460,000	
TOTAL POSITIONS	11.00*	*	11.00*	11.00*	2.00*	13.00*			
TOTAL PROGRAM COST	5,362,235		5,362,235	988,069	1,268,000	2,256,069	6,350,304	7,618,304	19.97

Narrative for Supplemental Budget Requests
FY 15

Program ID: BED 105
Program Structure Level: 01 01 02
Program Title: Creative Industries Division

A. Program Objective

To accelerate the growth of Hawaii's film, television, video, digital media, technology, music, arts, and culture based industries through program oversight and strategic partnerships.

B. Description of Request

1. \$200,000 of general funds for the Creative Lab Accelerator Program; U.S. EDA matching funds request;
2. \$250,000 of general funds to fund Hawaii Film Office and Studio repair and maintenance;
3. \$27,750 of general funds to establish and fund EDSVI; New Media Development;
4. \$20,250 of general funds to establish and fund FIDSIV: Film Office Tax Incentive / permitting support;
5. \$20,000 of general funds to fund intern position to support new media initiatives;
6. \$750,000 of general obligation bond funds to fund Phase II of planning and design of a new Creative Media/Film Studio Campus;

C. Reasons for Request

To provide base funding for the State's key creative industries initiatives focused on advancing entrepreneurship and small business creation in the creative / technology sectors. These key initiatives include:

1. The Creative Lab accelerator
2. Phase II of Creative Media/Film Studio Campus
3. The EDSVI position to focus on new media development

All of which are integral to DBEDT's HI Growth initiative and strengthening Hawaii's innovation ecosystem. Restoration of staffing and funding is critical to support Act 88/89 and the expansion of HRS 235-17 / Hawaii Film and Digital Media Tax Credit Program passed last session. The office currently operates at capacity and requires additional staffing, plus base costs for ongoing repair and maintenance of the State's film facility in order to completely service and fulfill the statutory mandates passed by Legislature. The division lost 6 positions in the RIF of 2009, including all secretarial support. The request for a paid intern position will help the division's multi-sector programs and provide opportunities for college students interested in expanding their knowledge of Hawaii's business programs related to the film, arts, culture, new media, literary and music industry sectors.

Narrative for Supplemental Budget Requests
FY 15

Program ID: BED 105
Program Structure Level: 01 01 02
Program Title: Creative Industries Division

D. Significant Changes to Measures of Effectiveness and Program Size

Creative Industries tracks jobs, cluster size, employment data, including entrepreneurial growth of the 13 clusters which comprise Hawaii's creative economy, including film production revenues, impacts of tax incentives and job generation related to these incentives. Measures of effectiveness include business generation resulting from CID programs, job creation and revenues generated through export of creative products, services and activity of the knowledge based industry clusters. Program supports multi-cluster business development activities, statutory oversight for film permitting and tax incentives, and management of the Hawaii Film Studio. CID staffing was reduced by 50% in 2009. By adding the Office Assistant III (funded in 2013 session) and the additional Film Industry Development Specialist IV (FY15 request), the increased capacity will provide the minimum base support necessary to service the increase in production as a result of the passage of Act 89.

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

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PROGRAM ID: **BED-107**
PROGRAM STRUCTURE NO: **010103**
PROGRAM TITLE: **FOREIGN TRADE ZONE**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	17.00*	*	17.00*	17.00*	*	17.00*	*	*	*
PERSONAL SERVICES	1,164,693		1,164,693	1,164,693		1,164,693	2,329,386	2,329,386	
OTH CURRENT EXPENSES	901,452		901,452	901,452		901,452	1,802,904	1,802,904	
TOTAL OPERATING COST	2,066,145		2,066,145	2,066,145		2,066,145	4,132,290	4,132,290	
BY MEANS OF FINANCING									
SPECIAL FUND	17.00*	*	17.00*	17.00*	*	17.00*	*	*	*
	2,066,145		2,066,145	2,066,145		2,066,145	4,132,290	4,132,290	
CAPITAL INVESTMENT									
PLANS	30,000		30,000		25,000	25,000	30,000	55,000	
DESIGN	220,000		220,000		55,000	55,000	220,000	275,000	
CONSTRUCTION	4,950,000		4,950,000		1,120,000	1,120,000	4,950,000	6,070,000	
EQUIPMENT					850,000	850,000		850,000	
TOTAL CAPITAL COSTS	5,200,000		5,200,000		2,050,000	2,050,000	5,200,000	7,250,000	39.42
BY MEANS OF FINANCING									
G.O. BONDS	2,200,000		2,200,000		2,050,000	2,050,000	2,200,000	4,250,000	
G.O. BONDS REPAYED	3,000,000		3,000,000				3,000,000	3,000,000	
TOTAL POSITIONS	17.00*	*	17.00*	17.00*	*	17.00*			
TOTAL PROGRAM COST	7,266,145		7,266,145	2,066,145	2,050,000	4,116,145	9,332,290	11,382,290	21.97

Narrative for Supplemental Budget Requests
FY 15

Program ID: BED 107
Program Structure Level: 01 01 03
Program Title: Foreign-Trade Zone

A. Program Objective

To encourage manufacturing and value-added activities in Hawaii, increase the export competitiveness of Hawaii companies, incubate and support small businesses engaged in importing and exporting activities, and attract new investment and job opportunities by operating a statewide foreign-trade zone program that reduces the barriers and costs associated with international trade.

B. Description of Request

1. The request reflects \$850,000 of general obligation bond funds for plans, design, and construction to retrofit and install a new ADA and code compliant elevator in the original office area the Foreign-Trade Zone.
2. The request reflects a \$1.2M of general obligation bond funds for plans, design, and construction to bring the restrooms up to ADA compliance and to bring other portions of the facility exterior in line with other Pier 2 harbor area improvements.

C. Reasons for Request

The existing elevator is original to the facility which was constructed in 1954 prior to the Americans with Disabilities Act (ADA) codes and requirements. Although some mechanicals have been updated, the component parts are becoming harder to replace due to the model being obsolete. The FTZ has been experiencing an increase in the number of

elevator service calls and repair costs and longer down times due to replacement parts needing to be located and flown in from the mainland. These down times have been as long as two weeks. This is the only elevator that services the older portion of the facility and extended outages creates difficulties for those with disabilities who wish to access the second floor. Also, vendors with hand trucks have refused to make deliveries to second floor tenants when there was no elevator service.

The building was constructed in 1954 and the restrooms and other parts of the building's original office section have had little or no updates. The restrooms were installed prior to the Americans with Disabilities Act (ADA), and although some retrofits have been made, these restrooms require extensive renovations to fully meet current code and accommodate those with disabilities. Further, although the FTZ has performed maintenance on the Pier 2 facility, the building's exterior paint is faded; the paint is beginning to peel and cracks are becoming noticeable in the exterior cement façade due to the intense sun and salt air present in the harbor area. The under eaves are rusting and birds have made nests. Due to the age of the facility, there is the likelihood that the existing paint contains lead which would need to be abated prior to any patching and painting. In addition, FTZ was notified by DOT Harbors that the Pier 2 Terminal will become the primary Honolulu cruise ship berth in 2014 as Piers 10 and 11 - Aloha Tower - transition to dormitories for Hawaii Pacific University. This means additional ships will be docking at Pier 2 and an increased number of tourists will be

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FY 15

Program ID: BED 107
Program Structure Level: 01 01 03
Program Title: Foreign-Trade Zone

disembarking and transiting through the area. The FTZ also expects to complete its International Trade Resource Center project in 2014 which will include 40 additional offices, shared work space, and a conference facility at the mauka end of the building. This means additional people will be visiting the FTZ's Pier 2 location. The FTZ is requesting the funds to bring the Pier 2 facility in line with other recent harbor area improvements.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

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PROGRAM ID: **BED-142**
 PROGRAM STRUCTURE NO: **010104**
 PROGRAM TITLE: **GENERAL SUPPORT FOR ECONOMIC DEVELOPMENT**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	24.00*	*	24.00*	24.00*	5.00*	29.00*	*	*	*
PERSONAL SERVICES	1,540,587		1,540,587	1,563,375	92,780	1,656,155	3,103,962	3,196,742	
OTH CURRENT EXPENSES	126,670		126,670	126,670	16,000	142,670	253,340	269,340	
TOTAL OPERATING COST	1,667,257		1,667,257	1,690,045	108,780	1,798,825	3,357,302	3,466,082	3.24
BY MEANS OF FINANCING									
GENERAL FUND	24.00*	*	24.00*	24.00*	5.00*	29.00*	*	*	*
	1,667,257		1,667,257	1,690,045	108,780	1,798,825	3,357,302	3,466,082	
CAPITAL INVESTMENT									
TOTAL CAPITAL COSTS									
BY MEANS OF FINANCING									
TOTAL POSITIONS	24.00*	*	24.00*	24.00*	5.00*	29.00*			
TOTAL PROGRAM COST	1,667,257		1,667,257	1,690,045	108,780	1,798,825	3,357,302	3,466,082	3.24

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Program ID: BED 142
Program Structure Level: 01 01 04
Program Title: General Support for Economic Development

A. Program Objective

To enhance the effectiveness and efficiency of economic development programs by formulating policies and plans, directing operations, allocating resources, providing staff support and other administrative services, and informing the public about programs, services, projects, and activities.

B. Description of Request

1. Request (1.00) Account Clerk III position and general funds of \$15,606
2. Request (1.00) Information Technology Specialist IV position and general funds of \$25,656
3. Request (1.00) Contract Assistant I position and general funds of \$15,606
4. Request (1.00) Personnel Management Specialist IV position and general funds of \$21,912
5. Request additional operating general funds of \$16,000 for the Small Business Regulatory Review Board operations.
6. Request (1.00) Office Assistant III position and general funds of \$14,000

C. Reasons for Request

1. Request to restore (1.00) permanent full time Account Clerk III position and funds which was one of three positions abolished during the RIF to perform department wide accounting functions.

2. The primary responsibility for this position would be to work on the integration of other operating systems into the department's existing network such as the Mac OS-X, iOS, and others into the Microsoft Windows based network. Ongoing responsibilities would be to support department staff with these new systems and software.
3. Position was moved from ASO to the Strategic Industries Branch in 2010. This position is critical in the ASO/Contracts office as it is responsible for maintaining records of all current contracts and procurements; recording and archiving files pursuant to the statutory retention guidelines, assisting with the posting of procurements, maintaining logs of DBEDT contracts, maintaining records of all procurements.
4. Request the restoration of the Personnel Management Specialist IV position to carry out DBEDT's mission to achieve an economy that embraces innovation and is globally competitive, dynamic and productive, providing opportunities for all of Hawaii's citizens to prosper.
5. Additional operating funds are needed to support the SBRRB.
6. An Office Assistant III is needed to provide clerical / administrative assistance for SBRRB to help meet objectives to improve upon HI's small business regulatory environment.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

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PROGRAM ID: **BED-113**
PROGRAM STRUCTURE NO: **0102**
PROGRAM TITLE: **TOURISM**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	5.00*	*	5.00*	5.00*	*	5.00*	*	*	*
PERSONAL SERVICES	3,453,319		3,453,319	3,453,319	175,663	3,628,982	6,906,638	7,082,301	
OTH CURRENT EXPENSES	137,708,979		137,708,979	137,708,979	175,663-	137,533,316	275,417,958	275,242,295	
TOTAL OPERATING COST	141,162,298		141,162,298	141,162,298		141,162,298	282,324,596	282,324,596	
BY MEANS OF FINANCING									
SPECIAL FUND	5.00*	*	5.00*	5.00*	*	5.00*	*	*	*
	141,162,298		141,162,298	141,162,298		141,162,298	282,324,596	282,324,596	
TOTAL POSITIONS	5.00*	*	5.00*	5.00*	*	5.00*			
TOTAL PROGRAM COST	141,162,298		141,162,298	141,162,298		141,162,298	282,324,596	282,324,596	

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Program ID: BED 113
Program Structure Level: 01 02
Program Title: Tourism

A. Program Objective

To sustain the economic health of the visitor industry to the extent that such economic health is compatible with providing an optimum of satisfaction and high quality service to visitors, protecting the natural beauty of Hawaii, and preserving and enriching the understanding by (visitors and residents alike) of our native Hawaiian heritage.

B. Description of Request

The request includes re-describing three employee positions and a reallocation of special funds from other current expense to personal services.

C. Reasons for Request

To accurately reflect position and salary information in the BJ/BT tables.

D. Significant Changes to Measures of Effectiveness and Program Size

Adding the following measures of effectiveness:

1. Visitor experience
2. Resident quality of life
3. Return on investment

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PROGRAM ID: **BED-**
PROGRAM STRUCTURE NO: **0105**
PROGRAM TITLE: **TECHNOLOGY**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	8.00*	*	8.00*	8.00*	*	8.00*	*	*	*
PERSONAL SERVICES	7,561,401		7,561,401	7,411,401	246,360	7,657,761	14,972,802	15,219,162	
OTH CURRENT EXPENSES	38,391,229		38,391,229	37,984,694	85,468,350	123,453,044	76,375,923	161,844,273	
MOTOR VEHICLES	35,000		35,000	35,000		35,000	70,000	70,000	
TOTAL OPERATING COST	45,987,630		45,987,630	45,431,095	85,714,710	131,145,805	91,418,725	177,133,435	93.76
BY MEANS OF FINANCING									
GENERAL FUND	1,030,588		1,030,588	1,030,588	13,046,360	14,076,948	2,061,176	15,107,536	
SPECIAL FUND	19,731,148		19,731,148	19,376,148	51,500,000	70,876,148	39,107,296	90,607,296	
FEDERAL FUNDS	1,750,000		1,750,000	1,750,000		1,750,000	3,500,000	3,500,000	
OTHER FEDERAL FUN	17,534,710		17,534,710	17,484,710	15,168,350	32,653,060	35,019,420	50,187,770	
FEDERAL STIMULUS	151,535		151,535				151,535	151,535	
REVOLVING FUND	5,789,649		5,789,649	5,789,649	6,000,000	11,789,649	11,579,298	17,579,298	
CAPITAL INVESTMENT									
PLANS					2,000	2,000		2,000	
LAND ACQUISITION					1,000	1,000		1,000	
DESIGN	75,000		75,000		634,000	634,000	75,000	709,000	
CONSTRUCTION	11,942,000		11,942,000		24,997,000	24,997,000	11,942,000	36,939,000	
EQUIPMENT					1,000	1,000		1,000	
TOTAL CAPITAL COSTS	12,017,000		12,017,000		25,635,000	25,635,000	12,017,000	37,652,000	213.32
BY MEANS OF FINANCING									
G.O. BONDS	12,017,000		12,017,000		25,635,000	25,635,000	12,017,000	37,652,000	
TOTAL POSITIONS	8.00*	*	8.00*	8.00*	*	8.00*			
TOTAL PROGRAM COST	58,004,630		58,004,630	45,431,095	111,349,710	156,780,805	103,435,725	214,785,435	107.65

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PROGRAM ID: **BED-120**
PROGRAM STRUCTURE NO: **010501**
PROGRAM TITLE: **ENVIRONMENT AND ENERGY DEVELOPMENT**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	5.00*	*	5.00*	5.00*	*	5.00*	*	*	*
PERSONAL SERVICES	3,799,525		3,799,525	3,649,525		3,649,525	7,449,050	7,449,050	
OTH CURRENT EXPENSES	5,341,315		5,341,315	4,934,780	53,500,000	58,434,780	10,276,095	63,776,095	
TOTAL OPERATING COST	9,140,840		9,140,840	8,584,305	53,500,000	62,084,305	17,725,145	71,225,145	301.83
BY MEANS OF FINANCING									
	*	*	*	*	*	*	*	*	*
SPECIAL FUND	5.00*	*	5.00*	5.00*	*	5.00*	*	*	*
	5,694,305		5,694,305	5,339,305	51,500,000	56,839,305	11,033,610	62,533,610	
FEDERAL FUNDS	1,750,000		1,750,000	1,750,000		1,750,000	3,500,000	3,500,000	
OTHER FEDERAL FUN	1,545,000		1,545,000	1,495,000	2,000,000	3,495,000	3,040,000	5,040,000	
FEDERAL STIMULUS	151,535		151,535				151,535	151,535	
TOTAL POSITIONS	5.00*	*	5.00*	5.00*	*	5.00*			
TOTAL PROGRAM COST	9,140,840		9,140,840	8,584,305	53,500,000	62,084,305	17,725,145	71,225,145	301.83

Narrative for Supplemental Budget Requests
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Program ID: BED 120
Program Structure Level: 01 05 01
Program Title: Environment & Energy Development

A. Program Objective

To achieve the growth, diversification, and long-term stability of the State's economy by facilitating the sustained development of Hawaii industries centered on energy, environmental, ocean, and recyclable resource-based products and services.

B. Description of Request

1. GEMS: Increase of \$50,000,000 of special funds
2. Increase Federal Funds: \$2,000,000 of other federal funds
3. Technical Assistance – Advancement of Renewable Energy: \$475,000 of special funds
4. Energy Innovation: \$500,000 of special funds
5. Technical Assistance – Integrated Energy Ecosystem: \$250,000 of special funds
6. Technical Assistance – Self-Help Tools: \$75,000 of special funds
7. Technical Assistance – Energy Efficiency: \$200,000 of special funds

C. Reasons for Request

1. Increase Hawaii Green Infrastructure Special Fund ceiling to be aligned with the revenue from the issuance of the Green Infrastructure Bonds.
2. Increase federal funds appropriation ceiling for recurring and anticipated awards.
3. 3 through 7. Increase Energy Security Special Fund ceiling to maximize the deployment of cost effective investments in clean energy production and management for the purpose of promoting Hawaii's energy security.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

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PROGRAM ID: **BED-143**
 PROGRAM STRUCTURE NO: **010502**
 PROGRAM TITLE: **HIGH TECHNOLOGY DEVELOPMENT CORPORATION**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	3.00*	*	3.00*	3.00*	*	3.00*	*	*	*
PERSONAL SERVICES	1,711,732		1,711,732	1,711,732	46,360	1,758,092	3,423,464	3,469,824	
OTH CURRENT EXPENSES	20,563,976		20,563,976	20,563,976	7,000,000	27,563,976	41,127,952	48,127,952	
TOTAL OPERATING COST	22,275,708		22,275,708	22,275,708	7,046,360	29,322,068	44,551,416	51,597,776	15.82
BY MEANS OF FINANCING									
GENERAL FUND	1.50*	*	1.50*	1.50*	*	1.50*	*	*	*
	1,030,588		1,030,588	1,030,588	7,046,360	8,076,948	2,061,176	9,107,536	
SPECIAL FUND	1.50*	*	1.50*	1.50*	*	1.50*	*	*	*
	3,755,410		3,755,410	3,755,410		3,755,410	7,510,820	7,510,820	
OTHER FEDERAL FUN REVOLVING FUND	15,989,710	*	15,989,710	15,989,710		15,989,710	31,979,420	31,979,420	
	1,500,000		1,500,000	1,500,000		1,500,000	3,000,000	3,000,000	
CAPITAL INVESTMENT PLANS DESIGN CONSTRUCTION EQUIPMENT					1,000	1,000		1,000	
					1,000	1,000		1,000	
					21,997,000	21,997,000		21,997,000	
					1,000	1,000		1,000	
TOTAL CAPITAL COSTS					22,000,000	22,000,000		22,000,000	100.00
BY MEANS OF FINANCING G.O. BONDS					22,000,000	22,000,000		22,000,000	
TOTAL POSITIONS	3.00*	*	3.00*	3.00*	*	3.00*			
TOTAL PROGRAM COST	22,275,708		22,275,708	22,275,708	29,046,360	51,322,068	44,551,416	73,597,776	65.20

Narrative for Supplemental Budget Requests
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Program ID: BED 143
Program Structure Level: 01 05 02
Program Title: High Technology Development Corporation

A. Program Objective

To develop and promote Hawaii's science and technology assets and niches; implement programs to support the attraction, expansion, and retention of technology companies; support firms engaged in technology research, investment, and projects that support national and State interests through utilization of facilities and infrastructure in Hawaii to foster commercial development; and promote and provide support for businesses involved in information technology, marine biotechnology, medical/healthcare technology and earth/ocean/space science ventures.

B. Description of Request

1. Restoration of the general funded portion (50%) of position #102275 and funding of \$15,000
2. Restoration of the general funded portion (50%) of position #102460 and funding of \$31,360
3. \$7 million of general funds for High Tech Transfer Bridge to Manufacturing request to expand the Hawaii Small Business Innovation Research grant program to include matching grants for Phase II and Phase III awards
4. \$22 million of general obligation bond funds requested for the plans, design, construction and equipment for a permanent tech center to replace the Manoa Innovation Center

C. Reasons for Request

1. The position was funded 50-50% by the general fund and special fund. The general fund portion of the position was eliminated by the Legislature during the 2013 session due to fiscal constraints. It is not programmatically effective to fill only the remaining special funded portion with part-time employees. The restoration of the general funded portion of the positions will provide HTDC with the ability to fill the position with the needed full time staff.
2. Similar to C1 except funding for this position was additionally reduced in the 2011 Legislative session. This request restores the full amount for the general funded portion of the position.
3. Hawaii companies have been nationally competitive in securing SBIR phase I and phase II grants due in large part to the existing Hawaii SBIR matching grant program. However, they are falling short of the program goal of selling commercial product due to lack of available follow-on funding to 1) manufacture prototypes that can be used in demonstrations and 2) explore potential markets, partners, and distributors abroad. This request is to expand the supplemental grant assistance for the SBIR program to fill a critical gap in funding and move technology towards commercialization.
4. CIP request to construct a tech center to replace the Manoa Innovation Center. The land lease with the University of Hawaii expires in April 2015. The tech center is part of the redevelopment efforts in Kakaako, including the University of Hawaii and HCDA.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

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PROGRAM ID: **BED-145**
 PROGRAM STRUCTURE NO: **010503**
 PROGRAM TITLE: **HAWAII STRATEGIC DEVELOPMENT CORPORATION**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	*	*	*	*	*	*	*	*	*
PERSONAL SERVICES	217,799		217,799	217,799	200,000	417,799	435,598	635,598	
OTH CURRENT EXPENSES	6,680,366		6,680,366	6,680,366	24,968,350	31,648,716	13,360,732	38,329,082	
TOTAL OPERATING COST	6,898,165		6,898,165	6,898,165	25,168,350	32,066,515	13,796,330	38,964,680	182.43
BY MEANS OF FINANCING									
GENERAL FUND					6,000,000	6,000,000		6,000,000	
SPECIAL FUND	2,608,516		2,608,516	2,608,516		2,608,516	5,217,032	5,217,032	
OTHER FEDERAL FUN	*	*	*	*		*	*	*	*
REVOLVING FUND	4,289,649		4,289,649	4,289,649	6,000,000	10,289,649	8,579,298	14,579,298	
TOTAL POSITIONS	*	*	*	*	*	*			
TOTAL PROGRAM COST	6,898,165		6,898,165	6,898,165	25,168,350	32,066,515	13,796,330	38,964,680	182.43

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FY 15

Program ID: BED 145
Program Structure Level: 01 05 03
Program Title: Hawaii Strategic Development Corporation

A. Program Objective

To create funding mechanisms for investment in emerging technology companies by developing networks to organize public and private sources of capital and grow the infrastructure development support for venture capital.

B. Description of Request

Hawaii Strategic Development Corporation (HSDC) is requesting \$6M, as a General Fund Infusion into its Revolving Fund, to complete funding for the HI Growth Initiative.

HSDC is also requesting a federal fund appropriation increase of \$13,168,350 for the Small Business Credit Initiative.

C. Reasons for Request

The HI Growth Initiative was appropriated \$6M for FY 14 of the original \$20M request for the Biennium. Since launching, the HI Growth Initiative has been recognized nationally, including by the National Governors Association in its report on the top trends in economic development, the National Academies, CNN Money, and by the SBA.

HSDC has been able to commit to two new investment funds, launch a program to support entrepreneur/investor networking events, support a study on Hawaii's Innovation Economy and engage in discussion for three

new accelerator programs, including one focused on research commercialization. All these efforts are being matched by co-investors.

Further, improving economic conditions have encouraged investors to consider new investment commitments and companies are finding market opportunities for their products. Investors are participating alongside and in follow on investments supported by the HI Growth Initiative.

The requested funds will allow HSDC to sustain the successful launch of the HI Growth Initiative investment program over the next several years. HSDC maintains active discussions with investors and/or fund managers to establish new investment funds in Hawaii. Grass roots efforts to support entrepreneurial efforts are active across the state and the HI Growth Initiative is providing a platform to engage the community. New areas of investment interest will include clean technology, creative industries, healthcare and small business financing.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

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PROGRAM ID: **BED-146**
PROGRAM STRUCTURE NO: **010504**
PROGRAM TITLE: **NATURAL ENERGY LAB OF HAWAII AUTHORITY**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	*	*	*	*	*	*	*	*	*
PERSONAL SERVICES	1,832,345		1,832,345	1,832,345		1,832,345	3,664,690	3,664,690	
OTH CURRENT EXPENSES	5,805,572		5,805,572	5,805,572		5,805,572	11,611,144	11,611,144	
MOTOR VEHICLES	35,000		35,000	35,000		35,000	70,000	70,000	
TOTAL OPERATING COST	7,672,917		7,672,917	7,672,917		7,672,917	15,345,834	15,345,834	
BY MEANS OF FINANCING									
SPECIAL FUND	7,672,917		7,672,917	7,672,917		7,672,917	15,345,834	15,345,834	
CAPITAL INVESTMENT									
PLANS					1,000	1,000		1,000	
LAND ACQUISITION					1,000	1,000		1,000	
DESIGN	75,000		75,000		633,000	633,000	75,000	708,000	
CONSTRUCTION	11,942,000		11,942,000		3,000,000	3,000,000	11,942,000	14,942,000	
TOTAL CAPITAL COSTS	12,017,000		12,017,000		3,635,000	3,635,000	12,017,000	15,652,000	30.25
BY MEANS OF FINANCING									
G.O. BONDS	12,017,000		12,017,000		3,635,000	3,635,000	12,017,000	15,652,000	
TOTAL POSITIONS	*	*	*	*	*	*			
TOTAL PROGRAM COST	19,689,917		19,689,917	7,672,917	3,635,000	11,307,917	27,362,834	30,997,834	13.28

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Program ID: BED 146
Program Structure Level: 01 05 04
Program Title: Natural Energy Laboratory of Hawaii Authority

A. Program Objective

To promote sustainable business development and reasonable utilization of available natural resources such as cold deep seawater, warm surface seawater, and high solar insulation.

B. Description of Request

NELHA CIP: Potable Water Well Exploration Phase. \$3,635,000. General obligation bond funds to complete the exploration phase for potable water. This phase includes: well siting studies, such as hydrology and geophysical to locate a possible source; field investigations; environmental assessment; permitting; plans/specifications for the exploratory well; and, drilling, casing and testing of the exploratory well.

C. Reasons for Request

Potable water is a constraint for future development at the Hawaii Ocean Science and Technology Park (HOST Park). HOST Park was developed in two stages. The first stage was developed by the University of Hawaii/Research Corporation of the University of Hawaii (UH/RCUH) beginning in the early 80s and the second phase was developed by the High Technology Development Corporation (HTDC) beginning in the mid-80s. The UH phase received 400,000 gallons per day from the County Department of Water Supply. The HTDC never received water allocation from the County of Hawaii. When the two phases were combined in 1990 to form NELHA, as the agency exists today, the

potable water allocation issue was never addressed. NELHA has been relying on the original allocation from the early 80s and is currently exceeding its allocation by 30 percent.

D. Significant Changes to Measures of Effectiveness and Program Size

For planning purposes, based on a total of approximately 650 acres of leasable industrial zoned land and assuming a daily water demand ranging from 3,000 to 4,000 gallons per acre (2002 Water System Standards), the average maximum daily demand is estimated at approximately 2.5 million gallons per day (GPD). The current County allocation is 400,000 GPD with an additional 2.1 million GPD that is required. Additional water allocation from a full production well would provide an additional 1.0 million GPD for future HOST Park businesses to develop the remaining lands that are currently not leased.

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PROGRAM ID: **BED-**
PROGRAM STRUCTURE NO: **0107**
PROGRAM TITLE: **SPECIAL COMMUNITY DEVELOPMENT**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	2.00*	*	2.00*	2.00*	*	2.00*	*	*	*
PERSONAL SERVICES	436,818		436,818	436,818		436,818	873,636	873,636	
OTH CURRENT EXPENSES	650,000		650,000	650,000		650,000	1,300,000	1,300,000	
TOTAL OPERATING COST	1,086,818		1,086,818	1,086,818		1,086,818	2,173,636	2,173,636	
BY MEANS OF FINANCING									
REVOLVING FUND	2.00*	*	2.00*	2.00*	*	2.00*	*	*	*
	1,086,818		1,086,818	1,086,818		1,086,818	2,173,636	2,173,636	
CAPITAL INVESTMENT									
PLANS	1,855,000		1,855,000	1,855,000	302,000	2,157,000	3,710,000	4,012,000	
DESIGN	300,000		300,000		1,299,000	1,299,000	300,000	1,599,000	
CONSTRUCTION				700,000	10,899,000	11,599,000	700,000	11,599,000	
TOTAL CAPITAL COSTS	2,155,000		2,155,000	2,555,000	12,500,000	15,055,000	4,710,000	17,210,000	265.39
BY MEANS OF FINANCING									
G.O. BONDS	2,155,000		2,155,000	2,555,000	12,500,000	15,055,000	4,710,000	17,210,000	
TOTAL POSITIONS	2.00*	*	2.00*	2.00*	*	2.00*			
TOTAL PROGRAM COST	3,241,818		3,241,818	3,641,818	12,500,000	16,141,818	6,883,636	19,383,636	181.59

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PROGRAM ID: **BED-150**
 PROGRAM STRUCTURE NO: **010701**
 PROGRAM TITLE: **HAWAII COMMUNITY DEVELOPMENT AUTHORITY**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	2.00*	*	2.00*	2.00*	*	2.00*	*	*	*
PERSONAL SERVICES	436,818		436,818	436,818		436,818	873,636	873,636	
OTH CURRENT EXPENSES	650,000		650,000	650,000		650,000	1,300,000	1,300,000	
TOTAL OPERATING COST	1,086,818		1,086,818	1,086,818		1,086,818	2,173,636	2,173,636	
BY MEANS OF FINANCING									
REVOLVING FUND	2.00*	*	2.00*	2.00*	*	2.00*	*	*	*
	1,086,818		1,086,818	1,086,818		1,086,818	2,173,636	2,173,636	
CAPITAL INVESTMENT									
PLANS	1,855,000		1,855,000	1,855,000	302,000	2,157,000	3,710,000	4,012,000	
DESIGN	300,000		300,000		1,299,000	1,299,000	300,000	1,599,000	
CONSTRUCTION				700,000	10,899,000	11,599,000	700,000	11,599,000	
TOTAL CAPITAL COSTS	2,155,000		2,155,000	2,555,000	12,500,000	15,055,000	4,710,000	17,210,000	265.39
BY MEANS OF FINANCING									
G.O. BONDS	2,155,000		2,155,000	2,555,000	12,500,000	15,055,000	4,710,000	17,210,000	
TOTAL POSITIONS	2.00*	*	2.00*	2.00*	*	2.00*			
TOTAL PROGRAM COST	3,241,818		3,241,818	3,641,818	12,500,000	16,141,818	6,883,636	19,383,636	181.59

Narrative for Supplemental Budget Requests
FY 15

Program ID: BED 150
Program Structure Level: 01 07 01
Program Title: Hawaii Community Development Authority

A. Program Objective

To provide planning and infrastructure to support private investment and commercial development; plan and implement capital improvement projects to upgrade infrastructure and develop public facilities to meet Hawaii's economic and recreational needs; and implement long term planning initiatives to support residential development in a mixed use community.

B. Description of Request

The budget request for FY 15 includes the following:

1. Addition of \$5,000,000 in general obligation bond funds for Complete Street Project, Kakaako, Oahu;
2. Addition of \$500,000 in general obligation bond funds for Infrastructure Improvements Project, Heeia, Oahu;
3. Addition of \$7,000,000 in general obligation bond funds for Kalaeloa Enterprise Energy Corridor, Kalaeloa, Oahu.

C. Reasons for Request

1. The additional budget request of \$5,000,000 in general obligation bond funds for FY 15 is needed for development of Complete Street plan and design standards and implementation of a complete street pilot project.

2. The additional budget request of \$500,000 in general obligation bond funds for FY 15 is needed for plan, design, and construction of water and power infrastructure in Heeia, as there is no power and water connection to Heeia District.
3. The additional budget request of \$7,000,000 in general obligation bond funds for FY 15 is needed to complete Enterprise Energy Corridor project that will provide electrical and telecommunication utility services to the HIARHG and DOT Kalaeloa airport.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

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PROGRAM ID: **BED-160**
PROGRAM STRUCTURE NO: **0108**
PROGRAM TITLE: **HAWAII HOUSING FINANCE AND DEVELOPMENT CORP**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	31.00*	*	31.00*	31.00*	*	31.00*	*	*	*
PERSONAL SERVICES	5,150,092		5,150,092	5,150,092		5,150,092	10,300,184	10,300,184	
OTH CURRENT EXPENSES	33,325,427		33,325,427	33,325,427	6,561,654-	26,763,773	66,650,854	60,089,200	
EQUIPMENT					128,400	128,400		128,400	
TOTAL OPERATING COST	38,475,519		38,475,519	38,475,519	6,433,254-	32,042,265	76,951,038	70,517,784	8.36-
BY MEANS OF FINANCING									
FEDERAL FUNDS	3,000,000		3,000,000	3,000,000		3,000,000	6,000,000	6,000,000	
OTHER FEDERAL FUN	6,677,735		6,677,735	6,677,735	6,677,735-		13,355,470	6,677,735	
TRUST FUNDS	21,923,698		21,923,698	21,923,698		21,923,698	43,847,396	43,847,396	
REVOLVING FUND	31.00*	*	31.00*	31.00*	*	31.00*	*	*	*
	6,874,086		6,874,086	6,874,086	244,481	7,118,567	13,748,172	13,992,653	
CAPITAL INVESTMENT									
DESIGN	750,000		750,000				750,000	750,000	
CONSTRUCTION	7,550,000		7,550,000	13,500,000	12,832,000	26,332,000	21,050,000	33,882,000	
TOTAL CAPITAL COSTS	8,300,000		8,300,000	13,500,000	12,832,000	26,332,000	21,800,000	34,632,000	58.86
BY MEANS OF FINANCING									
G.O. BONDS	8,300,000		8,300,000	13,500,000	12,832,000	26,332,000	21,800,000	34,632,000	
TOTAL POSITIONS	31.00*	*	31.00*	31.00*	*	31.00*			
TOTAL PROGRAM COST	46,775,519		46,775,519	51,975,519	6,398,746	58,374,265	98,751,038	105,149,784	6.48

Narrative for Supplemental Budget Requests
FY 15

Program ID: BED 160
Program Structure Level: 01 08
Program Title: Hawaii Housing Finance and Development Corporation

A. Program Objective

To support economic growth by increasing the supply of workforce and affordable housing and preserving the existing inventory of affordable housing.

B. Description of Request

1. Provide low-income housing tax credit loans to finance development or substantial rehabilitation of affordable rental housing request includes \$7,832,000 of general obligation bond funds.
2. Infusion of funds into the Rental Housing Trust Fund request includes \$5,000,000 of general obligation bond funds.
3. Upgrade aging computer hardware and software of \$244,481 of revolving funds.
4. Decrease other federal funds ceiling by \$6,677,735.

C. Reasons for Request

1. The Low-Income Housing Tax Credit loan program is expected to generate increased project equity for the development or substantial rehabilitation of affordable rental housing by allowing the State low-income tax credits to be returned in exchange for tax credit loans. The Low Income Tax Credit loan program, which was authorized by Act 158, SLH 2011, addresses the weakened value of state low-income housing tax credits by providing an alternate source of

equity for rental housing projects. As Hawaii Administrative Rules for the loan program have been promulgated, funding is being requested.

2. Hawaii Housing Finance and Development Corporation (HHFDC) requests an infusion of funds into the Rental Housing Trust fund. The additional funds will be leveraged with other funding sources to finance affordable housing development to respond to the high demand of affordable rentals statewide. As of October 31, 2013, the uncommitted cash balance is approximately \$34.9 million. Applications submitted as of October 31, 2013 total approximately \$89.8 million. Without additional infusion of funds, the HHFDC will be limited in the funding of new affordable rental housing project applicants in the FY 14 competitive funding round.
3. HHFDC requests funds needed to upgrade its aging information technology equipment and software to meet new State requirements. The current equipment can no longer support operating system and software upgrades that are necessary to meet State security requirements and interconnectivity with other State departments' computer systems as part of the New Day in Hawaii plan's Technology and Government Innovation initiative.
4. Pursuant to FM 13-08, HHFDC requests a decrease in the FY 15 Federal fund appropriation.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

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PROGRAM ID: **BED-128**
 PROGRAM STRUCTURE NO: **0109**
 PROGRAM TITLE: **OFFICE OF AEROSPACE**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	*	*	*	*	*	*	*	*	*
PERSONAL SERVICES	78,984		78,984	78,984	60,000	138,984	157,968	217,968	
OTH CURRENT EXPENSES	730,152		730,152	730,152	100,000	830,152	1,460,304	1,560,304	
TOTAL OPERATING COST	809,136		809,136	809,136	160,000	969,136	1,618,272	1,778,272	9.89
BY MEANS OF FINANCING									
GENERAL FUND	809,136	*	809,136	809,136	160,000	969,136	1,618,272	1,778,272	*
CAPITAL INVESTMENT									
TOTAL CAPITAL COSTS									
BY MEANS OF FINANCING									
TOTAL POSITIONS	*	*	*	*	*	*			
TOTAL PROGRAM COST	809,136		809,136	809,136	160,000	969,136	1,618,272	1,778,272	9.89

Narrative for Supplemental Budget Requests
FY 15

Program ID: BED 128
Program Structure Level: 01 09
Program Title: Office of Aerospace

A. Program Objective

To promote the growth and diversification of Hawaii's aerospace industry.

B. Description of Request

Request of 1.00 temporary position, funding and additional operating general funds of \$160,000.

C. Reasons for Request

The OAD is currently staffed by one position, the Research and Development Coordinator. In order to support the mandated activities of OAD, a Research Associate is needed. In FY 15 OAD will support the development of the aerospace industry in Hawaii with additional activities and services, including efforts to develop Hawaii as a national test bed (in partnership with Alaska and Oregon) for Unmanned Aerial Systems (UAS), as well as an analog site for testing/validating new technologies to support both robotic and human missions to space. It also will complete preliminary environmental studies, currently being conducted with funds provided through Act 101, SLH 2012, and a matching Space Transportation Infrastructure Matching (STIM) Grant from the Federal Aviation Administration, which is required to apply for a commercial spaceport license from the FAA; and the funding requested for FY15 will enable OAD to complete this application process.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

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PROGRAM ID: **BED-**
PROGRAM STRUCTURE NO: **11**
PROGRAM TITLE: **GOVERNMENT-WIDE SUPPORT**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	38.00*	*	38.00*	38.00*	4.00*	42.00*	*	*	*
PERSONAL SERVICES	3,145,493		3,145,493	3,184,793	181,713	3,366,506	6,330,286	6,511,999	
OTH CURRENT EXPENSES	4,285,810		4,285,810	3,872,251	684,000	4,556,251	8,158,061	8,842,061	
EQUIPMENT					31,500	31,500		31,500	
TOTAL OPERATING COST	7,431,303		7,431,303	7,057,044	897,213	7,954,257	14,488,347	15,385,560	6.19
BY MEANS OF FINANCING									
GENERAL FUND	33.00*	*	33.00*	33.00*	4.00*	37.00*	*	*	*
	2,667,744		2,667,744	2,707,044	897,213	3,604,257	5,374,788	6,272,001	
FEDERAL FUNDS	5.00*	*	5.00*	5.00*	*	5.00*	*	*	*
REVOLVING FUND	2,763,559		2,763,559	2,350,000		2,350,000	5,113,559	5,113,559	
	2,000,000		2,000,000	2,000,000		2,000,000	4,000,000	4,000,000	
TOTAL POSITIONS	38.00*	*	38.00*	38.00*	4.00*	42.00*			
TOTAL PROGRAM COST	7,431,303		7,431,303	7,057,044	897,213	7,954,257	14,488,347	15,385,560	6.19

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PROGRAM ID: **BED-**
PROGRAM STRUCTURE NO: **1101**
PROGRAM TITLE: **EXEC DIRECTN, COORD, & POLICY DEVELOPMENT**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	38.00*	*	38.00*	38.00*	4.00*	42.00*	*	*	*
PERSONAL SERVICES	3,145,493		3,145,493	3,184,793	181,713	3,366,506	6,330,286	6,511,999	
OTH CURRENT EXPENSES	4,285,810		4,285,810	3,872,251	684,000	4,556,251	8,158,061	8,842,061	
EQUIPMENT					31,500	31,500		31,500	
TOTAL OPERATING COST	7,431,303		7,431,303	7,057,044	897,213	7,954,257	14,488,347	15,385,560	6.19
BY MEANS OF FINANCING									
GENERAL FUND	33.00*	*	33.00*	33.00*	4.00*	37.00*	*	*	*
	2,667,744		2,667,744	2,707,044	897,213	3,604,257	5,374,788	6,272,001	
FEDERAL FUNDS	5.00*	*	5.00*	5.00*	*	5.00*	*	*	*
REVOLVING FUND	2,763,559		2,763,559	2,350,000		2,350,000	5,113,559	5,113,559	
	2,000,000		2,000,000	2,000,000		2,000,000	4,000,000	4,000,000	
TOTAL POSITIONS	38.00*	*	38.00*	38.00*	4.00*	42.00*			
TOTAL PROGRAM COST	7,431,303		7,431,303	7,057,044	897,213	7,954,257	14,488,347	15,385,560	6.19

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PROGRAM ID: **BED-**
PROGRAM STRUCTURE NO: **110103**
PROGRAM TITLE: **POLICY DEVELOPMENT & COORDINATION**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	38.00*	*	38.00*	38.00*	4.00*	42.00*	*	*	*
PERSONAL SERVICES	3,145,493		3,145,493	3,184,793	181,713	3,366,506	6,330,286	6,511,999	
OTH CURRENT EXPENSES	4,285,810		4,285,810	3,872,251	684,000	4,556,251	8,158,061	8,842,061	
EQUIPMENT					31,500	31,500		31,500	
TOTAL OPERATING COST	7,431,303		7,431,303	7,057,044	897,213	7,954,257	14,488,347	15,385,560	6.19
BY MEANS OF FINANCING									
GENERAL FUND	33.00*	*	33.00*	33.00*	4.00*	37.00*	*	*	*
	2,667,744		2,667,744	2,707,044	897,213	3,604,257	5,374,788	6,272,001	
FEDERAL FUNDS	5.00*	*	5.00*	5.00*	*	5.00*	*	*	*
REVOLVING FUND	2,763,559		2,763,559	2,350,000		2,350,000	5,113,559	5,113,559	
	2,000,000		2,000,000	2,000,000		2,000,000	4,000,000	4,000,000	
TOTAL POSITIONS	38.00*	*	38.00*	38.00*	4.00*	42.00*			
TOTAL PROGRAM COST	7,431,303		7,431,303	7,057,044	897,213	7,954,257	14,488,347	15,385,560	6.19

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PROGRAM ID: **BED-144**
 PROGRAM STRUCTURE NO: **11010302**
 PROGRAM TITLE: **STATEWIDE PLANNING & COORDINATION**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	18.00*	*	18.00*	18.00*	2.00*	20.00*	*	*	*
PERSONAL SERVICES	1,943,014		1,943,014	1,966,102	55,500	2,021,602	3,909,116	3,964,616	
OTH CURRENT EXPENSES	3,967,498		3,967,498	3,553,939		3,553,939	7,521,437	7,521,437	
TOTAL OPERATING COST	5,910,512		5,910,512	5,520,041	55,500	5,575,541	11,430,553	11,486,053	.49
BY MEANS OF FINANCING									
GENERAL FUND	13.00*	*	13.00*	13.00*	2.00*	15.00*	*	*	*
	1,146,953		1,146,953	1,170,041	55,500	1,225,541	2,316,994	2,372,494	
FEDERAL FUNDS	5.00*	*	5.00*	5.00*	*	5.00*	*	*	*
REVOLVING FUND	2,763,559		2,763,559	2,350,000		2,350,000	5,113,559	5,113,559	
	2,000,000		2,000,000	2,000,000		2,000,000	4,000,000	4,000,000	
TOTAL POSITIONS	18.00*	*	18.00*	18.00*	2.00*	20.00*			
TOTAL PROGRAM COST	5,910,512		5,910,512	5,520,041	55,500	5,575,541	11,430,553	11,486,053	.49

Narrative for Supplemental Budget Requests
FY 15

Program ID: BED 144
Program Structure Level: 11 01 03 02
Program Title: Statewide Planning and Coordination

A. Program Objective

To enhance the efficiency and effectiveness of State programs by maintaining a comprehensive statewide planning process, through the formulation of a State policy plan and the development of a policy planning and implementation framework; by undertaking comprehensive land use and coastal zone planning, management, and implementation; by facilitating intergovernmental coordination and cooperation; by undertaking strategic and regional planning to address areas of critical State concerns relating to social, economic or physical conditions; and by promoting programs and capital improvement projects which further State policies.

B. Description of Request

1. Planner (1 FTE, \$27,750 of general funds) to work on transit-oriented development (TOD) to maximize benefits to the State of Hawaii.
2. Planner (1 FTE, \$27,750 of general funds) to coordinate activities to implement Sustainability Priority Guidelines enacted as part of the Hawaii State Plan, HRS Section 226-108. The Planner position will also help support agency activities related to the preparation and updating of state functional plans, pursuant to HRS §§226-53, -55, -56, and -57.

C. Reasons for Request

1. TOD Planner. This position will work on transit-oriented development (TOD) to assure that state agencies take full advantage of the

opportunities of TOD. The Office of Planning, with the assistance of Smart Growth America, prepared a report entitled "Leveraging State Agency Involvement in Transit-Oriented Development to Strengthen Hawaii's Economy". This report recommends ways that Hawaii state agencies can leverage TOD to maximize benefits to the State of Hawaii and, by extension, the people of Hawaii. The position would build on work and partnerships that OP developed through a series of meetings held with representatives from government, private and nonprofit organizations.

2. Sustainability Planner. The Legislature enacted Sustainability Priority Guidelines as part of the Hawaii State Plan, HRS Section 226-108. The Sustainability Priority Guidelines were a result of the Hawaii 2050 Plan. There is a need to coordinate activities to implement the Sustainability Priority Guidelines and monitor and track related sustainability efforts. The Planner position will also help support agency activities related to the preparation and updates of state functional plans, pursuant to HRS §§226-53, -55, -56, and -57.

D. Significant Changes to Measures of Effectiveness and Program Size

The request will significantly strengthen OP's mission to improve the planning process in this State, to increase the effectiveness of government and private actions, to improve coordination among different agencies and levels of government, to provide for wise use of Hawaii's resources and to guide the future development of the State.

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PROGRAM ID: **BED-103**
 PROGRAM STRUCTURE NO: **11010303**
 PROGRAM TITLE: **STATEWIDE LAND USE MANAGEMENT**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	6.00*	*	6.00*	6.00*	1.00*	7.00*	*	*	*
PERSONAL SERVICES	360,316		360,316	376,528	21,912	398,440	736,844	758,756	
OTH CURRENT EXPENSES	172,167		172,167	172,167	33,000	205,167	344,334	377,334	
TOTAL OPERATING COST	532,483		532,483	548,695	54,912	603,607	1,081,178	1,136,090	5.08
BY MEANS OF FINANCING									
GENERAL FUND	6.00*	*	6.00*	6.00*	1.00*	7.00*	*	*	*
	532,483		532,483	548,695	54,912	603,607	1,081,178	1,136,090	
TOTAL POSITIONS	6.00*	*	6.00*	6.00*	1.00*	7.00*			
TOTAL PROGRAM COST	532,483		532,483	548,695	54,912	603,607	1,081,178	1,136,090	5.08

Narrative for Supplemental Budget Requests
FY 15

Program ID: BED 103
Program Structure Level: 11 01 03 03
Program Title: Statewide Land Use Management

A. Program Objective

To preserve, protect, and encourage the development and preservation of lands in the State for those 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, as amended.

B. Description of Request

1. Add one Planner IV position, \$21,912 of general funds, to handle enforcement of Land Use Commission Decisions and Orders and analyze annual reports for conformance.
2. \$33,000 of general funds are being sought to convert all LUC active files into digital format so that they can be accessed remotely.

C. Reasons for Request

1. The LUC currently does not have the resources to ensure compliance with its Decisions and Orders. Annual reports are received from landowners on a regular basis but there are not enough resources to compare filings with required actions and time constraints. Many of the conditions concern public improvements or the mitigation of impacts top state and county systems. Addition of the Planner IV will ensure that public improvements will be made by the developer or landowner rather than after the fact by state agencies. Improvements required by LUC Decisions and Orders include Roadways (DOT),

parks (DLNR or County), Water (BWS), Sewer (DOH, DPW), runoff or drainage (DOH).

2. In order to meet the needs of public participants on the Neighbor Islands and to add to the transparency of the LUC process, an initiative to place all case files in a digital library has been initiated. All current filings are already digitized. However, many cases are still open in the sense that all public improvements have not been constructed or development has not been completed. When these cases are re-activated it is difficult for neighbor island residents and government agencies to access the complete record. Interested participants must either fly to Oahu to review files in person or have voluminous documents copied and mailed at significant expense. This will remove the burden on participants and make the process more transparent.

D. Significant Changes to Measures of Effectiveness and Program Size

Addition of one position. Program size remains limited to 7 staff. Measures of effectiveness are not changed in objective but increase in ability to meet measures is expected.

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

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PAGE 105

PROGRAM ID: **BED-130**
 PROGRAM STRUCTURE NO: **11010304**
 PROGRAM TITLE: **ECONOMIC PLANNING & RESEARCH**

PROGRAM COSTS	FY 2014			FY 2015			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	14.00*	*	14.00*	14.00*	1.00*	15.00*	*	*	*
PERSONAL SERVICES	842,163		842,163	842,163	104,301	946,464	1,684,326	1,788,627	
OTH CURRENT EXPENSES	146,145		146,145	146,145	651,000	797,145	292,290	943,290	
EQUIPMENT					31,500	31,500		31,500	
TOTAL OPERATING COST	988,308		988,308	988,308	786,801	1,775,109	1,976,616	2,763,417	39.81
BY MEANS OF FINANCING									
GENERAL FUND	14.00*	*	14.00*	14.00*	1.00*	15.00*	*	*	*
	988,308		988,308	988,308	786,801	1,775,109	1,976,616	2,763,417	
TOTAL POSITIONS	14.00*	*	14.00*	14.00*	1.00*	15.00*			
TOTAL PROGRAM COST	988,308		988,308	988,308	786,801	1,775,109	1,976,616	2,763,417	39.81

Narrative for Supplemental Budget Requests
FY 15

Program ID: BED 130
Program Structure Level: 11 01 03 04
Program Title: Economic Planning and Research

A. Program Objective

To enhance and contribute to the economic development of the State by providing plans, analysis, 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.

B. Description of Request

1. \$43,089 of general funds to fund the shortfalls for 3 filled positions. Position # 10066, Information Specialist IV, #10086, Research and Statistics Officer, and #22407, Economics Research Program Manager.
2. \$38,712 of general funds to add 1 position, Economist VII to collect data and prepare reports on Federal government spending in Hawaii.
3. \$75,000 of general funds for computer hardware and software upgrades, to subscribe databases and for website development.
4. \$30,000 of general funds to fund two new student intern positions.
5. \$600,000 of general funds to conduct studies on Federal government expenditures in Hawaii, Hawaii labor supply and demand, and the effectiveness of state tax credits.

C. Reasons for Request

1. Shortfall was due to union settlement after the 2010 layoff for one of the positions. One position was hired above minimum, and there was a budget cut while the position was vacant and legislature has not restored the funds.
2. As recommended by the Governor's Sequestration Impact Response Team (SIRT), a permanent position is being requested to collect data and conduct research to measure the economic contribution of Federal activities in Hawaii. U.S. Census Bureau terminated data collection on Federal spending at the state level since 2010. There is now very little information on Federal activities in the State. It is impossible to estimate the economic impacts of Federal sequestration, the Federal government shut down, and the possible debt default without the Federal expenditure data. The new position will be responsible to collect and maintain a database for Federal activities in Hawaii and produce analysis and studies on the economic contributions and impacts.
3. Funds are needed to develop a DBEDT data warehouse so that data can be transmitted to users timely, efficiently, and in a user-friendly format.
4. Two student intern positions will help the program in collecting economic data and preparing publications. It is also a process to train future employees of the state.

Narrative for Supplemental Budget Requests
FY 15

Program ID: BED 130

Program Structure Level: 11 01 03 04

Program Title: Economic Planning and Research

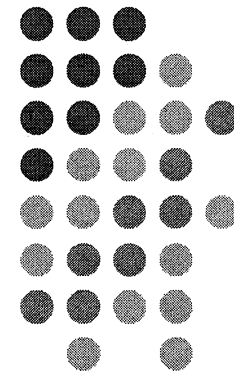
5. The requested funds will be used for three studies: (1) Federal activities in Hawaii and their economic impacts. U.S. Census Bureau terminated data collection and reporting at the state level on Federal spending. As the 2nd largest industry in Hawaii, Federal expenditures and their economic contribution need to be studied. The requested fund will be used to conduct surveys, collect data, and produce analysis and reports. (2) The labor supply and demand in Hawaii. This include surveys of Hawaii households and businesses to identify the need of labor by occupation, by education level, and by demographic characteristics and the available of labor force by occupation, by education level ad by demographic characteristics. The study will identify the gap between demand for and supply of labor by detailed social, demographic, and economic characteristics. (3) Studies on the effectiveness of tax credits. This will include the state tax credit for renewable energy, film production, and research activities.

D. Significant Changes to Measures of Effectiveness and Program Size

The following data and analysis will be produced annually which will create greater accuracy of the State's economic forecast:

1. Federal Activities and Economic Contributions in Hawaii
2. Research Activities in Hawaii and Their Economic Contributions
3. Hawaii's labor supply and demand by occupation and by industry
4. The profile of Hawaii's labor force
5. The profile of Hawaii's in and out-migrants

Capital Budget Details



REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

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PAGE 1

PROGRAM ID **BED-105**
PROGRAM STRUCTURE NO. **010102**
PROGRAM TITLE **CREATIVE INDUSTRIES DIVISION**

PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2014			FY 2015		
					CURRENT APPRN	ADJUSTMENT	RECOM APPRN	CURRENT APPRN	ADJUSTMENT	RECOM APPRN
CID002		9TH R	HAWAII FILM STUDIO, VARIOUS IMPROVEMENTS, PHASE 2, OAHU							
			DESIGN		460	20-	440			
			CONSTRUCTION		3,000	20	3,020			
			TOTAL		3,460		3,460			
			G.O. BONDS		3,460		3,460			
CID003	10		CREATIVE MEDIA/FILM STUDIO FACILITY, STATEWIDE							
			PLANS		250		250	750	750	
			TOTAL		250		250	750	750	
			G.O. BONDS		250		250	750	750	
			PROGRAM TOTALS							
			PLANS		250		250	750	750	
			DESIGN		460	20-	440			
			CONSTRUCTION		3,000	20	3,020			
			TOTAL		3,710		3,710	750	750	
			G.O. BONDS		3,710		3,710	750	750	

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

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PROGRAM ID **BED-107**
PROGRAM STRUCTURE NO. **010103**
PROGRAM TITLE **FOREIGN TRADE ZONE**

PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2014		FY 2015	
					CURRENT APPRN	ADJUSTMENT	CURRENT APPRN	RECOM APPRN
FTZ012			FOREIGN-TRADE ZONE IMPORT-EXPORT STEP-UP INCUBATOR, MAUKA RENOVATION, OAHU					
			DESIGN		100		100	
			CONSTRUCTION		2,900		2,900	
			TOTAL		3,000		3,000	
			G.O. BONDS REPAYED FEDERAL FUNDS		3,000		3,000	
FTZ013		13TH R	FOREIGN TRADE ZONE (FTZ) PIER 2 FACILITY ROOF REPAIRS, OAHU					
			PLANS		30		30	
			DESIGN		120		120	
			CONSTRUCTION		2,050		2,050	
			TOTAL		2,200		2,200	
			G.O. BONDS		2,200		2,200	
FTZ014	5	13TH R	ELEVATOR REPLACEMENT					
			EQUIPMENT				850	850
			TOTAL				850	850
			G.O. BONDS				850	850

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

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PROGRAM ID **BED-107**
PROGRAM STRUCTURE NO. **010103**
PROGRAM TITLE **FOREIGN TRADE ZONE**

PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2014		FY 2015	
					CURRENT APPRN	ADJUSTMENT	RECOM APPRN	CURRENT APPRN
FTZ015	9	13TH R	FACILITY IMPROVEMENTS AND ADA RETROFIT, FTZ					
			PLANS				25	25
			DESIGN				55	55
			CONSTRUCTION				1,120	1,120
			TOTAL				1,200	1,200
			G.O. BONDS				1,200	1,200
PROGRAM TOTALS								
			PLANS		30	30	25	25
			DESIGN		220	220	55	55
			CONSTRUCTION		4,950	4,950	1,120	1,120
			EQUIPMENT				850	850
			TOTAL		5,200	5,200	2,050	2,050
			G.O. BONDS		2,200	2,200	2,050	2,050
			G.O. BONDS REPAYED		3,000	3,000		
			FEDERAL FUNDS					

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

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PROGRAM ID **BED-143**
 PROGRAM STRUCTURE NO. **010502**
 PROGRAM TITLE **HIGH TECHNOLOGY DEVELOPMENT CORPORATION**

PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2014		FY 2015		
					CURRENT APPRN	ADJUSTMENT	CURRENT APPRN	ADJUSTMENT	RECOM APPRN
TE0013	1	10TH R	HIGH TECHNOLOGY DEVELOPMENT CORPORATION TECH CENTER, OAHU						
			PLANS				1		1
			DESIGN				1		1
			CONSTRUCTION				21,997		21,997
			EQUIPMENT				1		1
			TOTAL				22,000		22,000
			G.O. BONDS				22,000		22,000
PROGRAM TOTALS									
			PLANS				1		1
			DESIGN				1		1
			CONSTRUCTION				21,997		21,997
			EQUIPMENT				1		1
			TOTAL				22,000		22,000
			SPECIAL FUND						
			G.O. BONDS				22,000		22,000

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

PROGRAM ID **BED-146**
 PROGRAM STRUCTURE NO. **010504**
 PROGRAM TITLE **NATURAL ENERGY LAB OF HAWAII AUTHORITY**

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PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2014		FY 2015	
					CURRENT APPRN	ADJUSTMENT	RECOM APPRN	CURRENT APPRN
1	1	1ST R	NELHA FRONTAGE ROAD AND NEW INTERSECTION CONNECTIONS, HAWAII	CONSTRUCTION	9,694		9,694	
				TOTAL	9,694		9,694	
				G.O. BONDS	9,694		9,694	
2	2	1ST R	NELHA SEAWATER SYSTEM UPGRADES, HAWAII	DESIGN	75		75	
				CONSTRUCTION	2,248		2,248	
				TOTAL	2,323		2,323	
				G.O. BONDS	2,323		2,323	
NELHA3	7	1ST R	NELHA POTABLE WATER WELL	PLANS			1	1
				LAND			1	1
				DESIGN			633	633
				CONSTRUCTION			3,000	3,000
				TOTAL			3,635	3,635
				G.O. BONDS			3,635	3,635

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

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PROGRAM ID **BED-146**
 PROGRAM STRUCTURE NO. **010504**
 PROGRAM TITLE **NATURAL ENERGY LAB OF HAWAII AUTHORITY**

PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2014		FY 2015		
					CURRENT APPRN	ADJUSTMENT	RECOM APPRN	CURRENT APPRN	ADJUSTMENT
PROGRAM TOTALS									
			PLANS					1	1
			LAND					1	1
			DESIGN	75	75			633	633
			CONSTRUCTION	11,942	11,942			3,000	3,000
			EQUIPMENT						
			TOTAL		12,017	12,017		3,635	3,635
			G.O. BONDS		12,017	12,017		3,635	3,635
			G.O. BONDS REPAID						
			FEDERAL FUNDS						

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

PROGRAM ID **BED-150**
 PROGRAM STRUCTURE NO. **010701**
 PROGRAM TITLE **HAWAII COMMUNITY DEVELOPMENT AUTHORITY**

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PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2014		FY 2015		
					CURRENT APPRN	ADJUSTMENT	RECOM APPRN	CURRENT APPRN	ADJUSTMENT
HE001	12	24TH R	INFRASTRUCTURE IMPROVEMENTS, HEEIA, OAHU						
			PLANS					1	1
			DESIGN					150	150
			CONSTRUCTION					349	349
			TOTAL					500	500
			G.O. BONDS					500	500
KA010	1	12TH R	KEMALO BASIN JETTY RIPRAP WALL REPAIR, KAKAAKO, OAHU						
			DESIGN		300	300			
			CONSTRUCTION				700		700
			TOTAL		300	300	700		700
			G.O. BONDS		300	300	700		700
KA012	3	12TH R	COMPLETE STREET, KAKAAKO, OAHU						
			PLANS					300	300
			DESIGN					450	450
			CONSTRUCTION					4,250	4,250
			TOTAL					5,000	5,000
			G.O. BONDS					5,000	5,000

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

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PROGRAM ID **BED-150**
 PROGRAM STRUCTURE NO. **010701**
 PROGRAM TITLE **HAWAII COMMUNITY DEVELOPMENT AUTHORITY**

PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2014		FY 2015				
					CURRENT APPRN	ADJUSTMENT	RECOM APPRN	CURRENT APPRN	ADJUSTMENT	RECOM APPRN	
KL008	2	19TH R	KALAELOA ENTERPRISE ENERGY CORRIDOR, KALAELOA, OAHU	PLANS					1	1	
				DESIGN				699	699		
				CONSTRUCTION				6,300	6,300		
				TOTAL						7,000	7,000
				G.O. BONDS						7,000	7,000
HCD001	1	12TH R	HAWAII COMMUNITY DEVELOPMENT DISTRICTS, OAHU	PLANS	1,855	1,855		1,855		1,855	
				LAND							
				DESIGN							
				CONSTRUCTION							
				TOTAL	1,855	1,855		1,855		1,855	
GENERAL FUND											
G.O. BONDS	1,855	1,855		1,855		1,855		1,855			
PROGRAM TOTALS											
				PLANS	1,855	1,855		1,855	302	2,157	
				LAND							
				DESIGN	300	300			1,299	1,299	
				CONSTRUCTION				700	10,899	11,599	
				EQUIPMENT							
				TOTAL	2,155	2,155		2,555	12,500	15,055	
				GENERAL FUND							
				G.O. BONDS	2,155	2,155		2,555	12,500	15,055	

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

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PROGRAM ID **BED-160**
 PROGRAM STRUCTURE NO. **0108**
 PROGRAM TITLE **HAWAII HOUSING FINANCE AND DEVELOPMENT C**

PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2014		FY 2015	
					CURRENT APPRN	ADJUSTMENT	RECOM APPRN	CURRENT APPRN
HFDC04	6		RENTAL HOUSING TRUST FUND INFUSION, STATEWIDE					
			CONSTRUCTION				5,000	5,000
			TOTAL				5,000	5,000
			G.O. BONDS				5,000	5,000
HFDC05			DWELLING UNIT REVOLVING FUND INFUSION, STATEWIDE					
			CONSTRUCTION	7,000		7,000	7,000	7,000
			TOTAL	7,000		7,000	7,000	7,000
			G.O. BONDS	7,000		7,000	7,000	7,000
HFDC07		23RD R	WAIAHOLE WATER SYSTEM IMPROVEMENTS, OAHU					
			DESIGN	750		750		
			CONSTRUCTION	550		550	6,500	6,500
			TOTAL	1,300		1,300	6,500	6,500
			G.O. BONDS	1,300		1,300	6,500	6,500
P11003	8		LOW INCOME HOUSING TAX CREDIT LOANS, STATEWIDE					
			CONSTRUCTION				7,832	7,832
			TOTAL				7,832	7,832
			G.O. BONDS				7,832	7,832

REQUIRED CAPITAL APPROPRIATIONS - BY CAPITAL PROJECT

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PROGRAM ID **BED-160**
 PROGRAM STRUCTURE NO. **0108**
 PROGRAM TITLE **HAWAII HOUSING FINANCE AND DEVELOPMENT C**

PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	FY 2014		FY 2015			
					CURRENT APPRN	ADJUSTMENT	RECOM APPRN	CURRENT APPRN	ADJUSTMENT	RECOM APPRN
PROGRAM TOTALS										
			DESIGN		750		750			
			CONSTRUCTION		7,550		7,550	13,500	12,832	26,332
			TOTAL		8,300		8,300	13,500	12,832	26,332
			G.O. BONDS		8,300		8,300	13,500	12,832	26,332