

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM Department Summary

Mission Statement

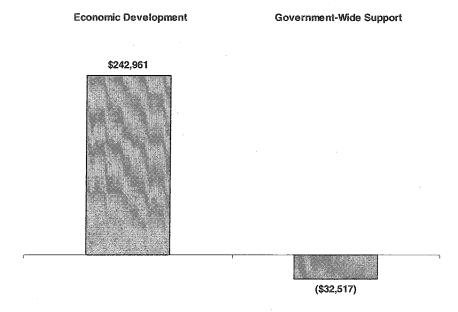
To achieve a Hawaii economy that embraces innovation and is globally competitive, dynamic and productive, providing opportunities for all Hawaii's citizens to prosper.

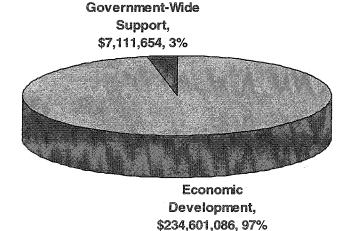
Department Goals

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

FY 2013 Supplemental Operating Budget Adjustments by Major Program

FY 2013 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 and Support
BED 105	Creative Industries
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 164/2011 FY 2012	Act 164/2011 FY 2013	FY 2013 Adjustments	Total FY 2013
Funding Sources: Po	sitions Perm	75.50	73.50	2.00	75.50
	Temp	5.75	5.75	0.00	5.75
General Funds	\$	7,413,272	7,185,022	1,253,321	8,438,343
	Perm	29.50	31.50	-2.00	29.50
	Temp	71.08	83.81	0.00	83.81
Special Funds	\$	161,350,586	161,913,386	-579,446	161,333,940
	Perm	10.00	10.00	-5.00	5.00
	Temp	22.00	22.00	0.00	22.00
Federal Funds	\$	32,919,147	32,919,147	-340,074	32,579,073
	Perm	0.00	0	0.00	0.00
	Temp	0.00	0	0.00	0.00
Trust Funds	\$	21,923,698	21,923,698	0	21,923,698
	Perm	0.00	0.00	0.00	0.00
	Temp	17.77	0.44	0.00	0.44
Federal Stimulus Fund	ls \$	6,333,138	59,468	0	59,468
	Perm	33.00	33.00	0.00	33.00
	Temp	45.00	45.00	1.00	46.00
Revolving Funds	\$_	17,501,575	17,501,575	-123,357	17,378,218
	Perm	148.00	148.00	-5.00	143.00
	Temp	161.60	157.00	1.00	158.00
Total Requirements	\$_	247,441,416	241,502,296	210,444	241,712,740

Comments: (general funds unless otherwise noted)

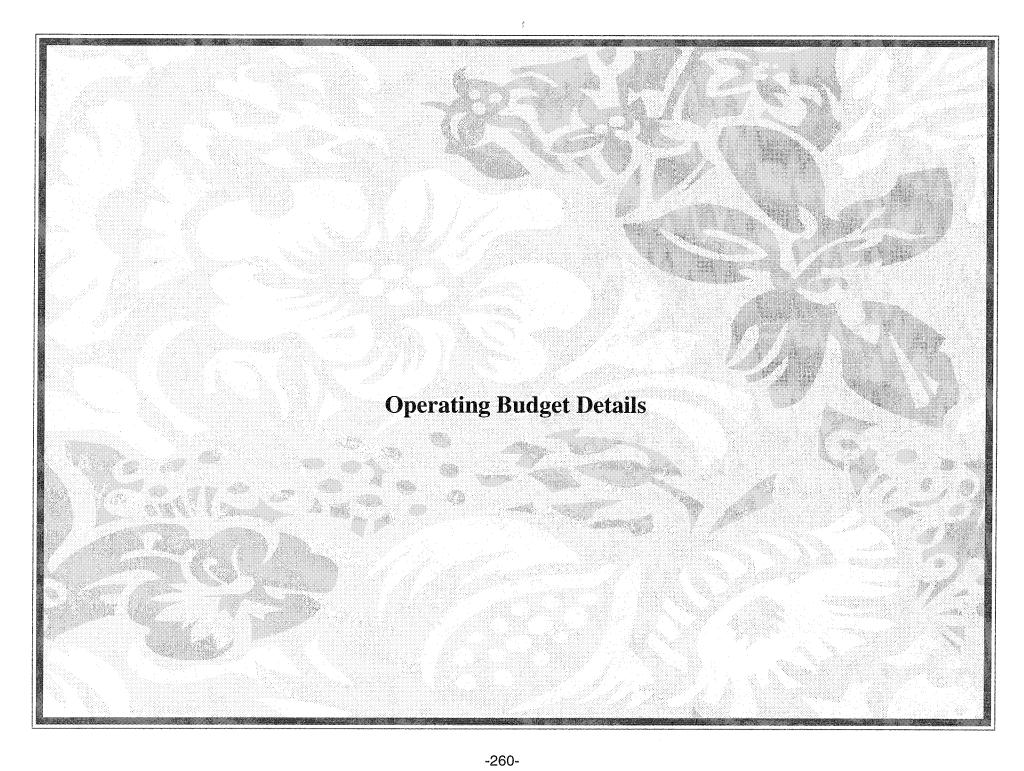
- 1. Reduces \$176,103 in general, \$224,464 in special, \$150,828 in federal and \$194,250 in revolving funds for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.
- 2. Adds \$70,893 in revolving funds to restore the administrative assistant position for the Hawaii Strategic Development Corporation.
- 3. Adds \$1,000,000 to upgrade high schools for high speed broadband.
- 4. Adds \$400,000 to upgrade e-Hawaii.gov for high speed broadband.

Department of Business, Economic Development and Tourism Capital Improvements Budget

	Act 164/2011 FY 2012	Act 164/2011 FY 2013	FY 2013 Adjustments	Total FY 2012	Total FY 2013
Funding Sources:					
Special Funds	734,000	0.00	0	734,000	0
General Obligation Bonds	48,355,000	6,855,000	33,700,000	48,355,000	40,555,000
Federal Funds	3,000,000	0	0	3,000,000	0
Reimbursable G.O. Bonds	4,500,000	0	. 0	4,500,000	0
Total Requirements	56,589,000	6,855,000	33,700,000	56,589,000	40,555,000

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

- 1. Adds \$1,500,000 for planning for the Pohukaina Street mixed use project.
- 2. Adds \$5,000,000 to upgrade the Kalaeloa East energy corridor.
- 3. Adds \$3,450,000 for the Hawaii Film Studio site improvements.
- 4. Adds \$7,250,000 for low-income housing tax credit loans.
- 5. Adds \$5,000,000 for the Rental Housing Trust Fund.
- 6. Adds \$10,000,000 for the Dwelling Unit Revolving Fund.
- 7. Adds \$1,500,000 for the Transpacific cable project.



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PROGRAM ID:

BED-

PROGRAM STRUCTURE NO: 01

PROGRAM TITLE:

ECONOMIC DEVELOPMENT

		FY 2012	!		FY 2013	!	BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	113.00*	*	113.00*	113.00*	-6.00*	107.00*	*	*	*
PERSONAL SERVICES	20,628,638		20,628,638	20,438,925	927,039-	19,511,886	41,067,563	40,140,524	
OTH CURRENT EXPENSES	219,668,607		219,668,607	213,919,200	1,135,000	215,054,200	433,587,807	434,722,807	
MOTOR VEHICLES					35,000	35,000		35,000	
TOTAL OPERATING COST	240,297,245		240,297,245	234,358,125	242,961	234,601,086	474,655,370	474,898,331	.05
BY MEANS OF FINANCING			·						
	45.50*	*	45.50*	43.50*	1.00*	44.50*	*	*	*
GENERAL FUND	4,961,411		4,961,411	4,733,161	1,287,024	6,020,185	9,694,572	10,981,596	-
	29.50*	*	29.50*	31.50*	-2.00*	29.50*	*	**	*
SPECIAL FUND	161,350,586		161,350,586	161,913,386	579,446-	161,333,940	323,263,972	322,684,526	
	5.00*	*	5.00*	5.00*	-5.00*	*	*	*	*
OTHER FED. FUNDS	30,226,837		30,226,837	30,226,837	341,260-	29,885,577	60,453,674	60,112,414	
TRUST FUNDS	21,923,698		21,923,698	21,923,698	0.2,000	21,923,698	43,847,396	43,847,396	
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	*	*	*!	*	*	*!	*	**************	*
	*	*	*	*	*	*	*	*	*
FEDERAL STIMULUS	6,333,138	•	6,333,138	59,468	•	59,468	6,392,606	6,392,606	••
TESTINE OF THE SEC	33.00*	*	33.00*	33.00*	*	33.00*	v, 472,000	0,372,000	·\$
REVOLVING FUND	15,501,575		15,501,575	15,501,575	123,357-	15,378,218	31,003,150	30,879,793	*
ALBETTI THURSTHELL									
CAPITAL INVESTMENT	4					1			
PLANS	1,880,000		1,880,000	1,855,000	3,001,000	4,856,000	3,735,000	6,736,000	
DESIGN	819,000		819,000		944,000	944,000	819,000	1,763,000	
CONSTRUCTION	53,450,000		53,450,000	5,000,000	29,755,000	34,755,000	58,450,000	88,205,000	
EQUIPMENT	440,000		440,000				440,000 	440,000	
TOTAL CAPITAL COSTS	56,589,000 ==================================		56,589,000	6,855,000 =======	33,700,000	40,555,000	63,444,000	97,144,000	53.12
BY MEANS OF FINANCING			ı			'			
SPECIAL FUND	734,000		734,000			. 1	734,000	734,000	
G.O. BONDS	48,355,000		48,355,000	6,855,000	33,700,000	40,555,000	55,210,000	88,910,000	
G.O. BONDS REPAID	4,500,000		4,500,000	0,055,000	33,700,000	40,555,000	4,500,000	4,500,000	
OTHER FED. FUNDS	3,000,000		3,000,000				3,000,000		
OTHER FED. FUNDS	3,000,000		3,000,000			į.	3,000,000	3,000,000	
TOTAL POSITIONS	113.00*	*	113.00*	113.00*	-6.00*	107.00*			
TOTAL PROGRAM COST	296,886,245		296,886,245	241,213,125	33,942,961	275,156,086	538,099,370	572,042,331	6.31
		=======================================				: -			

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

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PROGRAM ID:

BED-100

PROGRAM STRUCTURE NO: 010101

PROGRAM TITLE:

STRATEGIC MARKETING & SUPPORT

	w	FY 2012		FY 2013			BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS			i			i -			
OPERATING	12.00*	*	12.00*	12.00*	-3.00*	9.00*	*	*	*
PERSONAL SERVICES	660,433		660,433	797,233	204,505-	592,728	1,457,666	1,253,161	
OTH CURRENT EXPENSES	2,738,028		2,738,028	2,458,028	230,000-	2,228,028	5,196,056	4,966,056	
TOTAL OPERATING COST	3,398,461		3,398,461	3,255,261	434,505-	2,820,756	6,653,722	6,219,217	6.53-
BY MEANS OF FINANCING	•					,			
	12.00*	*	12.00*¦	10.00*	-1.00*	9.00*	*	*	*
GENERAL FUND	1,177,828		1,177,828	921,828	71,705-	850,123	2,099,656	2,027,951	
	*	*	*	2.00*	-2.00*	*	*	*	*
SPECIAL FUND			į	362,800	362,800-	ŀ	362,800		
OTHER FED. FUNDS	148,718		148,718	148,718		148,718	297,436	297,436	
FEDERAL STIMULUS	250,000		250,000			}	250,000	250,000	
REVOLVING FUND	1,821,915		1,821,915	1,821,915		1,821,915	3,643,830	3,643,830	
TOTAL POSITIONS	12.00*	*	12.00*	12.00*	-3.00*	9.00*			
TOTAL PROGRAM COST	3,398,461		3,398,461	3,255,261	434,505-	2,820,756	6,653,722	6,219,217	6.53-

Program ID: BED 100

Program Structure Level: 01 01 01

Program Title: Strategic Marketing & Support

A. Program Objective

To promote industry development and economic diversification by supporting existing and emerging industries through the attraction of new investment; increase in exports of Hawaii products and services; expansion of Hawaii's participation in global trade and commerce and by supporting small business and community based organizations.

B. Description of Request

- 1. Request a reduction of \$19,482.00 for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.
- 2. Correct MOF for Branch Chief position from MOF B to MOF A and tradeoff OCE to Personal Services to fund the position.
- 3. Transfer of Secretary II, position #25304 and funds of \$35,299 to BED 130/FA to implement the reorganization.
- Transfer of Secretary II, position #26633 and funds of \$36,702 and EDS V position #44000 and funds of \$53,650 to BED 105/CI to implement the reorganization.
- 5. Transfer Economic Development Specialist V, SR24, #32403 and funds of \$73,428, from BED 120/SI to implement the reorganization.
- 6. Housekeeping reduction of (1) MOF B special fund position and appropriation (\$274,982).

C. Reasons for Request

 The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements and to restore a portion of the

- \$88.2 million in general funds cut from BUF 741, Retirement Benefits State, in FY 13.
- 2. To correct MOF for Branch Chief position from MOF B to MOF A and tradeoff OCE to Personal Services to fund the position.
- 3. Transfer of Secretary II Position #25304 and funds to BED 130 to implement the reorganization.
- 4. Transfer of Secretary II #26633 and EDS V #44000 and funds to BED 105 to implement the reorganization.
- 5. Transfer Economic Development Specialist V, SR24, #32403 and funds from BED 120/SI to implement the reorganization.
- 6. Housekeeping reduction of (1) MOF B special fund position and appropriation (\$274,982).

D. Significant Changes to Measures of Effectiveness and Program Size

Program will continue to monitor impact on measures of effectiveness due to a 55% reduction in program size since 2010. Professional staff has been reduced from 11 down to 5 due to reduction in force and retirements. As a result, concentration of efforts will be on those programs, projects and activities that will directly benefit existing small businesses and community based organizations – to build entrepreneurial skills, protect against business regulations, increase market and business opportunities and take advantage of available incentives. Division will place low priority on new business and investment attraction, on building strategic and financial alliances. International business and trade relations will be limited to China and Japan; Beijing and Taiwan Offices expenses have been reduced and salaries maintained at 2009 levels.

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

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PROGRAM ID:

BED-105

PROGRAM STRUCTURE NO: 010102

PROGRAM TITLE:

CREATIVE INDUSTRIES DIVISION

		FY 2012			FY 2013		BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS			i			i -			And place upper comp group and and and and
OPERATING PERSONAL SERVICES OTH CURRENT EXPENSES	8.00* 539,406 274,298	*	8.00* 539,406 274,298	8.00* 567,156 274,298	3.00* 137,891	11.00* 705,047 274,298	* 1,106,562 548,596	1,244,453 548,596	*
TOTAL OPERATING COST	813,704		813,704	841,454	137,891	979,345	1,655,158	1,793,049	8.33
BY MEANS OF FINANCING GENERAL FUND	8.00* 813,704	*	8.00* 813,704	8.00* 841,454	3.00* 137,891	11.00* 979,345	* 1,655,158	1,793,049	*
CAPITAL INVESTMENT DESIGN CONSTRUCTION					345,000 3,105,000	345,000 3,105,000		345,000 3,105,000	
TOTAL CAPITAL COSTS					3,450,000	3,450,000		3,450,000	100.00
BY MEANS OF FINANCING G.O. BONDS			. 1		3,450,000	3,450,000		3,450,000	
TOTAL POSITIONS TOTAL PROGRAM COST	8.00* 813,704	*	8.00* 813,704	8.00* 841,454	3.00* 3,587,891 	11.00* 4,429,345 -	1,655,158 ====================================	5,243,049 	216.77

Program ID: BED 105

Program Structure Level: 01 01 02

Program Title: Creative Industries Division

A. Program Objective

As the lead agency focused on development of Hawaii's creative economy, Department of Business, Economic Development and Tourism's (DBEDT) Creative Industries Division (CID) forges strategic partnerships and implements programs which are designed to accelerate the growth and sustainability of Hawaii's film, digital media, music, arts, culture, design and literary sectors. CID works as a business advocate for the diverse creative and cultural resources of Hawaii by supporting and developing projects, and activities that result in increased growth of Hawaii's creative economy, through expansion of domestic and foreign export of Hawaii originated creative products and services.

Hawaii's creative sectors have grown to represent 45,000 people working statewide as entrepreneurs or full time employees of companies across 13 sectors. DBEDT's Research and Economic Analysis Division (READ) estimates these sectors collectively contribute \$4 billion to Hawaii's gross domestic product annually (GDP). Hawaii's film and digital media industries are key drivers of the creative economy, delivering over \$300M in economic impact annually.

B. Description of Request

- 1. Request a reduction of \$18,906 for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.
- 2. Transfer of Secretary II, position #26633 and funds of \$36,702 and EDS V position #44000 and funds of \$53,650 from BED 100/SM to implement the reorganization.
- 3. Transfer Ocean Resources Development Mgr, \$66,445 EM05, #35798 from BED 120/SI to implement the reorganization.

4. CIP request for \$3,450,000 for the design and construction of various improvements at the Hawaii Film Studio – Phase I.

C. Reasons for Request

- The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements and to restore a portion of the \$88.2 million in general funds cut from BUF 741, Retirement Benefits -State, in FY 13.
- 2. Transfer of Secretary II #26633 and EDS V #44000 and funds from BED 100/SM to implement the reorganization.
- 3. Transfer Ocean Resources Development Mgr, EM05, #35798 and funds from BED 120/SI to implement the reorganization.
- 4. Due to the age of some of the buildings within the complex, they pose serious health and safety threats and are past their useful life. In addition, they are not ADA compliant.

D. Significant Changes to Measures of Effectiveness and Program Size

Program operations improved with increased staffing to more effectively accelerate growth of creative industries sectors, particularly film, digital media, arts, culture and music sectors. Provides base level staffing for film branch to fulfill statutory obligations of film permitting, tax incentive management and studio management, while restoring staff capacity to deliver programmatic support for the music, arts and culture sectors.

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

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PROGRAM ID:

BED-107

PROGRAM STRUCTURE NO: 010103

PROGRAM TITLE:

FOREIGN TRADE ZONE

		FY 2012	!		FY 2013	_	BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS			i			; -	, -		
OPERATING PERSONAL SERVICES OTH CURRENT EXPENSES	17.00* 1,164,693 901,452	*	17.00* 1,164,693 901,452	17.00* 1,164,693 901,452	* 42,791-	17.00* 1,121,902 901,452	* 2,329,386 1,802,904	2,286,595 1,802,904	* *
TOTAL OPERATING COST	2,066,145		2,066,145	2,066,145	42,791-	2,023,354	4,132,290	4,089,499	1.04-
BY MEANS OF FINANCING SPECIAL FUND	17.00* 2,066,145	*	17.00* 2,066,145	17.00* 2,066,145	* 42,791-	17.00*} 2,023,354	* 4,132,290	* 4,089,499	: *
CAPITAL INVESTMENT DESIGN CONSTRUCTION TOTAL CAPITAL COSTS	750,000 6,750,000 		750,000 6,750,000 				750,000 6,750,000 	750,000 6,750,000 7,500,000	
BY MEANS OF FINANCING	=======================================								
G.O. BONDS REPAID OTHER FED. FUNDS	4,500,000 3,000,000		4,500,000 3,000,000			!	4,500,000 3,000,000	4,500,000 3,000,000	
TOTAL POSITIONS TOTAL PROGRAM COST	17.00* 9,566,145	*	17.00* 9,566,145	17.00* 2,066,145	* 42,791-	17.00* 2,023,354	11,632,290	11,589,499	. 37-

Program ID: BED 107

Program Structure Level: 01 01 03 Program Title: Foreign-Trade Zone

A. Program Objective

To encourage value-added and international trading activities that will create new investment and job opportunities in Hawaii by operating a statewide Foreign-Trade Zone program that promotes foreign commerce and reduces the barriers and costs associated with international trade.

B. Description of Request

Request a reduction of \$42,791.00 for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.

C. Reasons for Request

The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements.

D. Significant Changes to Measures of Effectiveness and Program Size

None

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

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PROGRAM ID:

BED-142

PROGRAM STRUCTURE NO: 010104

PROGRAM TITLE:

GENERAL SUPPORT FOR ECONOMIC DEVELOPMENT

		FY 2012			FY 2013		BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	THEMTSULDA	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS			i			i	The state and st		
OPERATING PERSONAL SERVICES OTH CURRENT EXPENSES	21.00* 1,409,391 126,670	*	21.00* 1,409,391 126,670	21.00* 1,409,391 126,670	2.00* 58,793 1,400,000	23.00* 1,468,184 1,526,670	* 2,818,782 253,340	2,877,575 1,653,340	« *
TOTAL OPERATING COST	1,536,061		1,536,061	1,536,061	1,458,793	2,994,854	3,072,122	4,530,915	47.48
BY MEANS OF FINANCING GENERAL FUND	21.00* 1,536,061	*	21.00* 1,536,061	21.00* 1,536,061	2.00* 1,458,793	23.00* 2,994,854	* 3,072,122	* 4,530,915	· *
CAPITAL INVESTMENT PLANS					1,500,000	1,500,000		1,500,000	
TOTAL CAPITAL COSTS			وود فالما فالما المالية	***************************************	1,500,000	1,500,000		1,500,000	100.00
BY MEANS OF FINANCING G.O. BONDS			!		1,500,000	1,500,000		1,500,000	
TOTAL POSITIONS TOTAL PROGRAM COST	21.00* 1,536,061	*	21.00* 1,536,061 ====================================	21.00* 1,536,061	2.00* 2,958,793 	23.00* 4,494,854	3,072,122	6,030,915	96.31

Program ID: BED 142

Program Structure Level: 01 01 04

Program Title: General Support for Economic Development

A. Program Objective

To enhance the program 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

- Request a reduction of \$46,982 for labor savings to collective bargaining agreements and Section 96 of Act 164, SLH 2011.
- Transfer of Economic Development Specialist V position #44791 and funds of \$76,351 from BED 120 to BED 142 to implement reorganization.
- 3. Add (1.00) position #912027 and funds of \$29,424 for a Personnel Clerk V.
- 4. Initiative to upgrade high schools for broadband \$1,000,000.
- 5. Initiative to upgrade e-gov for high speed \$400,000.
- 6. CIP request of \$1.5 million for the transpacific cable project.

C. Reasons for Request

1. Labor savings reduction of \$46,982 is necessary to reflect payroll costs under collective bargaining agreements and to restore a portion of the

- \$88.2 million in general funds cut from BUR 741, Retirement Benefits-State, in FY 13.
- 2. Transfer of Economic Development Specialist V position, #44791, and funds of \$76,351 from BED 120 to BED 142 to implement reorganization.
- 3. This position would perform HRMS personnel transactions, new employee processing, employee separations, leave auditing, processing of temporary assignments and other clerical type personnel functions of the department. Currently these tasks are performed by personnel professionals, managers, and clerical staff from other sections. Establishment of this position will result in greater program efficiency, reduced processing errors and will free up existing staff to perform their appointed tasks.
- With funding from public / private partnerships and the State, Hawaii will implement a statewide one to one computing initiative for all public school children.
- 5. e-Hawaii.gov high speed broadband initiative to facilitate higher eGovernment adoption throughout Hawaii.
- 6. CIP request of \$1.5 million for the transpacific cable project.

D. Significant Changes to Measures of Effectiveness and Program Size

Not applicable.

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

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PROGRAM ID:

BED-113

PROGRAM STRUCTURE NO: 0102

PROGRAM TITLE:

TOURISM

		FY 2012			FY 2013		BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	THAMTSULDA	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS			i i			j			
OPERATING	6.00*	*	6.00*	6.00*	*	6.00*	*	,k	* *
PERSONAL SERVICES OTH CURRENT EXPENSES	2,413,271 138,749,027		2,413,271	2,413,271 138,749,027	88,663-	2,324,608 138,749,027	4,826,542 277,498,054 	4,737,879 277,498,054	
TOTAL OPERATING COST	141,162,298		141,162,298	141,162,298	88,663-	141,073,635	282,324,596	282,235,933	.03-
BY MEANS OF FINANCING	at.	ur.	at I	at.		ابد	at.		t de
SPECIAL FUND	6.00* 141,162,298	*	6.00* 141,162,298	6.00* 141,162,298	* * 88,663-	6.00* 141,073,635	282,324,596	282,235,933	k *
TOTAL POSITIONS TOTAL PROGRAM COST	6.00* 141,162,298	*	6.00*	6.00* 141,162,298	* 88,663-	6.00*	282,324,596	282,235,933	.03-

Program ID: BED 113

Program Structure Level: 01 02

Program Title: Tourism

A. Program Objective

The objective of the Tourism program is to achieve a strong and sustainable tourism industry that values and perpetuates Hawaii's natural and cultural resources, honors Hawaii's people and heritage, and supports a vital economy.

B. Description of Request

- 1. Request a reduction of \$81,615 for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.
- 2. Request a reduction of \$7,048 for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.

C. Reasons for Request

- 1. The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements.
- 2. The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

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PROGRAM ID:

BED-120

PROGRAM STRUCTURE NO: 010501

PROGRAM TITLE:

PROGRAM ON ENVIRONMENT & ENERGY DEVELOPMENT

IRRENT		DECOMMEND						
PPKN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
		i		-	i -	Additional and the control and		
		~						
13.00*	*	13.00*	13.00*	-8.00*	5.00*	*	*	*
4,890,424		4,890,424	4,536,161	511,197-	4,024,964	9,426,585	8,915,388	
0,535,456		10,535,456	5,066,049	81,496-	4,984,553	15,601,505	15,520,009	
5,425,880		15,425,880	9,602,210	592,693-	9,009,517	25,028,090	24,435,397	2.37-
		•			,			
3.00*	*	3.00∗¦	3.00*	~3.00*	*!	*	*	*
,			305,176	305,176-		610,352	305,176	
	*	·	_	*		*	*	*
					4,276,655	8,370,600	8,361,955	
	*				*	*	*	*
4,952,266		4,952,266	4,952,266	278,872-	4,673,394	9,904,532	9,625,660	
*	*	*	*	*	*	*	*	*
6,083,138		6,083,138 ;	59,468		59,468 ;	6,142,606	6,142,606	
13.00*	*	13.00*	13.00*	-8.00*	5.00*			
5,425,880 ===================================		15,425,880	9,602,210	592,693- 	9,009,517	25,028,090	24,435,397	2.37-
	4,890,424 10,535,456 	13.00* * 4,890,424 10,535,456	13.00*	13.00*	13.00*	13.00*	13.00*	13.00*

Program ID: BED 120

Program Structure Level: 01 05 01

Program Title: Environment and Energy Development

A. Program Objective

Focus on implementing the clean energy objectives articulated in the Hawaii Clean Energy Initiative (HCEI) road map, concentrating on near and mid-term opportunities to accelerate renewable energy development and energy efficiency, while emphasizing economic innovation and analytic merit.

B. Description of Request

- Request a reduction of \$7,456 (MOF A), \$8,645 (MOF B), \$38,901 (MOF N) for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.
- Transfer Economic Development Specialist V, SR24, #32403 and funds of \$73,428 to BED 100/SM to implement the reorganization - MOF "A"
- Transfer Ocean Resources Development Mgr, EM05, #35798 and funds of \$66,445 to BED 105/CI to implement the reorganization - MOF "A"
- 4. Transfer of Economic Development Specialist V position #44791 and funds of \$76,351 to BED 142/AA to implement reorganization MOF "A"
- 5. Transfer program support of \$81,496 to the Office of Aerospace Industries (BED 128/OA) MOF "A"

 To correct five (5) duplicate positions: Energy Conservation Program Manager, EM05, #12697; Secretary II, SR14F, #26796, Secretary III, SR16, #25303, Energy Program Administrator, ES03, #34060, Research Statistician V, SR24, #28248, MOF "N"

C. Reasons for Request

- The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements and to restore a portion of the \$88.2 million in general funds cut from BUF 741, Retirement Benefits -State, in FY 13. (MOF A) The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements. (MOF B, N)
- 2. Transfer position #32403 to SMSD to align positions within Department's reorganization
- Transfer position #35798 to CID to align positions within Department's reorganization
- 4. Transfer position #44791 to ASO to align positions within Department's reorganization
- 5. Transfer of \$81,496 provides program support to BED 128/OA.
- 6. To correct duplicate positions MOF "N"
- D. Significant Changes to Measures of Effectiveness and Program Size

None.

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

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PROGRAM ID: PROGRAM STRUCTURE NO: 010502

BED-143

PROGRAM TITLE:

HIGH TECHNOLOGY DEVELOPMENT CORPORATION

		FY 2012			FY 2013	! -	BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS			 						
OPERATING PERSONAL SERVICES	3.00* 1,489,802	*	3.00*¦ 1,489,802 ¦	3.00* 1.489.802	* 60,534-	3.00* 1,429,268	* 2,979,604	* 2,919,070	*
OTH CURRENT EXPENSES	10,336,976		10,336,976	10,336,976	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	10,336,976	20,673,952	20,673,952	
TOTAL OPERATING COST	11,826,778		11,826,778	11,826,778	60,534-	11,766,244	23,653,556	23,593,022	. 26-
BY MEANS OF FINANCING						1			
GENERAL FUND	1.50* 1,049,658	*	1.50* 1.049,658	1.50* 1,049,658	* 11,642-	1.50* 1.038.016	* 2,099,316	* 2,087,674	*
GENERAL 1 GND	1.50*	*	1.50*	1,049,058	*	1.50*	2,099,316 *	2,007,014	*
SPECIAL FUND	3,755,410		3,755,410	3,755,410	18,664-	3,736,746	7,510,820	7,492,156	
ATUED FED FUNDS	*	*	*	*	*	*	*	*	*
OTHER FED. FUNDS REVOLVING FUND	5,521,710 1,500,000		5,521,710 1,500,000	5,521,710 1,500,000	30,228-	5,491,482 1,500,000	11,043,420 3,000,000	11,013,192 3,000,000	
CAPITAL INVESTMENT									
PLANS	25,000		25,000			}	25,000	25,000	
DESIGN	69,000		69,000			 	69,000	69,000	
CONSTRUCTION EQUIPMENT	200,000 440,000		200,000 440,000			į	200,000	200,000	
EQUIPMENT	440,000	de front from all-th bridge about don't from word from all the same same same same	440,000				440,000	440,000	
TOTAL CAPITAL COSTS	734,000 ==================================		734,000				734,000	734,000	
BY MEANS OF FINANCING SPECIAL FUND	734,000		734,000			. 1	734,000	734,000	
TOTAL POSITIONS	3.00*	*	3.00*	3.00*	*	3.00*	0. 003 556	a	
TOTAL PROGRAM COST	12,560,778		12,560,778	11,826,778	60,534-	11,766,244	24,387,556	24,327,022	. 25-

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 resources to benefit the commercial sector; 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; utilize facilities and infrastructure in Hawaii to foster commercial technology development; and promote and provide support for businesses involved in areas including but not limited to: information & telecommunication technology, biotechnology, medical healthcare technology, renewable energy and clean tech and earth/ocean/space science technologies.

B. Description of Request

Request a reduction of \$11,642 (MOF A), \$18,664 (MOF B), and \$30,228 (MOF N) for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.

C. Reasons for Request

The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements and to restore a portion of the \$88.2 million in general funds cut from BUF 741, Retirement Benefits - State, in FY 13. (MOF A)

The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements. (MOF B and N)

D. Significant Changes to Measures of Effectiveness and Program Size

There are no anticipated significant changes to Measures of Effectiveness and Program Size.

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

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PROGRAM ID:

BED-145

PROGRAM STRUCTURE NO: 010503

PROGRAM TITLE:

HAWAII STRATEGIC DEVELOPMENT CORPORATION

		FY 2012			FY 2013		BIENNI	UM TOTALS	
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS			·	·					
OPERATING	*	*	*	*	*	* [*	*	*
PERSONAL SERVICES OTH CURRENT EXPENSES	146,906 6,680,366		146,906	146,906 6,680,366	65,916	212,822 6,680,366	293,812 13,360,732	359,728 13,360,732	
TOTAL OPERATING COST	6,827,272		6,827,272	6,827,272	65,916	6,893,188	13,654,544	13,720,460	.48
BY MEANS OF FINANCING SPECIAL FUND	2,608,516		2,608,516 ¦	2,608,516		2,608,516	5,217,032	5 217 A22	
REVOLVING FUND	4,218,756	*	4,218,756	2,008,516 * 4,218,756	* 65,916	4,284,672	8,437,512	5,217,032 * 8,503,428	*
TOTAL POSITIONS	*	*	- 12 · 1	str.	*	ابد			
TOTAL PROGRAM COST	6,827,272		6,827,272	6,827,272	65,916 	6,893,188	13,654,544	13,720,460	, . 48

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 infrastructure development support for venture capital.

B. Description of Request

- 1. Request a reduction of \$4,977 for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.
- HSDC is not seeking to implement new programs, but to restore administrative support for its existing investment program. HSDC is seeking to restore one full time position that was eliminated in a previous reduction in force. HSDC is funded by its revolving fund and no new general funds will be required. Position #912026 and funds of \$70,893, MOF W.

C. Reasons for Request

- 1. The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements.
- 2. HSDC is currently staffed by one person. Historically, this operation was supported by an assistant and much of the portfolio management work was performed by a private sector investment management services company. However, the investment management services company resigned and HSDC is now directly managing its portfolio. The assistant

position was eliminated in a previous reduction in force even though the reduction had no impact on the general fund.

HSDC has undertaken efforts to attract additional resources to support its investment activity and recently received \$13 million to implement a venture capital investment program. There will be other opportunities to attract additional resources, but the one employee's time needs to be leveraged more efficiently. There are non-general funds to support an additional position, but the position first needs to be restored.

D. Significant Changes to Measures of Effectiveness and Program Size

HSDC recently received a \$13 million allocation from the US Department of Treasury to implement a venture capital investment program. This significantly adds to the volume of activity currently performed by the one employee of HSDC.

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

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PROGRAM ID:

BED-146

PROGRAM STRUCTURE NO: 010504

PROGRAM TITLE:

NATURAL ENERGY LAB OF HAWAII AUTHORITY

		FY 2012			FY 2013		BIENNIU	JM TOTALS	
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND. APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS			i			; -			
OPERATING PERSONAL SERVICES	* 2,248,418	*	* ¹ 2,248,418	* 2,248,418	* 90,043	* 2,158,375	* 4,496,836	* 4,406,793	*
OTH CURRENT EXPENSES MOTOR VEHICLES	15,350,907		15,350,907	15,350,907	35,000- 35,000	15,315,907 35,000	30,701,814	30,666,814 35,000	
TOTAL OPERATING COST	17,599,325		17,599,325	17,599,325	90,043-	17,509,282	35,198,650	35,108,607	. 26-
BY MEANS OF FINANCING		w.	*	w	v	ايب	*	va.	· · · · · ·
	*	*	*	*	*	*!	*	*	*
SPECIAL FUND	7,672,917		7,672,917	7,672,917	57,88 3 -	7,615,034	15,345,834	15,287,951	
OTHER FED. FUNDS	9,926,408 *	*	9,926,408	* 9,926,408	* 32,160-	* 9,894,248	* 19,852,816	* 19,820,656	*
CAPITAL INVESTMENT	2 500 000		2 500 000 1				2 500 000	2 522 222	
CONSTRUCTION	3,500,000		3,500,000			!	3,500,000 	3,500,000	
TOTAL CAPITAL COSTS	3,500,000		3,500,000				3,500,000	3,500,000	
BY MEANS OF FINANCING G.O. BONDS	3,500,000		3,500,000 ¦			!	3,500,000	3,500,000	
TOTAL POSITIONS TOTAL PROGRAM COST	21,099,325	*	21,099,325	* 17,599,325 	* 90,043-	17,509,282	38,698,650	38,608,607	.23-

Program ID: BED 146

Program Structure Level: 01 05 04

Program Title: Natural Energy Laboratory of Hawaii Authority

A. Program Objective

The mission of the Natural Energy Laboratory of Hawaii Authority (NELHA) is to participate in the development and diversification of 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. This is achieved through marketing, managing and operating facilities that provide sites and resources to support the research, development and commercialization of innovative technologies utilizing the natural resources available at Keahole Point, such as the cold deep seawater, warm surface seawater, and high solar energy. These technological advances have the potential to spin off new industry development, providing both local economic development as well as worldwide export potential.

B. Description of Request

- 1. Request a reduction of \$57,883 for NELHA and \$32,160 for CEROS for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.
- 2. Move \$35,000 from Other Current Expenses to Motor Vehicle: Replace a 1994 seven passenger van used to transport dignitaries and high profile visitors around and within NELHA's 870 acre facility. The

van is also used to transport directors to and from the airport for board meetings.

C. Reasons for Request

- 1. The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements.
- 2. Transfer of funding from cost element Other Current Expenses to Motor Vehicle. To be able to provide reliable transportation, to and around NELHA's 870 acre site for high profile visitors, dignitaries and board directors. NELHA's 1994 seven passenger van has exhausted its life expectancy and must be replaced. Due to its age, maintenance and repairs on the van have become costly and too frequent. Reliability and safety is also a concern.

D. Significant Changes to Measures of Effectiveness and Program Size.

There are no anticipated significant changes to Measures of Effectiveness and Program Size.

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

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PROGRAM ID:

BED-150

PROGRAM STRUCTURE NO: 010701

PROGRAM TITLE:

HAWAII COMMUNITY DEVELOPMENT AUTHORITY

		FY 2012			FY 2013		BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS			i						
OPERATING PERSONAL SERVICES OTH CURRENT EXPENSES	2.00* 436,818 650,000	*	2.00* 436,818 650,000	2.00* 436,818 650,000	* 14,799-	2.00* 422,019 650,000	* 873,636 1,300,000	858,837 1,300,000	*
TOTAL OPERATING COST	1,086,818		1,086,818	1,086,818	14,799-	1,072,019	2,173,636	2,158,837	.68-
BY MEANS OF FINANCING	*	址	* !	ı.	¥	*!	str.	st.	, u
REVOLVING FUND	2.00* 1,086,818	*	2.00* 1,086,818	2.00* 1,086,818	14,799-	2.00* 1,072,019	2,173,636	2,158,8 3 7	*
CAPITAL INVESTMENT PLANS DESIGN CONSTRUCTION	1,855,000		1,855,000	1,855,000	1,501,000 599,000 4,400,000	3,356,000 599,000 4,400,000	3,710,000	5,211,000 599,000 4,400,000	·
TOTAL CAPITAL COSTS	1,855,000	· 	1,855,000	1,855,000	6,500,000	8,355,000	3,710,000	10,210,000	175.20
BY MEANS OF FINANCING G.O. BONDS	1,855,000		1,855,000 ¦	1,855,000	6,500,000	8,355,000 ¦	3,710,000	10,210,000	
TOTAL POSITIONS TOTAL PROGRAM COST	2.00* 2,941,818	*	2.00* 2,941,818	2.00* 2,941,818	* 6,485,201	2.00* 9,427,019	5,883,636	12,368,837	110.22

Program ID: BED 150

Program Structure Level: 01 07 01

Program Title: Hawaii Community Development Authority

A. Program Objective

To implement a range of programs to carry out legislative mandates for the designated community development districts. Programs include: (1) planning and implementation to upgrade infrastructure systems and related assessment activities; (2) planning and regulatory functions in the administration of the plan and rules; (3) development of public facilities; (4) relocation program functions; and (5) development of State lands.

B. Description of Request

The budget request for Fiscal Year 2013 includes the following:

- 1. Request a reduction of \$14,799 (KA \$8,194 and KL \$6,605) (MOF: W) for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.
- 2. Addition of \$1,500,000 in general obligation bond funds for 690 Pohukaina Development Mixed Use Project, Kakaako, Oahu;
- 3. Addition of \$5,000,000 in general obligation bond funds for Kalaeloa East Energy Corridor, Kalaeloa, Oahu; and
- 4. Addition of \$1,250,000 in general obligation bond funds for Heeia Community Development District Plan & Rules.

C. Reasons for Request

- The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements.
- 2. The additional budget request of \$1,500,000 in general obligation bond funds for fiscal year 2013 is needed for preparation of transit oriented plan and rules overlay and environmental impact statement for the 690 Pohukaina Development Mixed Use project, Kakaako, Oahu. The project was approved by HCDA Authority on its special meeting held on October 26, 2011 and included as an element of the Governor's New Day Plan.
- 3. The additional budget request of \$5,000,000 in general obligation bond funds for fiscal year 2013 is needed for plans, design and construction of an electrical distribution system between Roosevelt and Tripoli Roads.
- 4. The additional budget request of \$1,250,000 in general obligation bond funds for fiscal year 2013 is needed for community development plan & rules, environmental impact assessment (EIS), technical studies pertaining to EIS, archaeological inventory survey, cultural impact assessment and other necessary technical studies. Act 210, Session Laws of Hawaii 2011, established Heeia Community Development District as HCDA's 3rd designated community development district.
- D. Significant Changes to Measures of Effectiveness and Program Size

None.

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

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PROGRAM ID:

BED-160

PROGRAM STRUCTURE NO: 0108

PROGRAM TITLE:

HAWAII HOUSING FINANCE AND DEVELOPMENT CORP

		FY 2012			FY 2013		- ! BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	THEMTSULDA	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS						; -	Notes Balla finish Miles arend shall delaw word bared course aren arend desaw aren		
			•						
OPERATING	31.00*	*	31.00*	31.00*	*	31.00*	*	×	* *
PERSONAL SERVICES	5,150,092		5,150,092	5,150,092	174,474-	4,975,618	10,300,184	10,125,710	
OTH CURRENT EXPENSES	33,325,427		33,325,427	33,325,427	·	33,325,427	66,650,854	66,650,854	
TOTAL OPERATING COST	38,475,519	======================================	38,475,519	38,475,519	174,474-	38,301,045	76,951,038	76,776,564	. 23-
BY MEANS OF FINANCING			,			· · · · · · · · · · · · · · · · · · ·			
OTHER FED. FUNDS	9,677,735		9,677,735	9,677,735		9,677,735	19,355,470	19,355,470	
TRUST FUNDS	21,923,698		21,923,698	21,923,698		21,923,698	43,847,396	43,847,396	
	31.00*	*	31.00*	31.00*	*	31.00*	*	*	*
REVOLVING FUND	6,874,086		6,874,086	6,874,086	174,474-	6,699,612	13,748,172	13,573,698	
CAPITAL INVESTMENT									
CONSTRUCTION	43,000,000		43,000,000	5,000,000	22,250,000	27,250,000	48,000,000	70,250,000	
TOTAL CAPITAL COSTS	43,000,000	=======================================	43,000,000	5,000,000	22,250,000	27,250,000	48,000,000	70,250,000	46.35
BY MEANS OF FINANCING			,			'			
G.O. BONDS	43,000,000		43,000,000	5,000,000	22,250,000	27,250,000 ‡	48,000,000	70,250,000	
TOTAL POSITIONS	31.00*	*	31.00*	31.00*	**	31.00*			
TOTAL PROGRAM COST	81,475,519		81,475,519	43,475,519	22,075,526	65,551,045	124,951,038	147,026,564	17.67
	werm====================================					======= ! =			

Program ID: BED 160

Program Structure Level: 01 08

Program Title: Hawaii Housing Finance and Development Corporation (HHFDC)

A. Program Objective

The HHFDC's objective is to support economic growth by preserving and increasing the supply of workforce and affordable housing.

B. Description of Request

- 1. Reduction of \$174,474 for labor savings pursuant to collective bargaining agreements and Section 164, SLH 2011.
- 2. Infusion of funds into the Dwelling Unit Revolving Fund to finance additional rental or for-sale housing statewide \$10,000,000 MOF C.
- Provide low-income housing tax credit loans to finance development or substantial rehabilitation of affordable rental housing - \$7,250,000 – MOF C.
- Infusion of funds into the Rental Housing Trust Fund \$5,000,000 MOF C.

C. Reasons for Request

- The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements and to restore a portion of the \$88.2 million in general funds cuts from BUF 741, Retirement Benefits – State, in FY 13.
- The HHFDC requests an infusion of additional funds to enable it to meet the demand for interim and permanent financing needed to partner with private developers and other government agencies to produce affordable housing statewide. The HHFDC anticipates the following imminent

- affordable development housing activities: \$16,103,000 interim construction loan for the Halekauwila Place affordable rentals project and \$25,000,000 bridge loan for Hale Mohalu II affordable rental project.
- 3. 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.
- 4. 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. \$15,000,000 has been appropriated for FY12 (\$10,000,000) and FY13 (\$5,000,000). However, without additional infusion of funds, the HHFDC will be limited in the funding of new affordable rental housing project applicants in the FY2013 competitive funding round.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

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PROGRAM ID:

PROGRAM TITLE:

BED-128

PROGRAM STRUCTURE NO: 0109

OFFICE OF AEROSPACE

		FY 2012			FY 2013		BIENNIU	JM TOTALS	
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS			j			· ·			
OPERATING PERSONAL SERVICES	* 78,984	ж	* [!] 78,984 [!]	* 78,984	. * 2,633-	* 76,351	* 157,968	* 155,335	*
OTH CURRENT EXPENSES	, 				81,496	81,496		81,496	
TOTAL OPERATING COST	78,984 		78,984	78,984	78,863	157,847	157,968 ====================================	236,831	49.92
BY MEANS OF FINANCING	3	ste.	ا بعد	ate.	at.	n.l			
GENERAL FUND	78,984	*	78,984	78,984	78,863	157,847 ¦	157,968	236,831	ж
TOTAL POSITIONS	*	*	*	*	*	* !			
TOTAL PROGRAM COST	78,984 ====================================	=======================================	78,984	78,984 	78,863	157,847	157,968	236,831	49.92

Program ID: BED 128

Program Structure Level: 01 09 Program Title: Office of Aerospace

A. Program Objective

The Hawaii Office of Aerospace Development (OAD) provides a focal point within State government to facilitate dialogue and coordination among Hawaii's government, private and academic sectors, and between Statebased entities and overseas organizations, both public and private, to promote the growth and diversification of Hawaii's aerospace industry.

B. Description of Request

- 1. Request a reduction of \$2,633 for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.
- 2. To provide baseline funding for OAD operations transfer funds from BED 120 SI \$81,496 (MOF-A).

C. Reasons for Request

- The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements and to restore a portion of the \$88.2 million in general funds cut from BUF 741, Retirement Benefits -State, in FY 13.
- 2. To provide baseline funding for OAD operations transfer funds from BED 120 SI \$81,496 (MOF-A).

D. Significant Changes to Measures of Effectiveness and Program Size

None.

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

PROGRAM ID:

BED-

PROGRAM STRUCTURE NO: 11

PROGRAM TITLE:

PROGRAM COSTS

GOVERNMENT-WIDE SUPPORT

CURRENT

APPRN

FY 2012 -FY 2013 ------ BIENNIUM TOTALS ---RECOMMEND CURRENT RECOMMEND CURRENT RECOMMEND PERCENT **ADJUSTMENT** APPRN **ADJUSTMENT** BIENNIUM APPRN APPRN BIENNIUM CHANGE 35.00* 35.00* 1.00* 36.00* 3,106,543 3,106,543 83,242-3,023,301 6,213,086 6,129,844 4,037,628 4,037,628 50,725 4,088,353 8,075,256 8,125,981

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EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

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PROGRAM ID:

BED-144

PROGRAM STRUCTURE NO: 11010302

PROGRAM TITLE:

STATEWIDE PLANNING & COORDINATION

		FY 2012		- Fridak 1804 rokes strike trade word word Ware to an arrange of the second strike trade with the secon	FY 2013		BIENNI	JM TOTALS	
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS			; ·			i -			
OPERATING	17.00*	*	17.00*	17.00*	*	17.00*	*	*	*
PERSONAL SERVICES OTH CURRENT EXPENSES	1,955,575 3,846,816		1,955,575 3,846,816	1,955,575 3,846,816	80,173- 50,725	1,875,402 3,897,541	3,911,150 7,693,632	3,830,977 7,744,357	
TOTAL OPERATING COST	5,802,391		5,802,391	5,802,391	29,448-	5,772,943	11,604,782	11,575,334	. 25-
BY MEANS OF FINANCING						·			
	12.00*	本	12.00*	12.00*	*	12.00*	*	*	*
GENERAL FUND	1,110,081		1,110,081	1,110,081	30,634-	1,079,447	2,220,162	2,189,528	
	5.00*	*	5.00*¦	5.00*	*	5.00*¦	*	*	*
OTHER FED. FUNDS	2,692,310		2,692,310 ¦	2,692,310	1,186	2,693,496	5,384,620	5,385,806	
REVOLVING FUND	2,000,000		2,000,000	2,000,000		2,000,000	4,000,000	4,000,000	
TOTAL POSITIONS	17.00*	*	17.00*	17.00*	*	17.00*			
TOTAL PROGRAM COST	5,802,391 ====================================	4.00 00 14 14 00 14 16 16 16 16 16 16 16 16 16 16 16 16 16	5,802,391	5,802,391	29,448- 	5,772,943	11,604,782	11,575,334	. 25-

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 development of a policy planning and implementation framework; by undertaking comprehensive land use and coastal zone planning, management, and implementation; by facilitating intergovernmental planning coordination and cooperation; and by undertaking strategic and regional planning to address areas of critical State concerns related to social, economic or physical conditions and administering the statewide geographic information system.

B. Description of Request

- Labor savings adjustment of \$28,046.00 in BED144PL General funds is being requested per FM 11-16. Request a reduction of \$28,046.00 in BED144PL and \$2,588.00 in BED144PZ (MOF A), \$3,731.00 in BED144PL and \$45,808.00 in BED 144PZ (MOF N) for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.
- 2. Increase in Federal Fund ceiling of \$50,725 for BED 144PL is being requested.

C. Reasons for Request

 The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements and to restore a portion of the \$88.2 million in general funds cut from BUF 741, Retirement Benefits -State, in FY 13. (MOF A) The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements. (MOF B and N)

 Request an increase of \$50,725 in the Federal Fund ceiling to appropriate funds for Economic Development Administration (EDA) grants including grants for strategies in agricultural self-sufficiency and business recovery from natural disasters.

D. Significant Changes to Measures of Effectiveness and Program Size

There are no significant changes to the established measures of effectiveness and program size. However, the increase in the Federal Fund ceiling will increase program effectiveness in preparing and completing planning studies in the areas funded by EDA grant funds.

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

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PROGRAM ID:

BED-103

PROGRAM STRUCTURE NO: 11010303

PROGRAM TITLE:

STATEWIDE LAND USE MANAGEMENT

		FY 2012			FY 2013		BIENNI	UM TOTALS	
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS				·		;			
OPERATING PERSONAL SERVICES OTH CURRENT EXPENSES	5.00* 344,104 144,667	*	5.00* 344,104 144,667	5.00* 344,104 144,667	* 11,471-	5.00* 332,633 144,667	* 688,208 289,334	676,737 289,334	*
TOTAL OPERATING COST	488,771		488,771	488,771	11,471-	477,300	977,542	966,071	1.17-
BY MEANS OF FINANCING GENERAL FUND	5.00* 488,771	*	5.00*¦ 488,771 ¦		* 11,471-	5.00* 477,300	* 977,542	966,071	*
TOTAL POSITIONS TOTAL PROGRAM COST	5.00* 488,771 	*	5.00* 488,771	5.00* 488,771 =======	* 11,471-	5.00* 477,300 ======	977,542	966,071	1.17-

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 (HRS), as amended.

B. Description of Request

Request a reduction of \$11,471 for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.

C. Reasons for Request

The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements and to restore a portion of the \$88.2 million in general funds cut from BUF 741, Retirement Benefits - State, in FY 13.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

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PROGRAM ID:

BED-130

PROGRAM STRUCTURE NO: 11010304

PROGRAM TITLE:

ECONOMIC PLANNING & RESEARCH

		FY 2012			FY 2013		BIENN	IUM TOTALS	
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT Apprn	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS						i			
OPERATING	13.00*	*	13.00*	13.00*	1.00*		*	k	* *
PERSONAL SERVICES OTH CURRENT EXPENSES	806,864 46,145		806,864 46,145	806,864 46,145	8,402	815,266 46,145	1,613,728 92,290	1,622,130 92,290	
TOTAL OPERATING COST	853,009		853,009	853,009	8,402	861,411	1,706,018	1,714,420	.49
BY MEANS OF FINANCING			1						
GENERAL FUND	13.00* 853,009	*	13.00* 853,009	13.00* 853,009	1.00* 8,402	14.00* 861,411	1,706,018	1,714,420	* *
TOTAL POSITIONS	13.00*	*	20100.	13.00*	1.00*	14.00*			
TOTAL PROGRAM COST	853,009		853,009	853,009	8,402	861,411	1,706,018	1,714,420	. 49

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 planning and development of the state by providing analyses, forecasts and policy recommendations; conducting and reporting on basic research into the State's economy, compiling and publishing data on Hawaii's emerging industry, business activity, the economy, and demographic characteristics; and maintaining a statewide statistical reporting system.

B. Description of Request

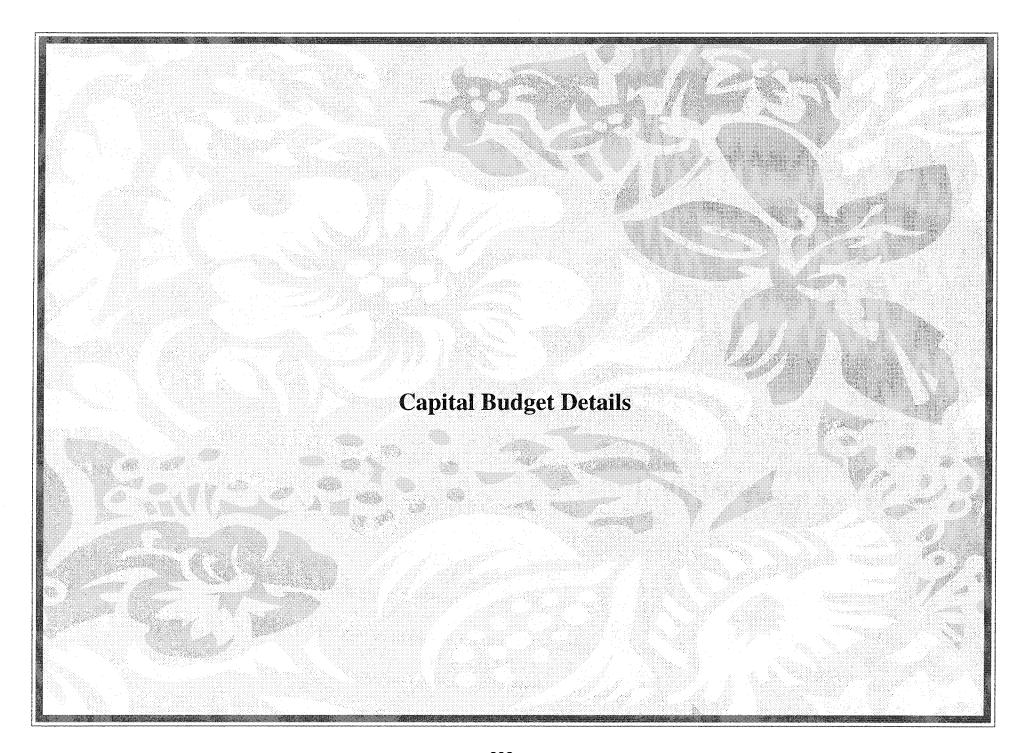
- Request a reduction of \$26,897 for labor savings pursuant to collective bargaining agreements and Section 96 of Act 164, SLH 2011.
- 2. Transfer of Secretary II Position #25304 and funds of \$35,299 from BED 100 to implement the reorganization.

C. Reasons for Request

- The labor savings reduction is necessary to reflect payroll costs under current collective bargaining agreements and to restore a portion of the \$88.2 million in general funds cut from BUF 741, Retirement Benefits -State, in FY 13.
- 2. Transfer of Secretary II Position #25304 and funds from BED 100 to implement the reorganization.

D. Significant Changes to Measures of Effectiveness and Program Size

There are no anticipated significant changes to Measures of Effectiveness.



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PROGRAM ID

BED-105

PROGRAM STRUCTURE NO. 010102

PROGRAM TITLE

CREATIVE INDUSTRIES DIVISION

				FY 2012						
PROJECT Number 	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	CURRENT APPRN	ADJUSTMENT	RECOM APPRN	CURRENT APPRN	THAMTSULDA	RECOM APPRN
CIDOO1		9TH R	MAMATT ETII	M STUDIO, VARIOUS IM	BOVEMENTS		1			
.10001		JIH K	(PHASE 1),		-ROVEMENTS					
				DESIGN	•		 		345	34
				CONSTRUCTION			!		3,105	3,10
				TOTAL			!		3,450	3,450
				G.O. BONDS			ii e		3,450	3,450
			PROGRAM TO	rals						
				PLANS			! !			
				DESIGN					345	345
				CONSTRUCTION EQUIPMENT			1		3,105	3,105
				TOTAL			ĺ		3,450	3,450
				G.O. BONDS					3,450	3,450

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PROGRAM ID

BED-142

PROGRAM STRUCTURE NO. 010104

PROGRAM TITLE

GENERAL SUPPORT FOR ECONOMIC DEVELOPMENT

						FY 2012			FY 2013	
PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	CURRENT Apprn	ADJUSTMENT	RECOM APPRN	CURRENT APPRN	ADJUSTMENT	RECOM APPRN
BED100			TRANSPACIF	IC CABLE PROJECT, ST	ATEMIDE					
				PLANS					1,500	1,500
				TOTAL			 		1,500	1,500
				G.O. BONDS			!		1,500	1,500
			PROGRAM TOT	TALS						*
				PLANS DESIGN CONSTRUCTION					1,500	1,500
				TOTAL			i		1,500	1,500
				G.O. BONDS			 		1,500	1,500

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PROGRAM ID

PROGRAM TITLE

BED-150

PROGRAM STRUCTURE NO. 010701

HAWAII COMMUNITY DEVELOPMENT AUTHORITY

						FY 2012	!		FY 2013	
PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	CURRENT APPRN	ADJUSTMENT	RECOM APPRN	CURRENT APPRN	ADJUSTMENT	RECOM APPRN
KA008		12TH R		STREET MIXED USE TRAI NT PROJECT, KAKAAKO, (
				PLANS LAND DESIGN CONSTRUCTION					1,500	1,500
				TOTAL					1,500	1,500
				G.O. BONDS			Į į		1,500	1,500
KL006		19TH R	KALAELOA E	EAST ENERGY CORRIDOR,	KALAELOA, OAHI	J	1			
				PLANS DESIGN CONSTRUCTION					1 599 4,400	1 599 4,400
				TOTAL	·		1		5,000	5,000
				G.O. BONDS			<u> </u>		5,000	5,000
 HCD001		12TH R		MUNITY DEVELOPMENT AU DEVELOPMENT DISTRICTS						
				PLANS LAND DESIGN CONSTRUCTION	1,855		1,855	1,855		1,855
				TOTAL	1,855		1,855	1,855		1,855
				GENERAL FUND G.O. BONDS	1,855		1,855	1,855		1,855

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PROGRAM ID

BED-150

PROGRAM STRUCTURE NO. 010701

PROGRAM TITLE

HAWAII COMMUNITY DEVELOPMENT AUTHORITY

				FY 2012			FY 2013			
PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	CURRENT APPRN	ADJUSTMENT	RECOM APPRN	CURRENT APPRN	ADJUSTMENT	RECOM APPRN
			PROGRAM TO	DTALS			# E			
				PLANS LAND DESIGN CONSTRUCTION EQUIPMENT	1,855		1,855	1,855	1,501 599 4,400	3,356 599 4,400
				TOTAL	1,855		1,855	1,855	6,500	8,355
				GENERAL FUND G.O. BONDS REVENUE BONDS OTHER FED. FUNDS REVOLVING FUND	1,855		1,855	1,855	6,500	8,355

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PROGRAM ID

BED-160

PROGRAM STRUCTURE NO. 0108

PROGRAM TITLE

HAWAII HOUSING FINANCE AND DEVELOPMENT C

						FY 2012		FY 2013		
PROJECT NUMBER	PRIORITY NUMBER	LOCATION	PROJECT TITLE	COST ELEMENT/MOF	CURRENT APPRN	ADJUSTMENT	RECOM APPRN	CURRENT APPRN	ADJUSTMENT	RECOM APPRN
HFDC04			RENTAL HOU	USING TRUST FUND INFUS	SION, STATEMID	E	<u> </u>			
				CONSTRUCTION	10,000	_	10,000	5,000	5,000	10,000
				TOTAL	10,000		10,000	5,000	5,000	10,000
				G.O. BONDS	10,000		10,000	5,000	5,000	10,000
HFDC05			DWELLING L	UNIT REVOLVING FUND IN	FUSION,		 			
				CONSTRUCTION			į		10,000	10,000
				TOTAL			1		10,000	10,000
				G.O. BONDS			!		10,000	10,000
HFDC06		12TH R	SENIOR RESIDENCE AT IMILEI, OAHU							
				CONSTRUCTION	26,000		26,000			
				TOTAL	26,000		26,000			
				G.O. BONDS	26,000		26,000 }			
P11003			LOW-INCOME STATEWIDE	HOUSING TAX CREDIT L	OANS,]			And distributed during uniong sparent course program
				CONSTRUCTION	7,000		7,000		7,250	7,250
				TOTAL	7,000		7,000		7,250	7,250
				G.O. BONDS	7,000		7,000		7,250	7,250

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PROGRAM ID

BED-160

PROGRAM STRUCTURE NO. 0108

PROGRAM TITLE

HAWAII HOUSING FINANCE AND DEVELOPMENT C

PROJECT NUMBER	PRIORITY NUMBER				FY 2012		FY 2013		
		LOCATION	PROJECT TITLE	COST ELEMENT/MOF	CURRENT APPRN ADJUSTMENT	RECOM APPRN	CURRENT APPRN A	ADJUSTMENT	RECOM APPRN

			PROGRAM TO	DTALS					
				LAND DESIGN CONSTRUCTION	43,000	43,000	5,000	22,250	27,250
				TOTAL	43,000	43,000	5,000	22,250	27,250
				G.O. BONDS REVOLVING FUND	43,000	43,000	5,000	22,250	27,250